



Board Charter

Strategic Energy Resources Limited

ACN 051 212 429

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Document History

Version	Summary of Amendments	Approved by	Approval date
1.0	New Board of Directors Charter	Board	18 May 2020
2.0	Biennial Review of the Charter	Board	19 March 2024
3.0	Biennial Review of the Charter	Board	26 March 2026

Legislative and Regulatory Framework

Authority	Law, Resolution or Regulation
ASX Corporate Governance Council	ASX Corporate Governance Council's Principles and Recommendations (4th Edition) ("ASX Principles")
Australian Government	Corporations Act 2001 (Cth) ("Corporations Act")

Other Policy Details

Key Information	Details
Approval Body	Strategic Energy Resources Limited Board of Directors
Key Stakeholders	Strategic Energy Resources Limited Board of Directors Strategic Energy Resources Limited Senior Management
Responsibility for Implementation	Managing Director
Policy Custodian	Company Secretary
Next Review Date	26 March 2028

1. Introduction

- 1.1. The Board of Directors (the “**Board**”) of Strategic Energy Resources Limited (the “**Company**”, “**we**”, “**our**”, “**us**”) has adopted this Board Charter (the “**Charter**”) to outline the manner in which its constitutional powers and responsibilities will be exercised and discharged, having regard to principles of good corporate governance and applicable laws.
- 1.2. The Board is committed to, and expects the highest standards of, behaviour and accountability from all directors, senior executives and employees of the Company. This Charter sets out the principles for the operation of the Board and the functions and responsibilities of the Board of the Company.
- 1.3. The Board is responsible for:
 - (a) setting the goals and objectives of Strategic Energy Resources Limited and its related bodies corporate (“**Group**”);
 - (b) monitoring and providing effective oversight of the management of the Group;
 - (c) reviewing and monitoring the principal risks of the Group and its system of internal compliance and controls;
 - (d) setting an appropriate corporate governance and compliance framework and monitoring its effectiveness for the Group;
 - (e) demonstrating and setting the tone of leadership;
 - (f) determining broad policies for the Group as it develops its goals of delivering value to shareholders; and
 - (g) acting as an effective interface with the Company’s shareholders.
- 1.4. The Board’s role and purpose must be considered in light of:
 - (a) the obligations and duties of directors and officers under the *Corporations Act 2001* (Cth) (“**Act**”) and other relevant legislation;
 - (b) the ASX Listing Rules;
 - (c) ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations (“**Governance Principles**”); and
 - (d) the Company’s constitution (“**Constitution**”),
as applicable from time to time.
- 1.5. To the extent that there is any inconsistency between this Charter and the Company’s Constitution, the Constitution will prevail to the extent of that inconsistency.

2. Board Composition

- 2.1. The composition, structure and proceedings of the Board are governed by the Constitution, the Act and the ASX Listing Rules. Subject to the provisions of the Constitution, the Board, together with the Nomination and Remuneration Committee, will be responsible for:
 - (a) determining the size and composition of the Board;
 - (b) determining the appropriate competencies of Board members;
 - (c) reviewing membership of the Board annually;
 - (d) ensuring the Board has the appropriate mix of skills, expertise and experience necessary to fulfil its function effectively; and

- (e) appointing the chair of the Board (“**Chair**”).
 - 2.2. It is intended that the Board should comprise of a minimum of three Directors, and to the extent practicable, a majority of the Board to be independent, non-executive directors.
 - 2.3. The Board shall comprise of members with a broad range of skills, expertise, and experience from a diverse range of backgrounds and expertise in order to achieve efficient decision making and adequately discharge its responsibilities and duties.
 - 2.4. At least two (2) directors must reside in Australia.
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3. Functions of the Board

