

BOARD CHARTER

Coldwater Mining & Energy LTD

Role and Responsibilities of the Board

The role of the Board is to provide leadership for, and supervision of, the Company's management. The Board defines the Company's purpose and sets the strategic objectives of the Company, and regularly measures the progression by management of those strategic objectives.

The Board is responsible for:

- a) appointing the chair (including any acting or alternate chair);
- b) appointing and removing the managing director and/or chief executive officer ("CEO"), or equivalent;
- c) approving the appointment and, where appropriate, the removal of other senior executives, as well as the company secretary;
- d) approving the Company's statement of values and Code of Conduct to underpin a desired culture within the Company;
- e) overseeing management's implementation of the Company's strategic objectives, instilling the Company's values and its performance generally;
- f) approving budgets and major capital expenditure, capital management and acquisitions and divestments outside of delegated authority;
- g) monitoring the financial performance of the Company and overseeing the integrity of the Company's accounting and corporate reporting systems, including the external audit;
- h) overseeing management's implementation and monitoring of the compliance framework, and actively supporting a culture of compliant behaviour across all areas of the Company;
- i) overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- j) approving the Company's remuneration framework (where applicable, based on recommendations of the Remuneration and Nomination Committee) to ensure alignment with the Company's remuneration policy set by the Board and the Company's purpose, values, strategic objectives and risk appetite;
- k) monitoring the effectiveness of the Company's governance practices;
- l) ensuring that an appropriate framework exists for relevant information to be reported by management to the Board, and whenever required, challenging management and holding it to account;
- m) ensuring that the Company has in place an appropriate risk management framework (for both financial and non-financial risks) and setting the risk appetite within which the Board expects management to operate;



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Managing Director & CEO

- n) approving the Company's policies on risk management, internal compliance and control, and legal compliance;
- o) assessing the effectiveness of management's implementation of the Company's risk management framework, including making additional enquiries and to request assurances regarding the management of material business risk, as appropriate;
- p) develop and oversee the Company's corporate governance framework and its practices, including conducting regular reviews of the division of functions between the Board and management to ensure that it continues to be appropriate to the needs of the Company;
- q) approving and monitoring progress against objectives set under the Company's diversity policy;
- r) overseeing the Company's insurance program having regard to the Company's business and associated insurable risks; s) ensuring appropriate resources are available to senior management;
- s) appointing and engaging with the external auditor (where applicable, based on recommendations of the Audit and Risk Committee) including where any vacancy arises, provided that any appointment made by the Board must be ratified by shareholders at the next annual general meeting of the Company;
- t) engaging with the Company's external auditors and the Audit and Risk Committee;
- u) monitoring compliance of the Company's legal obligations, such as those obligations relating to mining, environment, native title, cultural heritage and occupational health and safety and under the whistleblower legislation; and
- v) making regular assessment of whether each non-executive director is independent in accordance with the Company's guidelines set out in Annexure 1

Without delegating overall responsibility, the Board may delegate the matters listed above to a committee of the Board, with the Board retaining the ultimate oversight and decision-making power in respect of the matters delegated.

The Board must convene regular meetings with such frequency as is sufficient to appropriately discharge its responsibilities.

Role and Responsibilities of Management

Management refers to the Managing Director and other members of the senior management team, being those who have the opportunity to materially influence the integrity, strategy and operation of the Company and its financial performance.



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Managing Director & CEO

The Managing Director, together with the support and assistance of other senior management, is responsible for:

- a) implementing the strategic objectives, instilling and reinforcing the Company's values to underpin its desired culture and operating within the values, Code of Conduct, budget and risk appetite set by the Board; 3
- b) all other aspects of the day-to-day running of the Company provided those matters do not exceed the delegated authorities as approved by the Board from time to time; and
- c) providing the Board with accurate, timely and clear information to enable the Board to perform its responsibilities, including information about the financial and operational performance of the Company, its compliance with material legal and regulatory requirements and any conduct that is materially inconsistent with the values or the Code of Conduct.

