

## **1. ROLE OF THE BOARD**

This Board charter sets out the principles for the operation of the board of directors of West African Resources Ltd (**Company**) (**Board**) and to describe the functions of the Board and those functions delegated to management of the Company.

The Board must at all times act honestly, fairly and diligently in all respects in accordance with the law and all relevant Company policies.

Each Board member, when representing the Company, must act in the best interests of shareholders of the Company and in the best interests of the Company as a whole.

## **2. RESPONSIBILITIES OF THE BOARD**

Specific responsibilities of the Board are set out in this section 2.

### **2.1 Executive Management**

- (a) Appointing, monitoring, managing the performance of, and if necessary terminating (the employment of) the chief executive officer (**CEO**). The Board will provide monitoring benchmarks consistent with the role and responsibilities of the CEO (as described in section 4.4).
- (b) Overseeing and ratifying the appointment and termination (of employment) of the chief financial officer (**CFO**).
- (c) Ratifying the terms of appointment of other senior management, including in relation to the terms of equity remuneration.

### **2.2 Risk management and strategic planning**

- (a) Monitoring the Company's corporate governance performance against the principles of corporate governance adopted by the Board.
- (b) Approving and monitoring the Company's risk management framework.
- (c) Approving and monitoring compliance with the Company's key corporate policies and protocols.
- (d) Monitoring the Company's operations in relation to, and compliance with relevant regulatory requirements.
- (e) The Board will be actively and regularly be involved in strategic planning based on the identification of opportunities and the full range of business risks. The Board recognises that strategic planning is an ongoing process that must be responsive to changes in the external environment and internal developments.
- (f) The Board will oversee the processes that management has in place to identify business opportunities and risks.

- (g) The Board will consider the extent and types of risk that are acceptable for the Company to bear.
- (h) The Board will monitor management systems and processes for managing a broad range of business risks.

## **2.3 Reporting**

- (a) The Board must supervise disclosure in the Company's Corporate Governance Statement, any departures from the ASX corporate governance principles and recommendations and any information publicly available about the Company's policies.
- (b) The Company will report on its compliance with the ASX corporate governance principles and recommendations and, where appropriate, include an appropriate statement regarding departures from ASX corporate governance principles and recommendations in its Corporate Governance Statement.
- (c) The Board will supervise the public disclosure of all matters that the ASX corporate governance principles and recommendations recommend be publicly disclosed consistent with the Company's Disclosure Policy and will provide a commentary of any Board decision not to make such disclosure or to clarify what disclosure has been made.

## **3. STRUCTURE OF THE BOARD**

The Board is to comprise a majority of non-executive directors and will be of such size and competence as is necessary to deal with the current and emerging issues of the business of the Company.

## **4. DIVISION OF AUTHORITY BETWEEN THE CHAIR OF THE BOARD AND THE CEO**

### **4.1 Appointment of Executive Chairman and CEO**

- (a) The Board recognises that the position of Board chair (**Chair**) and the position of CEO each have their own unique responsibilities and functions and as such it is generally beneficial for those positions not to be held by the same person. However, the Board also recognised that in some circumstances, it is in a company's best interests for the roles of chair and chief executive officer to be performed by the same person. .
- (b) In the case of Mr Richard Hyde, the Board has determined that the benefits of Mr Hyde's proven skills and experience leading the Company, his positive dealings with the Company's major shareholders, and his extensive knowledge of the Company outweigh the potential drawbacks of him covering both roles. As such, the Board considers that it is in the best interests of the Company and its shareholders for Mr Hyde to continue holding the combined position of Executive Chairman and CEO of the Company.
- (c) Mr Hyde holds the combined role of Executive Chairman and CEO at the discretion of the Board and, under the terms of this charter, he holds the combined role subject to the majority of the Board being comprised of independent directors and the appointment of a Lead Independent Director.

## 4.2 Appointment of a Lead Independent Director

This charter provides for the appointment of a Lead Independent Director. The principal mandate of the Lead Independent Director is to provide a communication channel for Board members and the Company's shareholders that is an independent alternative to the Executive Chairman and CEO.

