

## Board Charter

### **Purpose**

The Board is responsible for the overall governance of Cyprium Metals Limited (CYM). This Board Charter (Charter) sets out the role, responsibilities, structure and processes of the Board of CYM.

### **Role and responsibilities of Board**

The Board is responsible for reviewing and approving CYM's strategic direction and for providing effective oversight of CYM's management. The Board will monitor CYM's compliance with its Constitution, from which it derives its authority to act, and with applicable legal and regulatory requirements.

In addition to matters required by law to be approved by the Board and to matters reserved to the Board in CYM's Constitution, the Board has reserved to itself the following specific responsibilities:

#### *Strategy*

- Reviewing and approving CYM's strategic direction, its business plan and budget, and significant strategic initiatives and plans;
- Reviewing and approving performance objectives consistent with CYM's strategy; and
- Monitoring implementation of plans to give effect to CYM's strategy;

#### *Governance and oversight of management*

- The appointment and, if appropriate, removal of the Chief Executive Officer and Executive Director (CEO), Chief Financial Officer (CFO) and Company Secretary (CoSec);
- Reviewing and approving material policies of CYM;
- Overseeing the integrity of the accounting and reporting systems, including the external audit;
- Overseeing processes in place for timely disclosure of all material price sensitive information;
- Ensuring an appropriate risk management framework is in place;
- Approving the remuneration framework; and
- Monitoring the effectiveness of corporate governance practices and approving the annual corporate governance statement.

#### *Board membership*

Approving, subject to CYM's Constitution:

- Changes to the composition, structure and size of the Board;
- The appointment of new Directors;
- Selection of the Chairperson;
- The formation and membership of any Committees; and
- The remuneration payable to non-executive Directors.

#### *Shareholders*

Approval of:

- Reports to Shareholders in accordance with the requirements of the Corporations Act and other relevant law;
- Resolutions and information for consideration at meetings of shareholders; and
- Policies to satisfy CYM's continuous disclosure obligations.

#### *Other stakeholders*

Approving and monitoring implementation of:

- Policies governing CYM's relationship with key stakeholders and the communities in which CYM operates; and
- Environmental, work, health and safety policies and compliance with applicable laws.

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### *Ethical and social responsibility*

- Monitoring CYM's culture, reputation and ethical standards;
- Considering the social, ethical and environmental impact of CYM's activities;
- Approving and maintaining a Code of Conduct to guide Directors and CYM's people in the practices necessary to maintain confidence in CYM's integrity; and
- Approving and monitoring compliance with a policy concerning the trading by Directors and CYM's people of shares in CYM.

### *Oversight of financial, operational and capital management*

- Approving annual and half-yearly financial accounts and reports, including the Director's Report and Remuneration Report;
- Overseeing any significant changes in accounting policies;
- Monitoring financial and operating results on an ongoing basis;
- Approving annual operating and capital budgets and any material changes to those budgets;
- Monitoring the effectiveness of CYM's accounting and financial management systems, including the external audit process;
- Approving material capital expenditure, material acquisitions and divestitures and material commitments that are in excess of limits delegated to the CEO by the Board;
- Approving decisions affecting CYM's capital, including capital structure, capital management initiatives and major financing arrangements; and
- Determining dividend policy, the amount, nature and timing of dividends to be paid to Shareholders and declaring dividends payable to Shareholders.

### *Auditors*

- Recommending to Shareholders for the appointment and removal of external Auditors; and
- Selecting and appointing external Auditors on an interim basis if a vacancy occurs.

### *Compliance and risk management*

Overseeing and monitoring the effectiveness of:

- CYM's control and accountability systems; and
- Policies, codes and procedures governing compliance, risk oversight and ethical conduct.

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### Membership and Directors' Obligations

The Directors will determine the Board size and composition, subject to the limits established by CYM's Constitution. The Board may appoint the CEO and any other executive as a Director. The number of Directors and the composition of the Board must at all times be appropriate to achieve efficient decision-making.

CYM will assess the appropriate mix of skills, knowledge, experience, expertise and diversity required on the Board from time to time to enable it to discharge its responsibilities and the extent to which the required skills are represented on the Board. The Board will also approve succession plans.

Non-executive Directors will be engaged by a letter of appointment setting out the terms and conditions of appointment. Directors will be expected to participate in any induction programs on appointment and continuing education.

Directors must retire from office in accordance with CYM's Constitution. Retiring Directors may be eligible for re-election. Before each Annual General Meeting, the Board (excluding the Director standing for re-election) will determine its recommendation to Shareholders on the re-election of the Director. The Board (excluding the Chairperson) will conduct the review of the Chairperson where the Chairperson is standing for re-election.