Senior executives and management are responsible for reporting all material matters at first instance to the Managing Director and CEO or, if the matter concerns the Managing Director and CEO, then directly to the Chair. In addition to formal reporting structures, members of the Board are encouraged to have direct communications with senior management and other employees within the Company to facilitate the carrying out of their duties as directors.

Role and Responsibilities of the Chair

The Chair, where practicable, shall be an independent director.

If the Chair on any occasion is conflicted or ceases to be independent, the Board will consider appointing another director who is independent to be acting Chair or to take over the role of the Chair.

The Chair is responsible for leading the Board, facilitating the effective contribution of all directors and promoting constructive and respectful relations between directors and between the Board and management. The Chair is also responsible for setting the Board's agenda and ensuring that adequate time is available for discussion of all agenda items.

The Chair is also responsible for arranging Board, individual director and Board committee (where applicable) performance evaluations.

The Board will appoint an independent director to assist the Board in reviewing the performance of the Chair and to provide a separate channel of communication for security holders (especially where those communications concern the Chair).



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Role and Responsibilities of the Managing Director

The Managing Director is responsible for the day-to-day running of the Company under delegated authority from the Board.

The Managing Director is responsible for implementing the strategic objectives, instilling the Company's values which underpin its culture, and operating within the risk appetite set by the Board.

In carrying out their responsibilities, the Managing Director must report to the Board in a timely manner on those matters included in the Company's risk profile, all relevant operational matters and any other material matter including any conduct that is materially inconsistent with the Company's values or Code of Conduct.

All reports to the Board must present a true and fair view of the Company's financial condition and operational results. The Managing Director is also responsible for appointing and, where appropriate, removing senior executives, including the chief financial officer, chief operating officer and the general counsel and company secretary, with the approval of the Board. The Company should have a written agreement with each senior executive setting out the terms of their appointment. The Managing Director is responsible for evaluating the performance of senior executives.

Non-Executive and/or Independent Directors

The Board assesses whether each of the non-executive directors of the Company is independent on a regular basis (and at least annually at or around the time that the Remuneration and Nomination Committee considers and recommends candidates for election or re-election to the Board). The guidelines for assessing independence of the Company's directors are set out in Annexure 1. The Board recognises the importance of the appropriate balance between independent and non-independent representation on the Board.

The independent directors may meet without other directors present, if appropriate.

The non-executive directors may meet without executive directors or other senior executives present at times scheduled from time to time. Such meetings may be facilitated by the Chair or the senior independent director, as appropriate.

Non-Executive and/or Independent Directors

Individual directors should devote the necessary time to the tasks entrusted to them. All directors should consider the number and nature of their directorships and calls on their time from other commitments.



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Directors and officers of the Company should be aware of their legal obligations and duties as directors. It is the Board's policy that induction and continuous professional development programs should be available to directors where appropriate to assist them in meeting their obligations and duties.

Directors are encouraged to request information from management where they consider such information necessary to make informed decisions or to discharge their duties.

Access to Information and Independent Professional Advice

It is the Board's policy that if a director considers it necessary to obtain independent professional advice to properly discharge the responsibility of their office as a director then, provided the director first obtains approval for incurring such expense from the Chair, the Company will pay the reasonable expenses associated with obtaining such advice.

Where it is the Chair who is seeking the independent professional advice, approval should be sought from the Chair of the Audit and Risk Committee.

Company Secretary

The Company Secretary's role is to support the effectiveness of the Board and its committees. Each director should be able to communicate directly with the Company Secretary and vice versa. The responsibilities of the Company Secretary include:

- a) advising the Board and its committees on governance matters;
- b) monitoring that Board and committee charters and policies are followed;
- c) coordinating the timely completion and despatch of Board and committee papers;
- d) ensuring that the business at Board and committee meetings is accurately captured in the minutes; and
- e) helping to organise and facilitate the induction and professional development of directors.

The Board will review this Charter on an annual basis



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