

## **St Barbara Limited Board Charter**

This Charter sets out the role and key responsibilities of the Board of Directors of St Barbara Limited and underpins a responsible governance process which is conducive to:

- wealth creation for shareholders;
- advancement for employees;
- fostering compliance with statutory and legal obligations;
- providing effective risk management.

### **1. The Role of the Board**

1.1 The role of the Board is to:

- a) Protect and enhance shareholder value and be accountable to shareholders for performance of the Company;
- b) Approve the Company's strategic direction and oversee the business and activities of the Company;
- c) Provide Management with guidance and oversight; and
- d) Foster a culture of good overall governance.

1.2 In performing its role, the Board at all times shall endeavour to act:

- a) In a manner designed to achieve business success and create and continue to build long term value for shareholders;
- b) Recognising its overriding responsibility to act honestly, fairly and ethically in serving the interests of the Company, its shareholders, employees, and as appropriate, other stakeholders; and
- c) In accordance with the duties and obligations imposed upon Directors by this Charter and the Company's Constitution and applicable law.

### **2. Board Composition and Delegation of Authority**

2.1 The Board shall determine the size and composition of the Board from time to time subject to the approval of shareholders in general meeting and the Company's Constitution.

2.2 The Board shall comprise Directors with an appropriate balance of skills, expertise and experience to ensure there is an effective Board.

2.3 Each Director is bound by the Company's Code of Conduct, charters and policies, including without limitation, the Company's policy on trading in securities and its continuous disclosure policy.

2.4 The Board may establish committees to assist and advise the Board in carrying out its responsibilities. Each committee established shall have a formal charter setting out its function, responsibilities and manner of administration. The Board may also establish ad hoc committees, from time to time, to examine issues or facilitate specific outcomes.

- 2.5 The Board has delegated the day to day operation and management of the Company's business to the Managing Director & CEO. The Managing Director & CEO is accountable to the Board for the Company's performance.
- 2.6 The Chairman is responsible for leadership of the Board, the efficient organisation and conduct of the Board's functions and responsibilities, ensuring there is effective communication with shareholders and other stakeholders, and liaison between the Board and Management.
- 2.7 The Chairman will lead a review of the performance of the Board and Board Committees (if appropriate, with the assistance of an external consultant) on a regular basis.

### **3. Independence**

- 3.1 The Board shall comprise a majority of independent Non Executive Directors. The Chairman shall also be an independent Non Executive Director.
- 3.2 The Board will regularly assess prevailing legal requirements and market expectations regarding independence.
- 3.3 Each independent Director of the Company must regularly provide to the Board all information regarding his or her interests that is relevant to his or her independence as a Non Executive Director of the Company.

### **4. Conflicts of Interest**

- 4.1 Each Director has an obligation at Board meetings and concerning the Company generally, to reach decisions which he or she believes to be in the best interests of the Company, free of any actual or possible personal or other business related conflict of interest.
- 4.2 If a Director believes he or she has, or may have, a conflict of interest or duty in relation to a particular matter, the Director should immediately consult with the Chairman.
- 4.3 If the Board or a Director determines there is a reasonable possibility of conflict between a Director's personal or business interests, the interest of any associated person, or his or her duties to any other company on the one hand, and the interests of the Company or the Director's duties to the Company on the other hand, that Director shall:
  - a) Fully and frankly inform the Board about the circumstances giving rise to the conflict;
  - b) Abstain from voting on any motion relating to the matter; and
  - c) Absent himself or herself from all Board deliberations relating to the matter including receipt of Board papers pertaining to the matter, where appropriate.
- 4.4 If the Board resolves to permit a Director to have any involvement in a matter involving possible circumstances of conflicting interest, the Board must:
  - a) Record the full details of the basis of the determination and the nature of the conflict in the Minutes; and
  - b) Formally resolve to permit the relevant Director's involvement in the matter.

