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1 Applicability

This Board Charter applies to all Directors of **Black Cat Syndicate Limited** ABN 620 896 282 ("**Black Cat**" or "the **Company**"). A reference to **Black Cat** in this Charter is a reference to:

- (a) the Company and each of its subsidiaries (together the **Group**); and
- (b) any joint ventures under a Group company's operational control.

2 Board Role

The role of the board of directors of the Company (**Board**) is to set the strategic direction for Black Cat, to select and appoint the Managing Director and oversee the Black Cat's management and business activities.

The Board should be mindful that while the primary objective of Black Cat is to create, and to continue to build, sustainable value for shareholders, the legitimate interests of other parties who may have an interest in or be affected by the activities of Black Cat and its subsidiaries should be taken into account.

3 Board Responsibilities

The Board is responsible for:

- (a) demonstrating leadership;
- (b) defining the Company's purpose and setting the Company's strategic objectives;
- (c) encouraging a culture of ethical and responsible decision making and behaviour and approving the Company's Statement of Values and Code of Conduct to underpin the desired culture within the Company;
- (d) appointing the chairman;
- (e) appointing and, when necessary, replacing the Managing Director;
- (f) formally resolving to appoint and, when necessary, to remove the Company Secretary;



- (g) approving the appointment and, when necessary, the removal of other Senior Executives;
- (h) overseeing management in its implementation of the Company's strategic objectives, instilling of the Company's values and performance generally and, whenever required, challenging management and holding it to account;
- (i) approving operating budgets and major capital expenditure;
- (j) monitoring the financial performance of the Company and overseeing the integrity of the Company's accounting and corporate reporting systems, including the external audit;
- (k) 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, including the adoption of appropriate policies and procedures, and monitoring their operation;
- (l) ensuring that the Company has in place an appropriate risk management framework (for both financial and non-financial risks), setting the risk appetite within which the Board expects management to operate and assessing the effectiveness of management's implementation of the risk management framework;
- (m) satisfying itself that an appropriate framework exists for relevant information to be reported by management to the Board;
- (n) approving the Company's remuneration framework and satisfying itself that the Company's remuneration policies are aligned with the Company's purpose, values, strategic objectives and risk appetite;
- (o) approving processes and procedures designed to ensure compliance with the ASX Listing Rules on continuous disclosure.
- (p) approving the policies, processes and framework for identifying, analysing and addressing complaints (including whistleblowing) and review material complaints and their resolution.
- (q) approving the process for communicating the Code of Conduct to staff and assess the effectiveness of, and compliance with the Code of Conduct;
- (r) reviewing the Company's insurance program, having regard to its business and the insurable risks associated with its business;
- (s) monitoring the effectiveness of the Company's governance practices, including formulating and adopting, monitoring compliance with and reviewing, appropriate governance policies and procedures;
- (t) if considered appropriate, establishing measurable objectives for achieving gender diversity in accordance with the Company's Diversity Policy, and annually reviewing those objectives and the Company's progress towards achieving them;
- (u) monitoring compliance with all of the Company's legal obligations, such as those obligations relating to the environment and occupational health and safety;
- (v) appointing the external auditor (where applicable, based on recommendations of the Audit and Risk Committee) and the appointment of a new external auditor when 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;
- (w) making regular assessment of whether each non-executive Director is independent in accordance with the Company's policy and guidelines of relationships affecting independent status as set out in the Appendix to this Charter;



- (x) providing overall corporate governance of the Company, 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;
- (y) reviewing group-wide policies;
- (z) satisfying itself that appropriate mechanisms are in place for the governance of subsidiary companies;
- (aa) approving the annual and half-yearly financial statements and quarterly reports; and
- (bb) approving the Company's annual corporate governance statement prepared in accordance with ASX Listing Rule 4.10.3.

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.

Directors must carry out their role in accordance with their legal duties.

4 Management Role and Responsibilities

4.1 Managing Director

The Board has delegated responsibility for the day-to-day running of the Company to the Managing Director.

The Managing Director is responsible for:

- (a) implementing the Company's strategic objectives and instilling and reinforcing the Company's values whilst operating within the values, Code of Conduct, budget and risk appetite set by the Board;
- (b) all other aspects of the day-to-day running of the Company provided those matters do not exceed the Authority Threshold as defined in section 4.3;
- (c) providing the Board with accurate, timely and clear information on the Company's operations to enable the Board to perform its responsibilities. This obligation is not limited to information about the financial performance of the Company, but also its compliance with material legal and regulatory requirements and any conduct that is materially inconsistent with the Company's values or Code of Conduct. The Managing Director is responsible for reporting all matters which exceed the Authority Threshold to the Board. All reports to the Board must present a true and fair view of the Company's financial condition and operational results;
- (d) appointing and, where appropriate, removing Senior Executives, including the Chief Financial Officer and the Company Secretary, with the approval of the Board; and
- (e) evaluating the performance of Senior Executives.

4.2 Other Senior Executives

The Company's Senior Executives (**Management**) are those people who have the opportunity to materially influence the integrity, strategy and operation of the Company and its financial performance.

Management's role is to support the Managing Director and assist the Managing Director implement the strategic objectives set by the Board and the day-to-day running of the Company, in accordance with the delegated authority of the Board.

