



BOARD CHARTER

MAYUR RESOURCES LIMITED

BOARD CHARTER

1. INTRODUCTION

The Board of Directors (**Board**) of Mayur Resources Limited (**Company**) is accountable to shareholders of the Company and for the performance of the Mayur Group of companies. In carrying out its responsibilities, the Board is committed to a high level of integrity and ethical standards in all business practices and dealings.

This Board Charter sets out the Company's commitment to effective corporate governance, which includes:

- (a) providing a benchmark for ethical behaviour;
- (b) supporting the Company's business reputation and corporate image within the community; and
- (c) making Directors aware of the consequences for breach of this Board Charter.

The Company reviews the Board Charter annually to ensure that the commitments remain relevant, effective and consistent with developments in applicable law and the Company's objectives.

While the Board Charter is designed to ensure the Company delivers on its commitment to corporate governance, it does not create any rights in any employee, client, shareholder or any other person or entity.

2. THE COMPOSITION, ROLE AND RESPONSIBILITIES OF THE BOARD

2.1 Composition of the Board

The Constitution of Mayur provides for a minimum of one Director and a maximum of six Directors. At the date of this Board Charter, the Board has determined that there will be **6** Directors, **4** of whom are non-executive Directors.

The composition of the Board is reviewed periodically, either when a vacancy arises or if it is considered that the Board would benefit from the services of a new Director, to ensure that the Board can effectively undertake the objectives and strategic plan of the Company. In considering Directors to commend to shareholders for election or re-election, the Board seeks to identify candidates with appropriate skills, experience and diversity.

The Company has written agreements with each Director setting out the terms of their appointment.

2.2 Induction and training

New Directors will be provided with an informal induction program following their appointment to assist them in becoming familiar with the Company, its policies, including this Board Charter, and business objectives.

2.2 Independent Directors

The Board consists of a majority of independent Directors. The Board is conscious for the need for independence.

The Board's framework for determining Director independence operates in accordance with the considerations set out in the ASX Corporate Governance Principles and Recommendations. The Board considers an independent Director to be a non-executive Director who 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 judgement to bear on issues before the Board and to act in the best interests of the Company.

The independence of Directors will be assessed annually or as soon as practicable after there is a change in circumstances in respect of a Director which may affect their independence.

2.3 Company Secretary

The Board appoints and removes the Company Secretary. All Directors shall have direct access to the Company Secretary. The Company Secretary is directly accountable to the board, through the Chairman, on all matters regarding the proper functioning of the Board.

2.4 Office of Chairman

The Board will elect one Director to the office of Chairman.

The role of the Chairman is to:

- (a) ensure the efficient organisation and conduct of the Board's functions;
- (b) facilitate the effective contribution of all Directors;
- (c) promote constructive and respectful relations between Board members and between the Board and management;
- (d) be responsible for ensuring that the principles and processes of the Board are maintained; and
- (e) chair general meetings of the Company.

2.5 Role of the Board

The Board is responsible for the overall performance of the Company and accordingly takes accountability for monitoring the Company's business and affairs and setting its strategic direction, establishing policies and overseeing the Company's financial position and performance.

In addition to matters expressly required by law to be approved by the Board, key responsibilities of the Board include:

- (a) approving and monitoring the Company's strategy, business performance objectives and financial performance objectives;
- (b) adopting budgets and monitoring the financial performance of the Company, including overseeing the integrity of the Company's accounting and corporate reporting systems;
- (c) overseeing the establishment and maintenance of adequate internal controls and effective monitoring systems;
- (d) appointing or replacing, where necessary, the Managing Director and other senior executives of the Company;
- (e) overseeing the implementation and management of effective safety and environmental performance systems;
- (f) ensuring all major business risks are identified and effectively managed;
- (g) ensuring that the Company meets its legal and statutory obligations;
- (h) overseeing and monitoring the establishment of systems of risk management by approving risk management policies, operational risk policies and procedures (including policies relating to health, safety and injury management) and systems of internal controls; and
- (i) monitoring compliance with legal and regulatory requirements, ethical standards and external commitments and, generally, safeguarding the reputation of the Company.

Subject to the limitations imposed by the Company's Constitution, statute and other external regulations, the Board remains free to alter the matters reserved for its decision.