- 3.1. Without limitation the key responsibilities of the Board include:
 - (a) adding value through representing the interests of shareholders by overseeing and appraising the Company’s strategies, policies and performance. This includes overseeing the financial and human resources the Company has in place to meet its objectives and reviewing management performance;
 - (b) providing strategic direction for, and approval of, corporate strategy and performance objectives;
 - (c) reviewing and ratifying systems of risk management, internal compliance and control, codes of conduct and legal and regulatory compliance to ensure appropriate compliance systems and controls are in place;
 - (d) overseeing the integrity of the entity’s accounting reporting systems, including the external audit;
 - (e) overseeing the entity’s process of timely and balanced disclosures of all material information under ASX continuous disclosure requirements;
 - (f) monitoring senior management’s performance and implementation of strategy, and seeking to ensure appropriate resources are available;
 - (g) approving and monitoring the operational and financial position and performance of the Company;
 - (h) approving and monitoring the progress of major capital expenditure, capital management, acquisitions and divestments;
 - (i) approving and monitoring budgets;
 - (j) approving and monitoring borrowing and debt arrangements;
 - (k) managing the Company’s capital structure;
 - (l) ensuring that the Group acts legally and responsibly and maintains the highest ethical standards;
 - (m) developing an investor relations program to facilitate effective two-way communication with shareholders;
 - (n) approving the Code of Conduct;
 - (o) overseeing control and accountability systems;
 - (p) performing such other functions as are required by law or are assigned to the Board;
 - (q) Monitoring the effectiveness of the Company’s governance practices; and
 - (r) Oversee management in its implementation of the Company’s strategic objectives and instilling of the Company’s values and performance.
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4. Alternate Directors

- 4.1. A Director can appoint someone else to act as an 'alternate director' for a set period of time, in accordance with the Company's Constitution.

5. Conflict of Interest

- 5.1. Directors must take all necessary and reasonable steps to avoid conflicts of interests as described in the Company's Code of Conduct.
- 5.2. A director must disclose to the Chair and the Company Secretary any direct or indirect involvement in a competitor to the Company, as a shareholder or otherwise, including any personal interest in any transaction to be entered into by the Company which may conflict between the interests of the Company and the director.
- 5.3. The director must not participate in any Board discussion on the transaction, refrain from voting on the transaction, and cannot in any way influence the Company's decision in relation to the transaction. Any potential conflict of interest shall be captured in the minutes of the meeting.
- 5.4. If the Board determines that there is a material conflict of interest, the Board may require that the relevant director:
- (a) not receive the relevant papers; and/or
 - (b) not be present at the meeting while the matter is considered.
- 5.5. The Company must document all reported conflicts of interest together with the measures taken in this regard.

6. Non-executive directors

- 6.1. The Board will aim to have a majority of independent non-executive directors.
- 6.2. While the Company will aim to have a majority of independent non-executive Directors, this may not always be practicable given the size of the Board and the Company's circumstances. Accordingly, the Directors have absolute discretion to determine the appropriate composition of the Board from time to time, subject to the Constitution, the Act and the ASX Listing Rules.
- 6.3. To the extent that the Board does not achieve this structure from time to time, the Board should establish a process to achieve this structure and measure itself against that process annually.
- 6.4. The Board will consider and decide on the independence of its non-executive directors each year.
- 6.5. If a director is or becomes aware of any information, facts or circumstances which will or may affect that director's independence or the director's perceived independence, the director must immediately disclose all relevant details in writing to the Company Secretary and the Chair.
- 6.6. A non-executive director is considered "independent", on fulfilment of requirements as provided under Recommendation 2.3 of the Corporate Governance Principles and Recommendations (4th Edition).
- 6.7. The Board does not believe it is appropriate to set a limit on tenure. While tenure limits may bring fresh ideas and viewpoints to the Board, they hold the disadvantage of losing the

contributions of directors who have developed in-depth and invaluable insight into the Company and its operations over a significant period of time. Accordingly, while tenure as a factor is considered, it is one of many factors the Board takes into account in the context of the optimum composition of the Board when assessing the independence and ongoing contribution of a director.