## 4.3 Responsibilities and functions of the Chair

The Chair is responsible for leadership of the Board, for the efficient organisation and conduct of the Board's function and for the briefing of all directors of the Company in relation to issues arising at Board meetings. Specific duties of the Chair include:

- (a) chairing Board meetings;
- (b) establishing the agenda for board meetings, in consultation with the CEO and company secretary;
- (c) chairing meetings of the Company's shareholders, including the annual general meeting of the Company;
- (d) being the primary spokesperson for the Company at the Company's annual general meeting;
- (e) being the primary channel of communication and point of contact between the Board (and the individual directors on the Board) and the CEO;
- (f) ensuring that the directors are fully informed of all material matters brought to the Chair's attention by the CEO which may be relevant to directors, in their capacity as directors of the Company; and
- (g) ensuring the annual process of Board evaluation is conducted.

## 4.4 Responsibilities and functions of the CEO

The Board appoints the CEO to manage the Company's business on behalf of the Company's Board and shareholders and must delegate sufficient powers to allow him or her to manage effectively. The CEO (or in the case of Mr Hyde, the Executive Chairman and CEO) must carry out the objectives of the Board in accordance with its instructions and within the scope of his or her delegated authority. Specific duties of the CEO include:

- (a) developing with the Board, implementing and monitoring the strategic and financial plans for the Company;
- (b) developing annual budgets and business plans for the Company for Board approval and implementing and monitoring the approved annual budgets and business plans;
- (c) planning, all major capital expenditure, capital management and all major corporate transactions, including the issue of any securities of the Company for board approval and implementing and monitoring such approved programmes;
- (d) developing all material reporting and external communications by the Company, including material announcements and disclosures, in accordance with the Company's Disclosure Policy;
- (e) managing the appointment of the Company's CFO and company secretary and other specific senior management positions;

- (f) developing, the Company's risk management framework for approval by the Board and implementing and monitoring the approved risk management framework;
- (g) consulting with the Chair and the company secretary in relation to establishing the agenda for Board meetings;
- (h) agreeing with the Chair their respective roles in relation to all meetings (formal and informal) with shareholders and all public relations activities;
- (i) being the primary channel of communication and point of contact between the Company's executive staff and the Board (and the individual directors of the Board);
- (j) keeping the Chair fully informed of all material matters which may be relevant to the Board, in their capacity as directors of the Company;
- (k) complying with the delegated authority levels as prescribed in the Board Delegation of Authority document as approved by the Board;
- (l) facilitating a safe workplace for all personnel; and
- (m) ensuring that the Company has regard to the interests of employees and other stakeholders of the Company and the community and environment in which the Company operates.

## 5. CFO

The CFO and senior finance officers influencing financial performance of the Company will:

- (a) conduct their duties at the highest level of honesty and integrity;
- (b) observe the rule and the spirit of the law and comply with any relevant ethical standard;
- (c) maintain the confidentiality of all information acquired in the course of conducting the role and not make improper use of, or disclose to third parties, any confidential information unless that disclosure has been authorised by the Board, or is required by law or by the ASX Listing Rules;
- (d) observe the principles of independence, accuracy and integrity in dealings with the Board, internal and external auditors and other senior managers within the Company;
- (e) disclose to the Board any actual or perceived conflicts of interest, whether of a direct or indirect nature of, which the CFO becomes aware and which the CFO reasonably believes may compromise the reputation or performance of the Company;
- (f) maintain transparency and cooperation in the preparation and communication of financial information to the independent external auditors;
- (g) exercise diligence, skill and good faith in the preparation of financial information and ensure that such information is accurate, timely and represents a true and fair view of the financial performance and condition of the Company and complies with all relevant legislative and financial disclosure requirements;
- (h) ensure the maintenance of a sound system of internal controls to safeguard the Company's assets and to manage risk exposure through appropriate forms of risk control; and
- (i) observe, develop and implement the principles of this charter in a conscientious, consistent and rigorous manner.

## 6. INDEPENDENCE OF DIRECTORS

- (a) The Board will consider the independence of each person before their appointment to the Board.
- (b) Each independent director of the Company must regularly provide the Board of the Company with all information regarding his or her interests that is relevant to his or her independence. The Board must ensure that the Company's Corporate Governance Statement incorporates the disclosures related to the independence of directors required by the applicable Corporate Governance Principles published by the ASX.

