



Indago Energy Limited

BOARD CHARTER

1. OVERVIEW

- 1.1 The Board is primarily responsible for ensuring that Indago Energy (Indago) has an appropriate corporate governance structure to ensure the creation and protection of shareholder value.
- 1.2 The Board is also responsible for ensuring that Indago recognises its legal and other obligations to all legitimate stakeholders from time to time where and to the extent appropriate. “Stakeholders” are groups that are likely to feel a social, environmental or economic impact from Indago’s actions. They include shareholders, employees, contractors, regulatory bodies and members of the communities where Indago operates and are affected by Indago’s activities.
- 1.3 This Board Charter explains Indago’s commitment to corporate governance and sets out the role, responsibilities and conduct of the Board. It is not an “all inclusive” document and should be read as an expression of principle.
- 1.4 To the extent practicable, Indago endorses the Australian Securities Exchange Limited (ASX) Corporate Governance Council’s *Corporate Governance Principles and Recommendations (ASX Principles)*.

2. COMPLIANCE AND GOVERNING MATERIALS

2.1 Constitution

Indago’s Constitution is Indago’s key governance document. The Board must ensure that it and Indago comply at all times with the provisions of the Constitution.

2.2 Compliance with Laws

As a public company listed on the ASX, Indago must comply with the *Corporations Act*, the ASX Listing Rules (Listing Rules) as well as all other applicable laws and statutes. Examples of applicable areas of regulation include:

- i. environmental protection legislation;
- ii. occupational health & safety legislation;
- iii. employment related laws; and
- iv. anti-discrimination legislation.

As a company operating in jurisdictions outside Australia, Indago must ensure that it is aware of, and complies with, all applicable laws and statutes in those jurisdictions.



Indago Energy Limited

2.3 Governance Materials

The operations and conduct of Indago are administered in accordance with all governance materials adopted by the Indago Board, including but not limited to:

- i. this Charter;
- ii. Remuneration and Nomination Committee Charter;
- iii. Audit Committee Charter;
- iv. Risk Management Policy;
- v. Code of Conduct and Ethics;
- vi. Continuous Disclosure Policy; and
- vii. Shareholder Communications Policy.

3. COMPOSITION OF THE BOARD

3.1 Number of Directors

In accordance with the Constitution and the *Corporations Act*, the Board shall at all times have at least 3 Directors.

3.2 Alternate Directors

Directors may appoint Alternate Directors in accordance with the Constitution.

3.3 Appointment and Removal of Directors

General

Directors will be appointed and removed in accordance with the *Corporations Act* and the Constitution.

Considerations

In selecting new Directors, the Board must ensure that the candidate has the appropriate range of skills, experience and expertise that will best complement Board effectiveness.

In addition, any candidate must confirm that they have the necessary time to devote to their Indago Board position prior to appointment.

3.4 Nomination and Rotation of Directors

Nomination and rotation of Directors will be governed by the *Corporations Act*, the Listing Rules and the Constitution.



Indago Energy Limited

3.5 Board Committees

The Board has established a Remuneration & Nomination Committee and an Audit Committee.

However, ultimate responsibility for remuneration and nomination matters, integrity for the financial reporting, risk oversight and risk management rests with the Board.

3.6 Independence

Independent Directors are those who have the ability to exercise their duties unfettered by any business or other relationships and are willing to express an objective opinion.

It is the approach and attitude of each Non-Executive Director which is critical to determining independence and this must be considered in relation to each Director while taking into account all other relevant factors, which may include whether the Non-Executive Director:

- i. holds less than 5 % of the voting shares of Indago (in conjunction with their associates) and is an officer of Indago, or otherwise associated directly with a shareholder of more than 5 % of the voting shares of Indago;
- ii. has, within the last three years, been employed in an executive capacity by Indago;
- iii. has, within the last three years, been a principal of a material professional adviser or a material consultant to Indago or an employee materially associated with the service provided. In this context, the relationship with the professional adviser or consultant shall be deemed to be material if payments from Indago exceed 10% of Indago's annual expenditure to all professionals and consultants or exceed 10% of the recipient's annual revenue for advisory or consultancy services;
- iv. is a material supplier or customer of Indago, or an officer of or otherwise associated directly or indirectly with, a material supplier or customer. In this context, the relationship with the supplier or customer shall be deemed to be material if annual payments to or from that supplier or customer exceed 10% of the annual consolidated gross revenue of either Indago or of that supplier or customer;
- v. has any material contractual relationship with Indago other than as a Director;

4. INFORMATION AND INDEPENDENT ADVICE

4.1 Due Diligence "Pack"

Prior to any formal offer, any potential Director must be given sufficient information about Indago as part of his/her personal due diligence. The information will extend to non-public information and care must be taken to ensure confidentiality.

4.2 Appointment Letter

Upon appointment, a new Director will be given a formal letter of appointment from the Managing Director setting out the key terms and conditions of their position.



