

## 1 Introduction

### 1.1 What is the purpose of this Charter?

This Charter describes the roles and responsibilities of the Board and Resolute management.

### 1.2 What is the Board's role?

The Board is responsible for the overall corporate governance of Resolute including:

- monitoring its operational and financial position, performance and business strategy;
- maximising performance, generating appropriate levels of shareholder value and financial return and sustaining the growth and success of Resolute's business; and
- ensuring it is properly managed to protect and grow shareholder interests.

## 2 Responsibilities of the Board and management

### 2.1 Board responsibility

The Board is responsible for the overall management and strategic direction of Resolute and for delivering accountable corporate performance in accordance with Resolute's goals and objectives.

In performing its role, the specific responsibilities reserved to the Board include:

- providing strategic direction to Resolute and deciding upon Resolute's strategies and objectives in conjunction with the CEO;
- monitoring the strategic direction of Resolute and the attainment of its strategies and objectives in conjunction with the CEO;
- monitoring the operational and financial position and performance of RSG specifically and Resolute generally;
- driving corporate performance and delivering shareholder value;
- ensuring a prudential and ethical base to the Resolute's conduct and activities having regard to the relevant interests of its stakeholders;
- assuring the principal risks faced by Resolute are identified and overseeing that appropriate control and monitoring systems are in place to manage the impact of these risks;
- reviewing and approving Resolute's internal compliance and control systems and codes of conduct;
- ensuring that Resolute's financial and other reporting mechanisms are designed to result in adequate, accurate and timely information being provided to the Board;
- appointing and, where appropriate, removing the CEO, monitoring other key executive appointments, and planning for executive succession;
- overseeing and evaluating the performance of the CEO, and through the CEO, receiving reports on the performance of other senior executives in the context of Resolute's strategies and objectives and their attainment;
- reviewing and approving the CEO's and, in conjunction with the CEO, other senior executives' remuneration;
- approving Resolute's budgets and business plans and monitoring major capital expenditures, acquisitions and divestitures, and capital management generally;

- ensuring that Resolute's financial results are appropriately and accurately reported on in a timely manner in accordance with regulatory requirements;
- as part of its oversight and monitoring function, overseeing that Resolute's governance systems and processes are designed and applied to ensure compliance with all applicable laws, governmental regulations and accounting standards;
- ensuring that Resolute's affairs are conducted with transparency and accountability;
- overseeing the design and implementation of appropriate and effective policies, processes and codes of conduct for Resolute (including with respect to ethics, values, conduct, securities trading, disclosure of securities' price sensitive information, employment, remuneration, diversity and otherwise) as well as monitoring and reviewing those policies, processes and codes of conduct from time to time;
- ensuring sound Board succession planning including strategies to ensure the Board is comprised of individuals who are able to discharge the responsibilities of Directors; and
- overseeing shareholder and stakeholder engagement, reporting and information flows.

## **2.2 Management responsibility - authority delegated to senior executive management and delegated authority matrix**

The Board has delegated to the CEO (for sub-delegation as appropriate to his or her senior executive and management team), authority over the management, operations and day-to-day affairs of Resolute.

This delegation of authority includes responsibility for:

- developing business plans, budgets and strategies for consideration by the Board and, to the extent approved by the Board, implementing those plans, budgets and strategies;
- ensuring Resolute's operations and business are within the parameters set by the Board from time-to-time and that the Board is kept informed of material developments in Resolute's affairs, operations and business;
- where proposed transactions, commitments or arrangements exceed threshold parameters set by the Board, referring the matter to the Board for its consideration and approval;
- identifying and managing operational and corporate risks for Resolute and, where those risks could have a material impact on Resolute, formulating strategies for managing and mitigating those risks, including for consideration and endorsement (as applicable) by the Board;
- managing Resolute's financial and other reporting mechanisms, and control and monitoring systems, to ensure that these mechanisms and systems capture all relevant material information on a timely basis, are functioning effectively and are founded on a sound basis of prudential risk management;
- ensuring that the Board is provided with sufficient accurate information on a timely basis in regard to Resolute, its operations, business and affairs, and in particular with respect to Resolute's corporate performance, financial condition, operations and prospects, to reasonably position the Board to fulfil its governance responsibilities; and
- implementing the policies, processes and codes of conduct approved by the Board and facilitating the monitoring and reviewing of, and reporting against, those policies, processes and codes of conduct.

The scope of the CEO's, and the CFO's, roles, authorities and responsibilities must also be set out in formal job descriptions in their employment contracts (or letters of appointment) with Resolute.