## 7. CONFLICTS OF INTEREST

- (a) As a general principle each of the Company's directors must bring an enquiring, open and independent mind to Board meetings free of any actual or possible conflict of interest.
- (b) If the Board determines that a director might be in a position where there is a reasonable possibility of conflict between his or her personal or business interests, the interests of any associated person, or his or her duties to any other company, on the one hand, and the interests of the Company or his or her duties to the Company, on the other hand, the Board will require that the director:
  - (i) fully and frankly informs the Board about the circumstances giving rise to the conflict; and
  - (ii) abstains from voting on any motion relating to the matter and absents himself or herself from all Board deliberations relating to the matter including receipt of Board papers having a bearing on the matter.
- (c) If the Board resolves to permit a director to have any involvement in a matter involving possible circumstances of conflicting interests the Board must minute full details of the basis of the determination and the nature of the conflict including a formal resolution concerning the matter.
- (d) If a director believes that he or she may have a conflict of interest or duty in relation to a particular matter, the director should immediately consult with the Chair.
- (e) The minutes of Board meetings should note potential conflict of interest situations that arise or that were disclosed in relation to specific decisions taken by the Board.

## 8. MEETINGS

Directors of the Company should ordinarily receive board papers and related material not later than five days prior to the relevant meeting.

The chair of each meeting of the Board (including Board committee meetings) should ensure the availability and, if necessary, the attendance at the relevant meeting, of any member of executive management responsible for a matter included as an agenda item at the relevant meeting.

The non-executive directors of the Company should arrange to meet at least once in each financial year to conduct a non-executive discussion of Board and management issues. These meetings are to be used to provide feedback about Board processes, including the adequacy and timeliness of

information being provided to the Board. At times these meetings may focus on substantive issues that some Board members wish to discuss with management present. These meetings may also discuss areas where the performance of independent directors could be strengthened.

Any issues arising from these meetings that bear on the relationship between the Board and management will be communicated quickly and directly to the CEO by the Chair, or the Lead Independent Director in circumstances where the Chair and the CEO are the same person.

### **8.1 Agenda**

An agenda will be prepared for each Board and Board committee meeting.

### **8.2 Circular resolutions**

Urgent matters that cannot wait until the next scheduled Board meeting can be dealt with by circular resolutions. Circular Resolutions should be approved by the Chair before being circulated and should be preceded by a telephone meeting where appropriate and practical.

Circular resolutions must be signed in accordance with the requirements of the Company's constitution and will be entered in the Board minute book.

## **9. BOARD COMMITTEES**

The Board has established the following Board committees:

- (a) Audit Committee
- (b) Remuneration Committee
- (c) Nomination Committee
- (d) Technical Committee
- (e) Risk Committee

## **10. INDEPENDENT ADVICE**

Each director of the Company is entitled to seek independent professional advice (including but not limited to legal, accounting and financial advice) at the Company's expense on any matter connected with the discharge of his or her responsibilities as a director, in accordance with the procedures and subject to the conditions set out below:

- (a) a director must seek the prior approval of the Chair;
- (b) in seeking the prior approval of the Chair, the director must provide the Chair with details of:
  - (i) the nature of the independent professional advice;
  - (ii) the likely cost of seeking the independent professional advice; and
  - (iii) details of the independent adviser he or she proposes to instruct; and
- (c) the Chair may prescribe a reasonable limit on the amount that the Company will contribute towards the cost of obtaining such advice.

## **11. REMUNERATION**

The level of non-executive director remuneration will be set by the Board, after considering the recommendations of the Remuneration Committee and approved by the Company's shareholders in general meeting so as to attract the best candidates for the Board while maintaining a level commensurate with boards of similar size and type.

## **12. BOARD PERFORMANCE**

At least once in each financial year, there must be a performance evaluation:

- (a) of the Board;
- (b) of the contributions of individual directors' to the Board; and
- (c) to establish the goals and objectives of the Board for the upcoming year.

The Board will determine the manner and form of the performance evaluation.

## **13. REVIEW OF BOARD CHARTERS**

The Board will periodically review this charter, and the charter of each of the Board committees, and make any amendments it determines are necessary or beneficial.