Indago Energy Limited

4.3 Induction Program

New Directors undergo an induction process in which they are given a full briefing about Indago. Where possible, this includes meetings with key executives, tours of the relevant sites, an induction package and presentations. Information conveyed to new Directors includes:

- i. details of the role, responsibilities, rights and duties of a Director;
- ii. formal policies on Director appointment as well as conduct and contribution expectations;
- iii. details of all relevant legal requirements;
- iv. access to a copy of the Board Charter.
- v. guidelines on how the Board processes function;
- vi. details of past, recent and likely future developments relating to the Board;
- vii. background information on and contact information for key people in the organisation;
- viii. an analysis of Indago's operations and the industry sectors within which Indago operates;
- ix. Indago's financial, strategic, operational and risk management position;
- x. a synopsis of the current strategic direction of Indago including a copy of the current strategic plan and annual budget;
- xi. a copy of Indago's Constitution; and
- xii. any other relevant information.

4.4 Ongoing Information

The Chairman, Managing Director, Chief Financial Officer, Company Secretary and any other Executive Officers must be conscious to ensure that updated information is provided to the Board in a timely fashion to enable them to effectively discharge their duties as Directors. This may be part of, or in addition to, the periodic board reporting process.

4.5 Requested Information

Directors are entitled to request and receive such additional information as they consider necessary to support informed decision-making. Any Director has the authority to seek any information he/she requires from any employee or contractor (Employee) of Indago and all Employees must comply with such requests.

Unless a conflict exists or to do so would be inconsistent with the Director's duties, the Director is to request such information via the Managing Director.

4.6 Independent Professional Advice

The Board collectively and each Director, subject to informing the Chairman, has the right to seek independent professional advice from a suitably qualified advisor, at the Company's expense, up to specified limits, to assist them to carry out their responsibilities. Where appropriate, a copy of this advice is to be made available to all other members of the Board.



Indago Energy Limited

5. DUTIES AND RESPONSIBILITIES

5.1 The Board is responsible for governing Indago and for setting the strategic direction of Indago, including:

- i. oversight of control and accountability systems;
- ii. appointing and removing the:
 - a. Managing Director;
 - b. Chief Financial Officer; and
 - c. Company Secretary;
- iii. input into and final approval of corporate strategy;
- iv. approving the annual operating budget;
- v. approving and monitoring the progress of major capital and operating expenditure;
- vi. monitoring compliance with all legal and regulatory obligations;
- vii. reviewing any risk management system (which may be a series of systems established on a per-project basis) and internal compliance and controls;
- viii. monitoring any Executive Officer's performance; and
- ix. approving and monitoring financial and other reporting to the market, shareholders, employees and other stakeholders.

5.2 In discharging his/her duties, each Director must:

- i. exercise care and diligence;
- ii. act in good faith in the best interests of Indago;
- iii. not improperly use his/her position or misuse information of Indago; and
- iv. commit the time necessary to discharge effectively his/her role as a Director.

5.3 All Directors are entitled to be heard at all Meetings and to the extent practicable, should bring an objective judgement to bear in decision-making.

6. THE CHAIRMAN

The Chairman is responsible for:

- i. leadership of the Board;
- ii. overseeing the Board in the effective discharge of its supervisory role;
- iii. the efficient organisation and conduct of the Board's function and Meetings;
- iv. facilitating the effective contribution of all Directors;
- v. briefing all Directors in relation to issues arising at Meetings;
- vi. the promotion of constructive and respectful relations between Directors; and
- vii. committing the time necessary to discharge effectively his/her role as Chairman.

ABN: 75 117 387 354

Tel: +61 3 9642 2899 | Fax: +61 3 9642 5177

Level 6, 412 Collins Street, Melbourne VIC 3000 Australia



Indago Energy Limited

7. MEETINGS

- 7.1 The Board should meet as often as the Chair of the Board determines necessary. Board Meetings may however be requested by any Director. The Board may hold ad-hoc meetings which may be held in addition to scheduled meetings and also pass resolutions by circulation in between two Board Meetings.
- 7.2 On at least two separate occasions during the year, the Board will meet in a dedicated session which may be prior to or following a Board Meeting to discuss mitigated, current, emerging and possible material risks.
- 7.3 A quorum for a Board Meeting is when at least two Directors are present.
- 7.4 Minutes of all meetings of the Board are to be kept by the Company Secretary.
- 7.5 Relevant Indago employees may be invited to attend Board Meetings.

8. DIRECTOR SHARE TRADING

The Indago Code of Conduct & Ethics includes the Employee Share Trading Policy which imposes restrictions on the trading of financial products (shares) by Directors and others with undisclosed price sensitive information. All Directors must follow that Policy.

9. CORPORATE GOVERNANCE

- 9.1 The Board is responsible for the adoption, oversight and administration of relevant corporate governance materials of Indago, including but not limited to those documents listed in paragraph 2.3.
- 9.2 The Annual Report will include a Corporate Governance Statement which will contain the content required by the *ASX Principles* (as well an explanation of any departures from the Best Practice Recommendations).
- 9.3 As part of an effective communications strategy, Indago will maintain and keep current its Corporate Governance website.

10. PERFORMANCE

To determine whether it is functioning effectively, the Board shall:

- i. review this Charter annually; and
- ii. perform an evaluation of its performance at intervals considered appropriate by the Chairman.