The CEO will propose from time-to-time for consideration and adoption (as applicable) by the Board, a Delegation of Authority Policy (or similar instrument) specifying the levels of delegated authority applicable at Board, Director, CEO, Company Secretary, senior executive and other management levels (as appropriate).

## **2.3 Appointment**

Members of the Board are appointed in accordance with the terms of the Constitution, Procedure for Selection and Appointment of New Directors, Nomination Committee Charter and Remuneration Committee Charter.

Although the election of Directors is substantially the province of RSG shareholders in general meeting, Resolute commits to the following principles:

- the Board has an appropriate number of independent non-executive directors who:
  - are the majority of the Board;
  - can challenge and hold management to account;
  - represent and act in the best interests of RSG; and
  - are accountable to RSG's security holders as a whole.
- the Board is of sufficient size so that the requirements of its business can be met, and changes to the composition of the Board and its Committees can be managed, without undue disruption;
- the Board is not so large as to be unwieldy;
- the Board comprises Directors with a blend of skills, experience and attributes appropriate for Resolute and its businesses;
- the principal criterion for the appointment of new Directors is their ability to add value to Resolute and its businesses;
- the Board respects and values the benefit of diversity (including skills, experience, perspective, gender, culture, age and otherwise) in order to enhance the probability of achievement of Resolute's objectives;
- all Directors respect the role of the Nomination Committee with respect to Board succession planning;
- Resolute should undertake appropriate checks (e.g as to character, experience, education, criminal and bankruptcy history) before appointing a prospective Director or putting him or her forward for candidacy for election or appointment;
- Resolute should provide its security holders with all "material information" in its possession relevant to a decision as to whether or not to elect or re-elect a Director. "Material information" includes but is not limited to:
  - biographical details (including relevant qualifications, skills and experience);
  - any other material directorship currently held by the person;
  - a statement by the Board whether it supports the election or re-election of the person;
  - a statement whether the Board considers the person qualifies as an "independent director";
  - for candidates standing for election for the first time:
    - any material adverse information revealed by the checks referred to above; and
    - any prospective conflict of interest or material circumstances that may influence or impact upon the person's capacity to bring independent judgement and act in the best interests of RSG generally;
  - for Directors standing for re-election:
    - the term of office currently served by the Director; and
    - any other material information likely to be relevant to the security holders' decision; and
- the candidate for (as applicable) appointment, election or re-election as a Director should provide the Board and Nomination Committee with:
  - all requisite information referred to above;
  - a consent for Resolute to conduct the background checks referred to above;
  - details of his or her other commitments; and
  - an acknowledgement that he or she has sufficient time available to commit to Resolute and fulfil his or her responsibilities as a Director.

## 2.4 Agreement by Directors

Upon or prior to their anticipated appointment, Directors are to be issued a formal letter of appointment (for signing and acceptance by them at the time of their appointment).

## 2.5 Access and indemnity deed and D&O insurance

Resolute will execute with each Director a deed of access and indemnity in such reasonable industry accepted form settled by Resolute's lawyers and/or approved from time-to-time by the Board.

Resolute will arrange for the benefit of each Director, subject to cover availability at commercially acceptable premiums to the reasonable satisfaction of the Board, a policy of directors' and officers' insurance in such reasonable industry accepted form approved by the Board having regard to advice taken from Resolute's insurance brokers or lawyers (if and as applicable).

## 2.6 Director "independence"

An independent Director operates independently of executive management and free of any business or other relationship (personal, business or otherwise) that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgment.

Independent Directors accordingly assist in ensuring that the Board and Resolute operate in the best interests of RSG having regard to the goals and objectives of Resolute.

The assessment of whether a Director is independent is a matter of judgement for the Board as a whole and includes concepts of materiality. In making that judgement the Board may have regard to, but need not be bound by, the Recommendations as to director "independence".

All Directors are required to disclose to the Board and the Nomination Committee (via the Company Secretary) any interest, position, association, relationship or information (and any changes thereof) which may be relevant or material to that assessment.

The Chair, and at least a majority of Directors, should be independent, unless special circumstances exist, are disclosed and are approved of by the Board as an exception to this requirement.

Resolute will disclose in its annual report or on its website:

- the names of the Directors considered by the Board to be "independent";
- if the Board considers a Director to be "independent" but they have an interest of the type set out in Recommendation 2.3, an explanation as to why the Board considers him or her to be independent;
- the length of service of each Director; and
- if the Board determines that a Director's previously assessed and disclosed "independence" has changed.

