



GUIDELINES FOR THE OPERATION OF THE BOARD OF DIRECTORS

These Guidelines are to be read together with the Board Charter.

1 Meetings

- 1.1 Board meetings are held throughout the year and special meetings will be held as required. A schedule of dates, times and matters for consideration or decision by the Board for these meetings will be provided to directors well in advance of the meeting.

2 Meeting Agenda

- 2.1 The agenda for each meeting is prepared by the company secretary in conjunction with the chairman and managing director.
- 2.2 Matters proposed for the agenda will take into account:
- (a) matters raised in the course of preceding Board meetings
 - (b) matters directly relevant to the Board's defined responsibilities or the decisions reserved to the Board
 - (c) the continuing education needs of the Board including its knowledge and understanding of the Company, its activities and operations, its competitors and the industries in which it operates
 - (d) emerging issues assessed by management or the Board as warranting the Board's attention
 - (e) externally imposed reporting deadlines and the Board's agenda planner.
- 2.3 Any director may approach the chairman or the managing director and request that a particular item be added to the agenda for a meeting.

3 Attendance

- 3.1 Directors are required to make every reasonable effort to be fully prepared for and attend each meeting of the Board or the Board Committee(s) on which they serve, and to remain in attendance for the full duration of such meetings. Where attendance or remaining in attendance for the full meeting is not possible, leave of absence must be sought, in advance, from the chairman.

4 Role of Individual Directors

- 4.1 Directors are expected to:
- (a) attend and participate in Board meetings, and meetings of any Board Committees on which they serve

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- (b) spend the time needed and meet as frequently as necessary to properly discharge their responsibilities
 - (c) review meeting materials prior to Board and Board Committee meetings
 - (d) cast their vote in any resolution in accordance with their own judgement
 - (e) publicly support the letter and spirit of Board decisions.
- 4.2 Directors are encouraged to ask questions, request information, raise any issues of concern and fully canvass with senior management all aspects of any issue relating to the Company. They are also encouraged, where possible, to communicate any questions or concerns in advance of a meeting so that senior management will be prepared to address them at the meeting.
- 4.3 Directors must maintain the confidentiality of Board information, discussions, deliberations and disclosures that are not publicly known.
- 4.4 Directors are expected to comply with their legal, statutory and equitable duties when discharging their responsibilities as directors. Broadly, these duties are to:
- (a) act in good faith in the best interests of the Company as a whole
 - (b) act with care and diligence
 - (c) act for proper purposes
 - (d) avoid a conflict of interest or duty
 - (e) refrain from making improper use of information gained through the position of director and from taking improper advantage of the position of director.

5 Role of the Chairperson

- 5.1 The chairperson of the Board is appointed by the directors.
- 5.2 The responsibilities of the chairperson include:
- (a) providing leadership to the Board and the Group
 - (b) ensuring the efficient organisation and conduct of the Board's functions
 - (c) facilitating Board discussions to ensure core issues facing the Company are addressed
 - (d) briefing all directors in relation to issues arising at Board meetings
 - (e) facilitating the effective contribution and ongoing development of all directors
 - (f) monitoring Board performance
 - (g) promoting constructive and respectful relations between Board members and between the Board and senior management
 - (h) chairing shareholders' meetings.
- 5.3 In circumstances where the chairperson of the Board is not considered by the Board to be independent, then the Board will appoint a lead independent director. The responsibilities of the lead independent director include:

- (a) assuming the role of chairperson when the chairperson is unable to act in that capacity due to unavailability or lack of independence
- (b) acting, where required, as a liaison point for independent non-executive directors
- (c) conferring with the chairperson on any issues raised by the independent non-executive directors in connection with the discharge by the chairperson of his/her responsibilities.

6 Declared, Potential and Perceived Conflicts of Interest

- 6.1 Subject to the provisions of the Corporations Act and Constitution of the Company, the Board is empowered to regulate its meetings and proceedings, including the processes it will apply in instances of a declared, actual or perceived conflict of interest.
- 6.2 As a general statement, the Board is empowered to consider the application of one or more of a number of options, including:
- (a) the director who is subject to the declared or perceived interest being excluded from discussions, the quorum, the decision and access to Board papers pertaining to the matter
 - (b) the director who is subject to the declared or perceived interest taking part in the discussions and having access to Board papers but being excluded from the quorum and the decision pertaining to the matter
 - (c) the director who is subject to the declared or perceived interest taking part in discussions and having access to Board papers and being included in the quorum and decision pertaining to the matter.

7 Decisions

- 7.1 Decisions of the Board are made by consensus of the majority of members present at a duly convened meeting. These decisions will be reflected in the minutes and, where necessary, any dissenting views that a director has specifically stipulated will be recorded.
- 7.2 If a matter cannot be concluded by consensus a formal vote may be required. In the case of an equality of votes in such a situation, the chairperson of the meeting has a second or casting vote.
- 7.3 Any action required or decision permitted to be taken at any meeting of the Board may be taken without a meeting if a resolution in writing is signed by all directors entitled to receive notice of a meeting.
- 7.4 A resolution in writing may consist of one or several documents in identical terms each signed by one or more directors. All such documents must be filed by the company secretary with the minutes.
- 7.5 Use of this option is restricted to matters of extreme urgency that cannot be delayed until the next meeting and, on an exception basis, day-to-day matters that required Board approval but do not require face-to-face discussion.

8 Minutes

- 8.1 The draft minutes of each Board meeting are reviewed by the managing director and then circulated to all directors as soon as practicable but no later than the distribution date for papers for the next Board meeting.
- 8.2 Minutes are not a verbatim recording of the meeting but accurately record the resolutions of the Board, key reasons for those decisions (where appropriate) and actions arising.
- 8.3 The minuted actions from each Board meeting are reviewed by the managing director and then circulated to all directors as soon as practicable after each meeting. This may be combined with the minutes of the relevant meeting.

9 Appointment and Role of the Company Secretary

- 9.1 The company secretary acts as secretary to the Board. This appointment is made by the Board for such term, at such remuneration and upon such conditions, as it thinks fit. Any company secretary so appointed may also be removed by the Board.
- 9.2 The company secretary's responsibilities include:
 - ensuring that the business and attendance at Board and Committee meetings is captured in the minutes
 - advising the Board and Board Committee members on governance
 - acting as the Company's disclosure officer to ASX
 - monitoring that Board and Board Committee policies and procedures are followed.
- 9.3 The company secretary is accountable directly to the Board, through the chairman. Each director is able to communicate directly with the company secretary and vice versa.

10 Board Papers

- 10.1 The agenda and the papers for each Board meeting including all reports on the activities and performance of the Company are to be circulated to directors and those managers attending by specific or standing invitation, no less than two working days before the scheduled meeting unless otherwise agreed.
- 10.2 A paper is to be provided for each agenda item where required to enable informed discussion and decisions at Board meetings. As a matter of course "verbal" reports are to be discouraged.
- 10.3 The company secretary will retain a complete hard copy of the Board papers for each meeting. These will be available for reference by directors in office, former directors and senior management as required.

LAST REVIEWED: August 2016