### 5. Meetings

- 5.1 The Directors may meet as and when they think fit and with an intention to meet formally at least six times per year.
- 5.2 The Company Secretary shall, in conjunction with the Chairman and Managing Director & CEO, settle agendas for and arrange meetings of the Board. Management is responsible for the preparation of papers to be presented to the Board.
- 5.3 In consultation with the MD & CEO, items for Board consideration may also be dealt with by a circulating resolution in accordance with the Company's Constitution.

### 6. Independent Advice

- 6.1 Any Director is entitled to seek independent professional advice at the Company's expense on any matter connected with the discharge of his or her responsibilities, in accordance with the procedure set out below:
  - a) The Director shall provide the Chairman with details of the nature of and reasons for the professional advice sought, the likely cost of seeking such independent professional advice and the details of the independent adviser he or she proposes to instruct.
  - b) The Chairman must approve of the independent adviser nominated by the Director.
  - c) The Chairman may prescribe a reasonable limit on the amount that the Company shall contribute towards the cost of obtaining the advice.
  - d) All documentation containing or seeking independent professional advice must clearly state that the advice is sought in relation to the Company and/or the Director in his or her capacity as a Director of the Company.
- 6.2 The Chairman shall decide if any advice received by an individual Director will be circulated to the remainder of the Board.

### 7. Responsibilities

The Board shall be responsible for the following matters:

#### 7.1 Strategy and Stewardship

- a) Working with Management to develop, approve and monitor the direction, strategies and financial objectives of the Company as it pursues the goal of delivering value for shareholders;
- b) Overall monitoring of the operations and financial position of the Company and its control and accountability systems;
- c) Approving any significant changes to the Company's business, strategy, funding arrangements or to the capital structure of the Company; and
- d) Approving annual budgets and programmes including any significant variations to them.

### 7.2 People and Succession Planning

- a) Appointing a Chairman;
- b) Appointing new Directors to fill a vacancy or as additional Directors;
- c) Appointing and removing the Managing Director & CEO;
- d) Ratifying the appointment or removal of personnel reporting directly to the Managing Director & CEO;
- e) Reviewing the performance of the Managing Director & CEO and monitoring the performance of his or her direct reports;
- f) Managing succession planning for the position of Managing Director & CEO and overseeing succession planning for his or her direct reports;
- g) Approving overall Company, Director and specific senior executive remuneration and related performance standards and their evaluation; and
- h) Monitoring organisational capability, accountability and diversity.

### 7.3 Risk Management

- a) Reviewing the management of significant risks facing the Company and approving a framework of prudent and effective controls to ensure that appropriate internal risk management controls and monitoring systems are in place to manage and to the extent possible, reduce the impact of such risks;
- b) Monitoring the Company's financial position;
- c) Monitoring Management's performance in endeavouring to ensure that all Company activities are conducted safely and in an environmentally responsible and sustainable manner;
- d) Procuring that appropriate resources are available for the Company in the pursuit of its objectives;
- e) Approving and monitoring the progress of significant capital expenditure, capital management, acquisitions and divestitures; and
- f) Monitoring compliance with significant legal and contractual obligations.

### 7.4 Governance and Supervision

- g) Establishing corporate governance and legal compliance systems (including the establishment of Board committees, their membership and delegated authorities) and monitoring compliance with those systems;
- h) Ensuring that an appropriate disclosure policy and processes are in place to procure that shareholders are kept informed on a timely basis in accordance with ASX listing requirements;
- i) Approving and monitoring budgets and, where necessary, approving financial and other reporting including in relation to Ore Reserve and Mineral Resource estimates;

- j) Monitoring and reviewing the Company's business performance including implementation of strategies and the delivery of budget outcomes;
- k) Reviewing the internal and external audit functions, and the integrity of external reporting by the Company; and
- l) Promoting the Company's Code of Conduct, values and high ethical standards throughout the Company in the conduct of its business activities.

### **8. Access to Board Charter**

8.1 This Charter shall be published on the Company's website.

### **9. Review**

9.1 This Charter shall be reviewed by the Board from time to time and can only be amended with the approval of the Board.

Date of original formal adoption                      October 2008

Date of this review    April 2016