The Board will delegate to the Managing Director of the Company the authority and power to manage the day-to-day operations of the Company. The Managing Director of the Company is responsible for providing the Board with accurate, timely and clear information to enable the Board to perform its responsibilities.

The Board will regularly review the division of functions between the Board and management to ensure that it continues to meet the needs of the Company.

3. CONDUCT OF DIRECTORS

3.1 Duties

In acting as a Director, each Director must have regard to their general law and statutory duties which require, among other things, that each Director:

- (a) acts in the best interests of the entity;
- (b) acts honestly and with high standards of personal integrity;
- (c) complies with the laws and regulations of all jurisdictions that apply to the Company and its operations;
- (d) not knowingly participate in any illegal or unethical activity;
- (e) not enter into any arrangement or participate in any activity that would conflict with the Company's best interests or that would be likely to negatively affect the Company's reputation;
- (f) not take advantage of the property or information of the Company or its shareholders for personal gain or to cause detriment to the Company or its shareholders; and
- (g) not take advantage of their position as Director or the opportunities arising there from for personal gain.

Directors commit all time necessary to discharge their duties as a Director, including the collective processes of the Board. Directors will debate issues openly, constructively and respectfully, and will be free to question or challenge the opinions presented at Board meetings where their own judgement differs from that of other Directors.

All Directors are expected to utilise their range of relevant skills, knowledge and experience for all matters discussed at Board meetings.

3.2 Conflict of interest and conflict of duty

If a Director has a material personal interest in a matter that relates to the affairs of the Company, or a situation arises where the Director's duty to the Company conflicts with a duty to another person, the Director will act in accordance with the Company's Constitution, any applicable policy of the Company, any applicable law and the Listing Rules.

3.3 Independent Advice

Directors may, unless the Board determines otherwise, seek independent professional advice at the expense of the Company on any matter connected with the discharge of their responsibilities.

4. THE BOARD

4.1 Board Meetings

All Board meetings must be conducted in accordance with the Company's Constitution. A Director may, at any time, call a Board meeting and regulate the Board meeting as they see fit.

4.2 Performance Evaluation

In the normal course of business, the Board reviews the performance of management, Directors, Board Committees and the Board as a whole.

4.3 Board Committees

The Board will establish committees to assist the Board in the exercise of its authority.

As at the date of this Board Charter the Board has not established any committees, however the Board will review the need for committees regularly.

5. BRIBERY AND CORRUPTION

The Company recognises that acts of bribery and corruption undermine the effectiveness and legitimacy of government institutions to the detriment of the community.

Bribes or corrupt payments are defined as giving or offering a benefit, either cash or in-kind, to a private individual or organisation or a public official or representative where it is not legitimately due with the intention to influence the relevant person or organisation.

The Company will not make any bribes or corrupt payments to government officials to obtain any improper or illegitimate benefit or advantage. Directors are strictly prohibited from offering or making any such payments. This policy applies in all jurisdictions that the Company operates

Modest and reasonable expenditure for gifts and entertainment is permitted. This expenditure should not be such that it can be construed as attempting to gain an improper or undue influence. At all times such expenditure must comply with relevant government codes and must not be unlawful in the country in which it is made.

In the event that a Director becomes aware of an actual or suspected situation which may lead to bribery or corruption it must be promptly reported to the Chairman.

Failure to comply with this Board Charter may result in disciplinary action, including removal from directorship.

6. **OBSERVANCE AND COMPLIANCE WITH THE CODE**

Adherence to this Board Charter is fundamental to the Company's reputation in the business community.

This Board Charter applies to all business activities undertaken by Directors of the Company. Responsibility lies with individual Directors to conduct themselves in accordance with the Board Charter.

Directors must raise any breach of this Board Charter they become aware of with the Chairman. All complaints are dealt with in confidence.

6.1 **Further Information**

This Board Charter does not include every ethical issue that a Director may face or every law and policy that applies to the Company. In representing the Company you are expected to act in a manner consistent with the key values underpinning the Board Charter.

If you have any questions regarding the Board Charter or any of the Company's policies, you should contact the Chairman. Similarly, if you believe that the application of the Board Charter in a particular circumstance would be inappropriate or detrimental to the Company, you must contact Chairman to ask for clarification or request that an exception be made.

Adopted by the Board on: 21 July 2017 (Board Charter 1.1)