

## BOARD CHARTER

### 1. ROLE OF THE BOARD

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The Board of Directors is entrusted to fulfil the requirements of, and compliance with, the Corporations Act 2001 and ASX Listing Rules with respect to Pluton Resources Limited (Pluton).

The Board ensures there is effective risk management, financial management and compliance management of Pluton's assets.

In performing its duties, the Board takes into account the responsibilities of Pluton in meeting specific obligations imposed either as a matter of general law or as a result of regulations relating to a particular business

#### 1.1. CODE OF BUSINESS CONDUCT

The Board recognises its responsibility to Pluton's members and employees, the communities and environments in which it operates and, where appropriate, other stakeholders.

The Board has adopted a Code of Business Conduct and is responsible for ensuring that Company practice is consistent with that Code. The Code is reviewed and modified as required.

#### 1.2. RESPONSIBILITIES

The Board is responsible for the overall corporate governance management of Pluton and its controlled entities. This includes monitoring the strategic direction of Pluton and those controlled entities; formulating goals for management and monitoring the achievement of those goals.

The Board's key responsibilities are to:

- establish, monitor and modify Pluton's corporate strategy and performance objectives
- ensure best practice corporate governance
- approve the appointment of the Managing Director and monitor the performance of Pluton's management
- ensure that appropriate risk management systems, internal control, reporting systems and compliance frameworks are in place and are operating effectively
- monitor financial results
- approve and monitor the progress of major capital expenditure, capital management and acquisitions and divestitures of Pluton's assets
- approve decisions concerning Pluton's capital, including capital restructures, and dividend policy
- comply with the reporting and other requirements of the Corporations Act.

#### **Pluton Resources Limited**

Level 4, 468 St Kilda Rd Melbourne Vic 3004  
PO Box 255 Seddon West Victoria 3011  
Ph: (03) 9820 3802 • Fax: (03) 9867 8587  
ABN: 12 114 561 732

### 1.3. BOARD STRUCTURE

In assessing the composition of the Board, Directors strive to represent a broad range of qualifications, diversity of background and culture and experience, aiming for the right balance for the ongoing direction of Pluton.

It is desirable that the Board comprises of:

- The chairman of the Board is an independent Director
- The Managing Director is a full time employee of Pluton
- a majority of board members who should comprise of non-executive Directors.

The composition of the Board is reviewed annually to ensure it maintains independence and an effective composition, size, experience and commitment to adequately discharge its responsibilities and duties.

Each Director is required to continuously disclose any interest in securities in Pluton and any other interest which might create a potential conflict of interest with their duties as a Director or which would affect their independence.

All Directors (except the Managing Director) are elected by the members at the Annual General Meetings and, thereafter, are subject to election at least once every three years, as required under Pluton's Constitution.

## 2. INDEPENDENT DIRECTORS

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An independent Director is a non-executive Director (i.e. is not a member of management) and:

- is not a substantial shareholder of Pluton or an officer of, or otherwise associated directly with, a substantial shareholder of Pluton
- within the last three years has not been employed in an executive capacity by Pluton or another group member, or been a Director of Pluton within three years after ceasing to hold any such employment
- within the last three years has not been a principal of a material professional adviser or a material consultant to Pluton or another group member, or an employee materially associated with the service provided
- is not a material supplier or customer of Pluton or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer
- has no material contractual relationship with Pluton or another group member other than as a Director of Pluton
- has not served on the Board for periods which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of Pluton
- is free from any interest and any business or other relationships which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of Pluton.

### 3. BOARD SUB-COMMITTEES

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The Board may delegate to its sub-committees, an officer of a group Company, or any other person in authority to perform any of its functions and exercise any of its powers, in the ordinary course of business.

Any delegation to a sub-committee would be done on the basis that it would:

- assist the Board to carry out its responsibilities,
- draft or peruse Pluton's charter for the purposes of adopting such
- identify matters relevant to the Board
- carry out responsibilities and administration of the Board, requiring such committees as considered necessary
- be responsible for the day to day administration of Pluton's assets, ensuring that assets are:
  - adequately insured where necessary;
  - detailed market investigations and effective due diligence is carried out on proposed investments or acquisitions
  - capital required to develop and commercialise Pluton's assets, (proposed investments or acquisitions)
  - ensure that general working capital requirements for Pluton is adequate.
- undertake any other matters the Board may consider appropriate.

The Company has elected to depart from the adoption of ASX Corporate Governance Guidelines in that it has not formed an Audit and Risk Committee or a Nomination/Remuneration Committee for the reason that these requirements are more appropriate for larger public companies and would unduly add to the cost structure of the Company. With respect to these requirements, the Company reviews its position annually.

### 4. PERFORMANCE EVALUATION

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On an annual basis, Pluton will undertake a review of the performance of the Board, its Committees and senior executives/management against a set of agreed criteria:

- The Board will review its own performance and whether it continues to hold the appropriate skills, experience and knowledge to run Pluton on behalf of the shareholders
- Each sub-committee of the Board is required to provide a review of its own performance
- The Managing Director will undertake a review of the performance of the senior executives/management against a set of agreed criteria based upon their position
- Feedback will be collected by the chair of the Board, or an external facilitator, and discussed by the Board, with consideration being given as to whether any steps should be taken to improve performance of the Board, its Committees and the senior executives/management
- The Chief Executive Officer will provide feedback from senior management in connection with any issues that may be relevant in the context of Board performance review
- Where appropriate to facilitate the review process, assistance may be obtained from third party advisers.