## 2.7 Independent professional advice

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

- the Director must seek the prior approval of the Chair or chair of the Audit and Risk Committee having regard to the relevant circumstances);
- in seeking such prior approval, the Director must provide details of:
  - the nature of and reasons for the independent professional advice to be sought;
  - the likely cost of obtaining the independent professional advice; and
  - details of the independent adviser the Director proposes to instruct; and
- the approval of the Chair or chair of the Audit and Risk Committee must not be unreasonably withheld.

## 2.8 Generally – Codes of Conduct and policies

Resolute has adopted a Code of Conduct and Directors and Employees are expected to comply with it.

Directors and Employees must also abide by such other policies, codes and protocols as may be adopted by Resolute from time-to-time.

## **2.9 Performance enhancement and evaluation**

### **2.9.1 Enhancement**

Resolute commits to providing induction programs for new Directors and senior executives as well as providing opportunities for the continuing professional development of existing Directors and senior executives to equip them to better serve Resolute.

### **2.9.2 Evaluation and review**

The performance of the Board (as a whole), each Committee, Directors (individually) and each senior executive will be periodically reviewed, at least annually or thereabouts and at other times as decided upon by the Board, against measurable and qualitative benchmarks as may reasonably be determined from time to time by the Board having regard to generally accepted corporate governance standards.

This task is delegated by the Board to the Nomination Committee.

## **3 Board meetings**

### **3.1 Procedures**

As far as possible, agendas and supporting papers must be despatched a reasonable period in advance of a Board meeting.

A Board meeting may be cancelled by the Chair (or acting Chair) if he/she reasonably considers there is insufficient business to warrant holding a meeting.

Subject to the Constitution, a quorum must comprise the greater of 2 Directors and 50% of the Board.

### **3.2 Frequency**

Subject to the Constitution, the Board should meet at least 6 times per annum, and as often as is necessary to effectively and efficiently fulfil its functions and discharge its responsibilities.

### **3.3 Minutes**

Draft minutes of each Board meeting must be recorded, initially settled by the meeting Chair and distributed to each member of the Board in a prompt and timely manner after each Board meeting.

The minutes of each Board meeting are to be submitted to the next succeeding meeting of the Board for their formal approval by the Board and their signing by the meeting Chair as a fair and correct record of proceedings.

The minutes must be entered into Resolute's secretarial records within such time periods as may be prescribed by statute or regulation.

### **3.4 Venue and time**

Meetings should be held at such place and time as is reasonably considered appropriate by the Chair to meet the needs of Resolute.

The Chair will endeavour to meet the reasonable convenience of the members of the Board (including having regard to each Director's other commitments, be they business, domestic, personal or otherwise) in setting the meeting times and venues.

## 3.5 Generally

Meetings of the Board must be conducted in compliance with the Constitution and the Corporations Act and otherwise in accordance with generally accepted procedures for board meetings of like companies.

Subject to the provisions of this Charter, the Chair will determine the manner and process by which Board meetings will be held.

The Board should consider meeting periodically in “closed session” without executive Directors and senior executives present.

## 3.6 Board calendar

To assist the Board in ensuring the timely discharge of its duties each year, the Board may from time-to-time adopt a planning calendar which should at least include on it each year reports on strategic governance.

The planning calendar will be developed by the Company Secretary in consultation with the Chair and the CEO with an aim for it to be tabled and adopted at the first Board meeting each financial year.

# 4 Committees

## 4.1 Committee structure

The Board has established the following standing Committees to assist the Board in the performance of its responsibilities:

- Audit and Risk Committee;
- Nomination Committee;
- Remuneration Committee; and
- Safety and Environment Committee.

Other Committees may from time to time be established by the Board to deal with discrete functions or matters of special importance to Resolute.

For efficiency of operations, the Nomination Committee and Remuneration Committee may comprise the same members. Where any such 2 Board Committees comprise the same members, such Committees may sit contemporaneously with one another discharging the functions and responsibilities of each Committee in parallel with one another, although in such cases discrete minutes for each Committee’s deliberations within the scope of its terms of reference should be prepared.

## 4.2 Committee terms of reference

Each Committee has an approved charter and terms of reference under which authority is delegated by the Board.

Generally, Committees have an advisory, reporting and recommending function only to the Board. The Board remains responsible for the exercise of power by the Committees, unless the Board has delegated deliberative and/or executive power to the Committee and the Board believes on reasonable grounds in good faith and after making proper enquiry:

- that the Committee would exercise the power in conformity with the duties imposed on the Board by the Corporations Act and the Constitution; and
- that the Committee is reliable and its members competent in relation to the power delegated.