- 6.8. All directors (except the Managing Director or CEO) are required to submit themselves for re-election in accordance with the terms of the Constitution and the ASX Listing Rules.
- 6.9. Non-executive directors are expected to devote the necessary time to discharge their duties. It is Board policy that prior to their appointment, non-executive directors must provide the Chair with details of other commitments and an indication of time involved and to acknowledge that they will have adequate time to meet what is expected of them. Further, they should consult with the Chair, or the Board, and inform the Nomination and Remuneration Committee before accepting any other non-executive director appointment.

7. Role of the Managing Director/CEO

- 7.1. The management function is conducted by, or under the supervision of, the Managing Director/CEO as directed by the Board (and by other officers to whom the Managing Director/CEO has properly delegated a management function).
- 7.2. The Board approves corporate objectives for the Managing Director/CEO to satisfy and the duties and responsibilities of the Managing Director/CEO.
- 7.3. The Managing Director/CEO is responsible for implementing strategic objectives, plans and budgets approved by the Board.

8. Delegation of Duties and Powers

8.1. Delegation to Committees

- 8.1.1. The Board will from time to time establish Committees to assist the Board in fulfilling its duties and discharging its responsibilities.
- 8.1.2. Each Committee will adopt a formal charter setting out the matters relevant to the composition, responsibilities and administration of the Committee.
- 8.1.3. The Board may also delegate specific functions to ad hoc committees on an “as needs” basis.
- 8.1.4. The powers delegated to these Committees will be set out in Board resolutions and the Committee charters.
- 8.1.5. The split of powers between the Board, Committees and senior management will be determined by the Board.
- 8.1.6. The Board will conduct regular reviews of the division of responsibilities and the Committee Charters to ensure they remain appropriate to the needs of the Group.
- 8.1.7. Where the Board does not consider that the Company will benefit from a particular separate committee:
 - (a) the Board must:

- (i) carry out the duties and discharge the responsibilities that would ordinarily be assigned to that committee as set out in the Charter for that committee; and
 - (ii) ensure that it has appropriate balance of skills, experience, independence and knowledge of the Company to enable it to discharge its duties and responsibilities effectively; and
- (b) the Company must disclose in, or in conjunction with, its annual report the following, as applicable:
- (i) the fact a Committee has not been established; or
 - (ii) if an Audit and Risk Committee has not been established, the processes the Board employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner, and the process it employs for overseeing the Company's risk management framework;
 - (iii) if a Nomination Committee has not been established, the processes the Board employs to address Board succession issues; and
 - (iv) if a Remuneration Committee has not been established, the processes the Board employs for setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

8.2. **Delegation to management**

8.2.1. The Board may delegate certain powers as they consider appropriate. However, ultimate responsibility for strategy and control rests with the Board.

8.2.2. The Board delegates the day-to-day responsibility of the Company's resources to management under the leadership of the Managing Director/CEO, to deliver the strategic direction and goals determined by the Board, however ultimately management are accountable to the Board.

8.2.3. Management must supply the Board with information in a form, timeframe and of a quality that will enable the Board to discharge its duties effectively.

8.2.4. Directors are entitled to request additional information from management at any time.

8.2.5. Directors have unfettered access to the executive management of the Company through the Chair, the Managing Director and/ or the Company Secretary.

9. **Reserved authorities**

9.1. The following matters are specifically reserved to the Board or its Committees include:

- (a) approving the Company's statement of values and defining the Company's purpose;
- (b) approving the Company's Corporate Governance Statement and financial reports upon recommendations from the Audit & Risk Committee, and in accordance with the Corporations Act, ASX Listing Rules and any other applicable regulations;
- (c) appointment of the Chair;
- (d) appointment and removal of the Managing Director/ CEO;
- (e) appointment and removal of the CFO;
- (f) appointment and removal of the Company Secretary and senior executives;

