

BOARD CHARTER

PURPOSE

The board charter of Mineral Deposits Limited (**MDL** or the **Company**) defines the roles, responsibilities and authorities of the board of directors and executive management in setting the strategic direction, business plan, management, control and good corporate governance practice of the Company.

ROLES & RESPONSIBILITIES

The board has adopted the following primary roles and responsibilities:

- to carry out its duties and responsibilities in accordance with the laws of Australia, the jurisdiction of incorporation of the Company and, where relevant, in the other countries in which MDL operates;
- to oversee and monitor the performance of the Company in the context of the long-term interests of its shareholders;
- to promote a culture of integrity and responsibility; and
- to develop a system for the timely and accurate public disclosure of information that is material to MDL and ensure that system is managed and operating effectively.

Specifically, the board:

- is responsible for the stewardship of the Company and has final accountability for the governance of MDL's business;
- is actively involved in the definition and adoption of the Company's strategic and business plans by working with executive management to determine how those plans are implemented and taking responsibility for monitoring the implementation of those plans;
- has delegated the day-to-day management of the business and affairs of MDL to the executive management of the Company, subject to compliance with strategic and capital plans approved from time to time by the board;
- is responsible for succession planning, remuneration and performance assessment of the board and executive management of the Company;
- keeps its shareholders informed as to the status of the Company's affairs through its interim statements, annual reports, announcements and a comprehensive website;
- monitors and assesses the integrity of the internal controls and management information systems designed and implemented by executive management; and
- monitors and assesses the integrity of the risk management strategies developed and implemented by executive management.

MEMBERSHIP, INDEPENDENCE & DEVELOPMENT

The Company recognises the fundamental importance of a board comprising a balance of complementary skills, knowledge and expertise as well as operational and international experience.

The number of directors is determined in accordance with the Company's constitution and the requirements of the *Corporations Act 2001* (Cth).

The board is responsible for determining the composition of its members, with board appointments being based on merit and informed by recommendations of the nomination & remuneration committee. Directors (other than the managing director) are elected by shareholders at the first annual general meeting after their appointment and, following that, offer themselves for re-election at least once every three years. Checks are conducted prior to the nomination of directors for election or re-election. Information in the Company's possession that is deemed relevant to the nomination of a director for election or re-election is communicated to shareholders in notice of meeting documentation.

Upon appointment, directors and executive management are provided with an induction pack and an employment agreement letter or a non-executive director appointment letter which communicate Company expectations as well as key duties.

Normally, the board should comprise a majority of independent directors.

The board has adopted several measures to ensure that independent judgement is achieved and maintained in respect of its decision-making processes, which include the following:

- directors are entitled to seek independent professional advice at the Company's expense;
- non-executive directors are encouraged to meet or confer on a regular basis for private discussion of management issues;
- directors having a conflict of interest must immediately declare the conflict to the chairperson and, in relation to a particular item of business, must absent themselves from the board meeting before commencement of discussion and the taking of a vote on the matter;
- independent directors are required to complete an independent director's declaration annually, confirming that no circumstances exist which may affect their independence; and
- directors are encouraged to discuss and make enquiries regarding business and strategic matters with senior executives.

Determinations as to whether a director is independent are made by the other members of the board.

The board has adopted processes to measure annually its own performance and that of its committees, individual directors and senior management.

MEETINGS

The board will ordinarily meet not less than five times per annum and as frequently as otherwise may be required.

A directors' meeting must be called by not less than 48 hours' notice of a meeting to each director, unless the directors unanimously agree otherwise. Meetings may be called by the chairperson or any two directors.

An agenda will be prepared for each board meeting, prepared by the company secretary in consultation with the chairperson and chief executive officer.

A board meeting quorum shall be determined in accordance with the Company's constitution.

The company secretary is responsible for distributing Board meeting papers to directors prior to meetings. Draft minutes of board meetings shall be prepared by the company secretary and promptly distributed for review by board members following the meeting. The chairperson will seek to have board members approve the minutes within one month of the relevant meeting.

CHAIRPERSON & CHIEF EXECUTIVE OFFICER

A strategic balance is maintained between the responsibilities of the chairman, the chief executive officer, each of the non-executive directors and the company secretary.

MDL recognises that common corporate governance practice is to elect an independent, non-executive director as chair. Having stepped down from an executive position in 2016, the current chair of MDL is not considered independent and, as such, the oversight of corporate governance is provided by the full board.

The roles of the chairman and chief executive officer are separate, and the division of responsibilities has been formally approved by the board.

The chairman is primarily responsible for the proper functioning of the board and its committees, ensuring sound and productive exchange between directors as well as the board and executive management, and mentoring the Company's executive team.

The chief executive officer, who is also the managing director, is primarily responsible for:

- day-to-day management of the Company's business;
- preparing, adding value to and implementing the Company's annual strategic plan and vision;
- keeping the board informed of all major project proposals and developments by way of specific reports;
- managing and developing relations with the Company's principal joint venture partner and executive management of the joint venture;
- ensuring that resource deployment is in accordance with the Company's approved business strategy and any specific directions of the board;

- the identification of material business risks and the design and implementation of strategies and systems to manage and ensure, where possible, the Company's material business risks; and
- maintaining relations with investors, analysts, brokers and advisers.

Jointly, three of the Company's board members, being the chairman, managing director, and former technical executive director (now non-executive director) are members of the board of TiZir Limited, MDL's principal asset.

The company secretary's primary role is to support the proper functioning and effectiveness of the board and its committees. The company secretary reports directly to the board through the chairman or committee chairmen (as appropriate), however, communication between all directors and the company secretary is encouraged.

COMMITTEES & POLICIES

The board has responsibility for protecting, guiding and monitoring the business affairs of the Company in the interests of and for the benefit of all stakeholders. To this end, the board has implemented the following committees:

- audit & risk
- nomination & remuneration

Each of the aforementioned committees functions on the basis of a formally adopted charter. These charters establish the objectives, membership, authority, responsibilities and procedures of the committee. Board members with the necessary skills and experience are appointed to each committee and composition requirements are detailed in the respective charters. MDL's committee charters are available on the Company's website.

From time to time, the board may also delegate specific responsibilities to ad hoc committees.

The following policies and codes have also been adopted by the board to advance the strategic objectives of the Company:

- code of conduct
- anti-bribery & corruption policy
- diversity policy
- human rights & child protection policy
- market disclosure & communications policy
- privacy policy
- remuneration policy
- risk oversight & management policy
- securities trading policy
- sustainability policy

Each director is bound by the Company's charters, policies and codes of conduct. The Company may, in its discretion, amend the policies from time to time and may depart from any of the policies in individual cases, where considered appropriate.

REVIEW

The board will review this charter from time to time to ensure that it continues to meet the needs of the Company and the board and accords (where appropriate) with best practice standards, including those outlined in the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*.