## 4.3 Committee membership and operations

Committees are to be comprised of Directors (together with others, as appropriate, in the terms of the relevant Committee's charter) who desirably have relevant attributes, skills and experience having regard to the charter and functions of the Committee. Committees may invite others to attend their meetings at the discretion of the Committee chair and/or the Committee itself.

Committees will meet as appropriate in accordance with the terms of their charters.

Relevant business addressed at Committee meetings is to be summarised and reported (as reasonably practicable) to the Board at its next meeting after the Committee meeting.

## 5 Key office bearers

### 5.1 Chair

The Chair is responsible for leadership of the Board including:

- facilitating proper information flow to the Board;
- facilitating the effective functioning of the Board including managing the conduct, frequency and length of Board meetings; and
- communicating the views of the Board, in conjunction with the CEO, to Resolute's security holders, broader stakeholders and to the public.

In performing his/her role, the Chair's responsibilities also include:

- in consultation with the CEO and Company Secretary, setting the agenda for the matters to be considered by the Board;
- seeking to ensure that the information provided to the Board is relevant, accurate, timely and sufficient to keep the Board appropriately informed of the performance of Resolute and of any developments that may have a material impact on Resolute or its performance;
- seeking to ensure that communications with stakeholders and the public are accurate and effective;
- seeking to ensure that the Board as a whole has the opportunity to maintain adequate understanding of Resolute's financial position, strategic performance, operations and affairs generally and the opportunities and challenges facing Resolute;
- facilitating open and constructive communications amongst Directors and encouraging their contribution to Board deliberations;
- overseeing and facilitating Board, Committee and Director evaluation reviews and succession planning;
- liaising and interfacing with the CEO as the primary contact between the Board and management; and
- liaising with and counselling, as appropriate, Directors.

Subject to the terms of the Constitution, the Chair is appointed by the Board from amongst its members and holds office at the discretion of the Board until removed from office by the Board or until the Chair resigns from office or is no longer a Director.

In the absence of the Chair, the deputy Chair (if there is one appointed by the Board) or the senior or lead independent Director, should assume the role that otherwise would be performed by the Chair if the Chair was not absent.

The Chair should be non-executive and "independent" and the roles of the Chair and the CEO should not be exercised by the same person, except in special circumstances approved of by the Board.

## 5.2 Deputy Chair

The deputy Chair (if one is appointed), or the senior independent Director if a deputy Chair is not formally appointed, has the following responsibilities:

- to perform the role and functions of the Chair in the absence of the Chair for any reason;
- to be available to facilitate the following matters when and as appropriate and required:
  - Chair succession planning; and
  - approvals and actions required to be performed by the Chair under this Charter, or its policies, where the Chair actually or potentially may be compromised due to personal or other conflict of interest; and
- at the request of the Chair, to support the Chair in the performance of the role and function of the Chair.

The deputy Chair should be an independent non-executive Director and should not also be the CEO.

## 5.3 Company Secretary

The Company Secretary plays an important role in supporting the effectiveness of the governance of Resolute and of the Board.

The Company Secretary is directly accountable to the Board, through the Chair, on the matters set out below, irrespective of any other line management accountability to the CEO or other senior executives.

Open and direct lines of communication are to be maintained between Directors and the Company Secretary (and vice versa).

The appointment/removal of the Company Secretary is to be effected by a Board resolution.

The role and responsibilities of the Company Secretary include:

- advising the Board and its Committees on governance matters;
- monitoring that Board and Committee policies and procedures are followed;
- co-ordinating the timely completion and despatch of Board and Committee papers;
- ensuring accurate minutes of business at Board and Committee meetings are prepared and entered in Resolute's secretarial records in a timely manner; and
- helping to organise and facilitate Director induction, professional development and evaluation/review procedures.

## 5.4 CEO

The CEO is accountable to the Board and reports to the Chair.

The CEO will accept the responsibility, on behalf of management, of the authority delegated in the terms of this Charter.

The CEO will enter into a formal executive services agreement with Resolute which will include:

- a formal job description including position, duties and responsibilities;
- remuneration arrangements;
- term of tenure and how it may be terminated;
- any termination entitlements; and
- performance review and evaluation arrangements (at least annually).

Senior executive officers (including executive Directors) are accountable to the CEO and to the Board through the CEO.

Senior executives will enter into formal executive services agreements with Resolute which will include:

- a formal job description including position;
- duties and responsibilities;
- to whom they report;
- remuneration arrangements;
- term of tenure and how it may be terminated;
- any termination entitlements; and
- performance review and evaluation arrangements (at least annually).