The Board will assess the independence of each Director on an ongoing basis. A Director is considered by CYM to be independent if the Director is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of CYM. When assessing the independent status of a Director, the Board considers the relationships potentially affecting the independent status of a Director as described in the ASX Corporate Governance Principles and Recommendations. The Board may determine that a Director is independent notwithstanding the existence of such a relationship, however, the Board will outline reasoning for its determination in these circumstances.

Directors must at all times act in accordance with legal and statutory requirements, and properly discharge all their duties as directors.

Directors are expected to avoid any action, position or interest that would conflict with an interest of CYM, or gives the appearance of a conflict. A Director that has a material personal interest in a matter that relates to the affairs of CYM must give the other Directors notice of such interest.

### Board Committees

The Board may delegate to Committees any of its responsibilities or functions, other than those which by law must be dealt with by the Board. Committees that are established by the Board will adopt charters setting out the authority, responsibilities, membership and operation the Committee.

Each Committee are to be comprised with a majority of independent non-executive Directors appointed by the Board based on skills and experience relevant to the needs of each Committee.

Each Committee shall report to the Board on the manner in which it is discharging its functions and responsibilities. Minutes of Committee meetings shall be prepared and circulated to all Directors.

All Directors are entitled to attend Committee meetings and to receive Committee papers.

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### Roles and responsibilities of Chairperson, CEO and CoSec

The Chairperson is an independent and non-executive Director appointed by the Board.

The Chairperson is responsible for:

- Leading the Board in reviewing and discussing Board matters;
- Chairing Board meetings and shareholder meetings;
- Ensuring effective communication with shareholders;
- Shaping the culture of openness and constructive challenge in the boardroom;
- Facilitating effective contribution by all Directors and monitoring Board performance;
- Reviewing corporate governance matters with the CoSec and reporting on those matters to the Board; and
- Maintaining constructive dialogue with the CEO and management.

The Board has delegated to the CEO the authority to manage CYM's day to day affairs and the authority to control CYM's affairs in relation to all matters other than those responsibilities reserved by the Board to itself, including in this Charter. The CEO has authority to sub-delegate to the Senior Management Team. Specific limits on the authority delegated to the CEO are set out in the Delegations of Authority Policy approved by the Board.

The CEO leads CYM's Senior Management Team and is accountable to the Board for CYM's overall management and performance. The CEO manages CYM in accordance with the strategic plans, business plans and policies approved by the Board.

The CoSec acts as Secretary of the Board, attending all meetings of the Board as required. The CoSec is accountable to the Board through the Chairperson on all corporate governance matters and all matters to do with the proper functioning of the Board.

The CoSec is responsible for:

- Organising Board meetings and Director attendance;
- Monitoring compliance with Board policies and procedures;
- Coordinating the completion and dispatch of the Board agenda and briefing materials;
- Preparing minutes of meetings and resolutions of the Board and taking these to the Chairperson for approval and circulation;
- Circulating minutes from Committee meetings to the Board;
- Organising and facilitating the induction and professional development of Directors;
- Being a point of reference for dealings between the Board and management; and
- CYM's compliance with its requirements under the Corporations Act and notices to be lodged with the Australian Securities and Investments Commission and the Australian Securities Exchange.

### Board processes

All Board meetings will be conducted in accordance with CYM's Constitution and the Corporations Act. The Board will meet regularly during the year and will also meet whenever necessary to deal with urgent matters which might arise between scheduled meetings.

Directors have a duty to question and to raise any issues of concern to them. At Board meetings, matters are to be debated openly and constructively amongst the Directors.

Directors are committed to collective decision making and shall endeavour to arrive at a consensus decision on all matters requiring Board approval. Where a consensus decision is unable to be made, the decision of the Board shall be determined by a majority of votes of the Directors present at the meeting and voting. Subject to the Corporations Act, each Director has one vote. Subject to the ASX Listing Rules and CYM's Constitution, in the case of an equality of votes, the Chairperson of a

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Directors' meeting has a casting vote in addition to his or her deliberative vote. The chair may decide whether or not to exercise any casting vote and the manner of its exercise.

Directors must keep Board discussions and resolutions confidential, except where they are required by law to be disclosed.

Directors are expected to attend, to be adequately prepared for, and to participate in each Board meeting.

Members of management may attend Board meetings at the Board's request to provide information within their areas of responsibility. The Board may invite external advisers to attend Board meetings where necessary or desirable.

The Board may conduct meetings by telephone or video conference.

All Directors have access to CYM records and information they consider necessary to fulfil their responsibilities. Directors shall also have access to the CoSec and other members of the Senior Management Team to seek additional information concerning CYM's business. Directors shall receive regular financial and operational reports and may request management to provide elaboration or explanation of those reports at any time.

The Board will undertake a formal process to review its performance and its Committees on an annual basis.

### **Review of Charter**

The Board is responsible for reviewing this Charter every three years. The Charter may be amended by resolution of the Board.