- (g) appointment of Directors to fill a vacancy or as an additional Director;
 - (h) establishment of Board committees, their membership and their delegated authorities;
 - (i) approval of dividends;
 - (j) approval of half-year and full year financial results;
 - (k) approval of annual budgets and the strategic plan;
 - (l) approval of significant changes to the organisational structure;
 - (m) review of corporate codes of conduct;
 - (n) approval of major capital expenditure, acquisitions and divestments in excess of authority levels delegated to management;
 - (o) commence material litigation
 - (p) determining the form and operation of employee performance and incentive plans;
 - (q) calling meetings of shareholders;
 - (r) disclosure (continuous and periodic) obligations under the ASX Listing Rules and Act; and
 - (s) any other specific matters nominated by the Board from time to time.
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10. Board process

10.1. Meetings

- 10.1.1. The Board will meet regularly and intends to meet six times each year.
- 10.1.2. Directors will use all reasonable endeavours to attend Board meetings.
- 10.1.3. Periodically, non-executive directors may meet without the Managing Director/CEO or management present, to review the performance of management generally and discuss corporate governance issues.
- 10.1.4. Senior executives will be invited to attend meetings as required. Other Company executives, external auditors, internal auditors and advisers, as the Chair sees fit, may be invited to attend meetings.
- 10.1.5. Non-executive director shall be present at a Board meeting during deliberations concerning their position.
- 10.1.6. Board papers shall be provided to directors sufficiently far in advance of scheduled meetings to permit adequate preparation.
- 10.1.7. The Constitution governs the regulation of Board meetings and proceedings including the quorum for a Board meeting which is two Directors.
- 10.1.8. The Board intends to elect one of its members to be Chair, who would be an independent non-executive director.
- 10.1.9. If at any time the Company has a Chair who is not independent, the Board will consider appointing a lead independent director.
- 10.1.10. The Chair will represent the Board in all communications to shareholders and shall be responsible for communicating the Board's position on matters relevant to them.

10.1.11. The Chair will:

- (a) approving agendas working with the Company Secretary and ensuring sufficient time is available for the Board to effectively undertake its role;
- (b) chair meetings of the Board and of shareholders, including the AGM;
- (c) ensure the Board's decisions are implemented;
- (d) ensure that the Board fulfils its obligations under this charter and as required under the relevant legislation;
- (e) provide effective leadership to the Board and the Company;
- (f) lead the Board to ensure it operates efficiently and effectively as a group; and
- (g) promote constructive and respectful relations between the Board and management.

10.1.12. Any action permitted to be taken at any meeting of the Board may be taken without a meeting, if a written consent thereto is signed by all directors entitled to vote on the resolution, provided that such written consent shall be filed with the minutes of the proceedings of the Board.

10.1.13. The Company's Constitution governs the regulation of Board meetings and proceedings.

10.2. **The Chair**

10.2.1. The Board will appoint one of its members to be the Chair.

10.2.2. It is intended that the Chair should be an independent, non-executive director.

10.2.3. It is preferable the position of Chair should not be exercised by the CEO or any other executive function in the Company unless in extraordinary circumstances.

10.2.4. The Chair represents the Board to the shareholders and communicates the Board's position.

10.2.5. The Chair shall be responsible for:

- (a) leadership of the Board;
- (b) the efficient organisation and conduct of the Board's functions;
- (c) establishing the agenda for Board meetings in consultation with the Managing Director/CEO and company secretary;
- (d) ensure Board minutes properly reflect Board decisions;
- (e) briefing of all directors in relation to key issues arising;
- (f) guiding Board deliberations, free of undue bias;
- (g) promoting constructive and respectful relations between directors, and between Board and management;
- (h) be the major point of contact between the Board and the Managing Director/CEO;
- (i) be kept fully informed of current events by the Managing Director/CEO on all matters which may be of interest to Directors;

- (j) regularly review progress on important initiatives and significant issues facing the Company with the Managing Director/CEO and such other Officers as the Managing Director/CEO recommends;
- (k) provide mentoring for the Managing Director/CEO;
- (l) chair the Managing Director/CEO evaluation process conducted by the Board;
- (m) commence the annual process of Board and Director evaluation;
- (n) chairing Board and Shareholder meetings; and
- (o) oversee the systematic, effective and efficient conduct of the annual general meetings (“AGMs”), adopt appropriate procedures to ensure effective communication with the shareholders of the Company, and communicate any concern with respect to same to the Board.

