



Board Charter

1 Overview

This Charter summarises the role and responsibilities of the Board of Directors of Agrimin Limited (“the Company”) and the way in which the Board operates and is structured.

2 Role of the Board

The Board’s key objectives are to:

- a) Increase shareholder value within an appropriate framework which safeguards the rights and interests of the Company’s shareholders; and
- b) To ensure the Company is properly managed.

In carrying out these objectives the Board recognises its overriding duty to act honestly, fairly, diligently and in accordance with the law.

3 Responsibility of the Board

The management and control of the business of the Company is vested in the Board. The Board’s primary responsibility is to oversee the Company’s business activities and management for the benefit of its shareholders. The Board also recognises its responsibilities to the Company’s employees, the environments and communities in which it operates and where appropriate, other stakeholders. The Board strives to create shareholder value and ensure that shareholders’ funds are prudently safeguarded.

The key responsibilities of the Board include:

- Development of corporate objectives and strategy with management and approving plans, new investments, major capital and operating expenditures and major funding activities proposed by management;
- Monitoring actual performance against defined performance expectations and reviewing operating information to understand at all times the state of the health of the Company;
- Appointing, evaluating, rewarding and if necessary the removal of key management personnel;
- Evaluating the performance of key management personnel;
- Overseeing the management of business risks, safety and occupational health, environmental issues and community development;
- Satisfying itself that the financial statements of the Company fairly and accurately set out the financial position and financial performance of the Company for the period under review, including approval of the annual, half yearly and quarterly reports;
- Satisfying itself that there are appropriate reporting systems and controls in place to assure the Board that proper operational, financial, compliance, risk management and internal control processes are in place and functioning appropriately;
- Ensuring that appropriate audit arrangements are in place;
- Ensuring that the Company acts legally and responsibly on all matters; and
- Reporting to and advising shareholders.

Although there is a clear division between the responsibilities of the Board and management, the Board is responsible for ensuring that management's objectives and activities are aligned with the expectations and risks identified by the Board. The Board has a number of mechanisms in place to ensure that this is achieved. These mechanisms include the following:

- The Board oversees the strategic direction of the Company;
- The Board approves all budgets;
- The Board is to receive detailed Board papers as requested showing the performance of all aspects of the Company compared to Budget;
- Procedures are in place to allow any director to seek external professional advice as considered necessary, at the Company's expense;
- In the event that a potential conflict of interest may arise, directors involved withdraw from deliberations concerning the matter; and
- The Board gives consideration to the impact of the Company's activities on the environment and wider community, safety and security and occupational health of all personnel.

4 Responsibilities of Key Management Personnel

Key management personnel are responsible for supporting executive directors and to assist executive directors implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

5 Board Structure

5.1 Board Composition

The Board shall, as a preference, consist of:

- A minimum of three directors, with a broad range of business expertise;
- The Chairman must be non-executive;
- A majority of non-executive directors;
- At least one member with appropriate technical and commercial skills relevant to the minerals industry.

5.2 The Chairman

The Chairman is responsible for the leadership of the Board, for the efficient organisation and conduct of the Board's function and for briefing all directors in relation to issues arising at Board meetings.

Where the Chairman is not an independent director, The Company will appoint a lead independent director. The lead independent director will take over the role of the Chairman when the Chairman is unable to act in that capacity as a result of his lack of independence.

5.3 Executive Directors

Executive directors are responsible for running the affairs of the Company under delegated authority from the Board and to implement the policies and strategy set by the Board. In carrying out these responsibilities executive directors must report to the Board in a timely manner and ensure all reports to the Board present a true and fair view of the Company's financial condition and operational results.

5.4 Non-Executive Directors and/or Independent Directors

The Board is responsible for determining if a non-executive director is independent by reference to Box 2.3 of the ASX Corporate Governance Council Principles and Recommendations. The Board will review the independence of directors on a regular basis.

The independent directors may meet without other directors present, if appropriate.