## 6 Shareholder (including security holder) meetings

Shareholder meetings must be conducted in a manner that facilitates effective communication with RSG's membership base and allows reasonable opportunity for informed participation at such meetings by RSG's membership base.

Unless special circumstances otherwise dictate (as determined by the Chair and/or the Board), Resolute's broader stakeholders may attend at shareholder meetings but may only speak at such meetings if authority is expressly granted by the Chair.

The Board will require attendance of RSG's external auditor at RSG's annual general meeting to answer questions relevant to the conduct of the audit and the preparation and content of the auditor's report.

Resolute aspires to meetings of shareholders, and notices to shareholders of those meetings, generally being in conformity with the Recommendations.

Resolute, through the following processes, including communications, encourages participation at meetings of shareholders and security holders:

- through use of technology, as appropriate, especially in cases of large numbers of participants or if meetings are to be held in remote locations; and
- the opportunity for those who are unable to attend meetings and exercise their right to enquire about or comment on Resolute's management, to provide questions or comments ahead of the relevant meeting for answer at the meeting (either verbally or in prepared transcript form).

## 7 Financial integrity

### 7.1 External audit function

Resolute commits to the external audit of Resolute's books and affairs by the appointment of an independent external auditor who satisfies the "independence" requirements of ASIC and the ASX for listed public companies.

In particular, the external auditor must be independent of, and have no relevant material interest, associations or dealings (other than as auditor in the discharge of the duties associated with that appointment) with, Resolute or any Director or other officer of Resolute.

The external auditor is required to attend RSG's annual general meeting.

### 7.2 CEO and CFO financial reports verification

Before the Board approves Resolute's financial statements from time-to-time, the Board will require the CEO and the CFO (or their equivalents) to state in writing to the Board:

- that in their opinion Resolute’s financial reports have been properly prepared and present a true and fair view of Resolute’s financial condition, performance and operational results and are in accordance with appropriate and relevant accounting standards; and
- that their opinion has been formed on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board, and that Resolute’s risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

### 7.3 Governance disclosure – ASX CGC Principles & Recommendations (3rd Edition) (“Recommendations”)

Resolute commits to compliance with the mandated disclosure requirements of the Recommendations.

In particular:

- a current copy of this Charter is to be posted to Resolute’s website with timely updates of any variations to it;
- the disclosure requirements of the Recommendations are to be observed by Resolute; and
- in compliance with the Recommendations, Resolute will disclose in its annual report or on its website:
  - whether it has any material exposure (i.e. a real possibility that the risk in question could substantially impact Resolute’s ability to create or preserve value for security holders over the short, medium or long term) to economic sustainability risks, environmental sustainability risks or social sustainability risks (note the Recommendations in their “glossary” define what is meant by these terms);
  - if it does, how it manages or intends to manage those risks; and
  - the particulars set out in Resolute’s Audit and Risk Committee Charter with respect to Resolute’s internal audit function.

## 8 Definitions

**ASX** means ASX Limited ACN 008 624 691 or the stock market operated by it, as the context requires.

**ASIC** means Australian Securities and Investments Commission.

**Board** means the board of directors of RSG.

**CEO** means the chief executive officer of RSG.

**CFO** means the chief financial officer of RSG.

**Chair** means the chair of the Board.

**Charter** means this Board Charter, as amended from time-to-time.

**Committee** means a committee of the Board.

**Company Secretary** means the company secretary of RSG.

**Constitution** means the constitution of RSG.

**Corporations Act** means *Corporations Act 2001* (Cth).

**Director** means a director of RSG.

**Employee** means an employee of, or consultant to, Resolute.

**Recommendations** means ASX CGC Principles & Recommendations (3rd Edition).

**Resolute** means RSG and its subsidiaries and related entities.

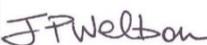
**RSG** means Resolute Mining Limited ACN 097 088 689.

## 9 Related documents

- Audit and Risk Committee Charter.
- Code of Conduct.
- Communications Strategy.
- Constitution.
- Delegation of Authority Policy.
- Nomination Committee Charter.
- Procedure for Selection and Appointment of New Directors.
- Remuneration Committee Charter.

## 10 Approval and review

This document is to be reviewed annually by the Board.

Version	RIGS Document Category	Date	Status	RIGS Document Owner	Reviewer	Approver	Approval Date
1.0	Board	23 August 2018	Reviewed				23 August 2018
				<b>Amber Stanton</b> <i>General Counsel &amp; Company Secretary</i>	<b>John Welborn</b> <i>Managing Director &amp; CEO</i>	<b>Martin Botha</b> <i>Chair</i>	