10.2.6. Should the Chair be absent from a meeting, members of the Board present shall appoint a chairperson for that particular meeting.

10.3. Individual Directors

10.3.1. Directors must:

- (a) set a standard of honesty, fairness, integrity, diligence and competence in respect of their positions as Directors;
- (b) exercise their powers and discharge their duties in good faith and in the best interests of the Company;
- (c) use their powers of office for a proper purpose and not for personal advantage or for the benefit of another party;
- (d) 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;
- (e) use due care and diligence in fulfilling their role;
- (f) make all reasonable efforts to become and remain familiar with the affairs of the Company;
- (g) attend all Board meetings and Board functions unless there are valid reasons for non-attendance; and
- (h) commit the necessary time and energy to Board matters to ensure that they are contributing their best endeavours in the performance of their duties for the benefit of the Company, without placing undue reliance on other Directors to fulfil these duties.

11. Confidentiality

11.1. In order to enable full and frank discussions, all discussions at meetings of the Board are to be considered confidential and are not to be disclosed outside of the meeting except to the extent:

- (a) required by the Act, the ASX Listing Rules, the Constitution; or

- (b) approved by the Board.
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12. Company Secretary

- 12.1. The Board will appoint at least one Company Secretary who is accountable to the Board on all matters to do with the proper functioning of the Board (“**Company Secretary**”).
- 12.2. The Company Secretary must reside in Australia.
- 12.3. The Company Secretary is responsible for coordination of all Board business, including agendas, board papers, minutes, communication with regulatory bodies and the ASX, all statutory and other filings and monitoring compliance by the Board with its policies and procedures.
- 12.4. The Company Secretary (or delegate) is to attend all Board and Committee meetings or to otherwise receive an update from the Chair or Committee Chair (as applicable) to ensure that accurate minutes of each meeting are taken.
- 12.5. All Directors will have access to the Company Secretary at all times.
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13. Performance review

- 13.1. The Board recognises that regular reviews of its effectiveness and performance are key to the improvement of the governance of the Company. The Board will review and evaluate:
- (a) its own performance, including against the requirements of this charter and ensure its remuneration policies are aligned with the values and strategic objectives;
 - (b) the performance of its Committees; and
 - (c) the performance of individual Directors,
- on an annual basis against both measurable and qualitative indicators in conjunction with the Nomination & Remuneration Committee.
- 13.2. The Chair and the Company Secretary will work together to ensure that the performance assessment of the Board, in the manner described above, is formalised and a review is undertaken on an annual basis.
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14. Advice and Information

- 14.1. Directors have the right to seek independent professional advice in the furtherance of their duties as Directors at the Company’s expense. The Chair’s prior approval or Board resolution of such expenditure is required and all Directors must be advised of the outcome.
- 14.2. Directors are entitled to on-going access to the Company’s operations, employees and information to enable them to fulfil their responsibilities under this Charter and to perform such other functions as prescribed by law.
- 14.3. Directors are expected to keep up to date with issues and developments that are relevant to them in fulfilling their duties and responsibilities and are encouraged to access and undertake appropriate education and professional development activities. Training and education programs that are approved by the Chair will be provided at the Company’s expense.
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15. Charter Review

- 15.1. This Charter cannot be amended without approval from the Company's Board. This Charter will be reviewed biennially to ensure that it remains effective and meets best practice standards and the needs of the Company.
- 15.2. The Charter will be available on the Company's website within a reasonable time after any such updates or amendments have been approved.