5.6 Company Secretary

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. The Company Secretary is responsible for advising the Board on governance matters, ensuring correct Board policy and procedure is followed, coordinating the preparation and dispatch of Board papers, taking accurate minutes that reflect the business discussed at meetings and facilitating the professional development of directors.

The Company Secretary will facilitate appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their roles as directors effectively. The Company Secretary will distribute any appropriate training opportunities at Board meetings.

5.7 Term

The Board has not adopted a tenure policy. In accordance with the Constitution of the Company, no director (except a Managing Director, of which the Company currently does not have) shall hold office for a continuous period in excess of three years or past the third annual general meeting following the director's appointment, whichever is the longer, without submitting for re-election.

The Company will provide shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.

5.8 Nomination

Candidates for Board positions shall be nominated to the Board for consideration. In selecting new members for the Board, directors shall have regard to the appropriate skills and characteristics needed by the Board as a whole. The directors shall endeavour to appoint individuals who would provide the mix of director characteristics and diverse experiences, perspectives and skills appropriate for the Company.

The Company will undertake appropriate checks on any new director to determine if they are fit for the role including checks as to the person's character, experience, education, criminal record and bankruptcy history.

New directors are provided with a letter of appointment which sets out the key terms and conditions of their appointment.

Furthermore, the Company Secretary will provide new directors with an induction program designed to familiarise the new director with the operations of the Company and their obligations so that they may perform their role as director effectively.

5.9 Remuneration

The Board is responsible for reviewing and recommending remuneration policies which are designed to evaluate and enhance Board, director and executive performance. This includes:

The Remuneration and Nomination Committee is responsible for:

- Determining the appropriate compensation arrangements for the directors and key management personnel;
- Determining the executive remuneration policy;
- Reviewing equity based plans;
- Reviewing the appropriateness of the size of the Board relative to its various responsibilities and where necessary identifying the need to change the composition of the Board;
- Reviewing the overall composition of the Board and Board Committees, taking into account factors such as:
 - Expertise of each Board member;
 - Business experience and integrity;
 - Skills and breadth of experience;
 - Knowledge about the Company's business or industry; and
 - Willingness to devote time and effort to the Board.

5.10 Board Committees

The Company does not currently have any committees as it considers that, given the current size and scope of activities, the whole Board should oversee key decisions.

6 Access to Advice

The Board or individual directors may seek independent professional advice (including but not limited to legal, accounting and financial advice) at the Company's expense on any matter connected with the discharge of his or her responsibilities, subject to prior consultation with the Chairman. A copy of any such advice received is made available to all members of the Board.

All directors have unrestricted access to Company records and information except where the Board determines that such access would be adverse to the Company's interests.

All directors may consult management and employees as required to enable them to discharge their duties as directors.

7 Performance Evaluation

The Board believes that regular assessment of the Board's effectiveness and the contribution of individual directors is essential to improve governance.

7.1 Board

On an annual basis the Board will evaluate and review:

- a) The performance of the Board against the requirements of the Board Charter;
- b) The mix of skills and experience of the Board;
- c) The performance of the Board's Committees; and
- d) The Board Charter to ensure it remains relevant to the Company's activities.

The method and scope of the performance evaluation will be set by the Board and may be formal or informal in nature.

7.2 Directors

The Chairman is responsible for the performance appraisal of directors and will amongst other things evaluate and review individual directors':

- a) Contribution to the Board;
- b) Availability for and attendance at Board meetings and other events;
- c) Contribution to Company strategy; and
- d) Knowledge of the Company's operations.

7.3 Executives

The Board is responsible for the performance appraisal of executive directors and will amongst other things evaluate and review individual executive directors':

- a) Contribution to Company strategy;
- b) Achievement of key operational goals and strategic objectives; and
- c) Development of staff.

Reviews are carried out annually and may be formal and informal in nature.

8 Review of Board Charter

The Board will review this charter on an annual basis to ensure they remain consistent with the Board's objectives and responsibilities and relevant standards of good corporate governance.