Management is responsible for:



- (a) implementing the strategic objectives and operating within the risk appetite set by the Board;
- (b) all other aspects of the day-to-day running of the Company provided those matters do not exceed the Authority Threshold as defined in section 4.3; and
- (c) providing the Board with accurate, timely and clear information to enable the Board to perform its responsibilities. This obligation is not limited to information about the financial performance of the Company, but also its compliance with material legal and regulatory requirements and any conduct that it is materially inconsistent with the Company's Statement of Values or Code of Conduct. Senior Executives are responsible for reporting all matters which exceed the Authority Threshold at first instance to the Managing Director or, if the matter concerns the Managing Director, then directly to the Chairman.

4.3 Authority Thresholds

Any matter which falls within the following guidelines is a matter which exceeds the authority threshold (**Authority Threshold**).

- (a) Any matter that is outside the delegated authority of the Managing Director or the Senior Executives (as appropriate) as set out in the Company's delegated authority matrix as approved by the Board from time to time (**Delegated Authority Matrix**).
- (b) Any matter that:
 - (i) impacts on the reputation of the Company;
 - (ii) will, or could potentially, involve a breach of material legal and/or regulatory requirements;
 - (iii) is materially inconsistent with the Company's values or Code of Conduct;
 - (iv) is outside the ordinary course of business; and/or
 - (v) could affect the Company's rights to its assets.
- (c) Contracts will be considered material if:
 - (i) they are outside the ordinary course of business;
 - (ii) they contain exceptionally onerous provisions in the opinion of the Board;
 - (iii) any default, should it occur, may trigger any of the tests in paragraph (b), or exceed the relevant amounts in the Delegated Authority Matrix;
 - (iv) they are essential to the activities of the Company and cannot be replaced, or cannot be replaced without an increase in cost of such a quantum, triggering any of the quantitative tests;
 - (v) they contain or trigger change of control provisions;
 - (vi) they are between or for the benefit of related parties; or
 - (vii) they otherwise trigger a threshold in the Delegated Authority Matrix.

5 Board composition

5.1 General

The Board should be of an appropriate size and collectively have the skills, commitment and knowledge of Black Cat and the industry in which the Company operates to enable it to discharge its duties effectively and to add value.



5.2 Independence

The Board recognises the importance of the appropriate balance between independent and non-independent representation on the Board. Where practical and consistent with the Company's stage of development, a majority of the Board should be comprised of independent Directors, and the Chairman should be an independent non-executive Director. The Board will determine whether a Director is independent in accordance with the guidelines set out in the Appendix to this Charter and will assess, at least on an annual basis, whether each of the non-executive Directors is independent or not.

5.3 Outside Directorships

A Director should continually evaluate the number of boards on which they serve to ensure that the Company is given the time and attention detail required for the Director to properly exercise their powers and discharge their duties.

5.4 Review of Board composition

Board composition should be reviewed annually by the Board against the Company's Board skills matrix to ensure that the Directors possess the mix of skills and diversity necessary to meet the requirements of the Company.

6 Chairman

Where practical, the Chairman should be an independent non-executive Director.

The Chairman 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 Chairman is also responsible for:

- (a) setting the Board's agenda, in conjunction with the Managing Director and Company Secretary, and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues;
- (b) providing counsel to the Managing Director; and
- (c) arranging evaluation of the performance of the Board, individual Director and Board committees (where applicable).

Any other position which the Chairman may hold either inside or outside the Company should not hinder the effective performance of the Chairman in carrying out their role as Chairman of the Company.

7 Board processes

7.1 Board meetings

The Board must convene meetings with such frequency as is sufficient to appropriately discharge its responsibilities. Board meetings are held in accordance with the Company's constitution.

Board and committee papers should be provided to Directors sufficiently far in advance of the scheduled meetings to permit adequate preparation.

7.2 Conflicts

A Director must inform the Chairman as soon as the Director is aware of any conflict or potential conflict of interest which that Director may have in relation to any particular item of business. Unless



decided otherwise by the other members of the Board, the Director should be absent from discussion and decision on that matter. Directors must strictly observe and comply with the requirements of the *Corporations Act 2001* (Cth) and the Company's constitution in relation to the conflicts.

7.3 Independent professional advice

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 Chairman, the Company will pay the reasonable expenses associated with obtaining such advice.

Where it is the Chairman who is seeking the independent professional advice, the role of the Chairman to consider and provide approval as set out above should be carried out by the Board.

7.4 Continuing professional development

The Nomination Committee (or equivalent) reviews whether the Directors as a group have the skills, knowledge and familiarity Black Cat and its operating environment to fulfil their role on the Board (and on any relevant Board committees) and, where any gaps are identified, consider what training or development could be undertaken to fill those gaps. Requests by individual Directors for approval of professional education courses may be made to the Board and, where a request is approved, the cost of the course will be met by the Company.

7.5 Non-executive Directors

Non-executive Directors are encouraged to meet without executive Directors or other senior executives at times scheduled from time to time.

7.6 Board induction program

The Company undertakes an induction program for new Directors to enable them to participate fully and actively in board decision making at the earliest opportunity and to discharge their responsibilities effectively.

7.7 Board performance evaluation

The performance of the Board will be evaluated on an annual basis in accordance with the Company's Process for Performance Evaluations (as amended from time to time).

8 Board committees

Once the Board is of a sufficient size and structure, reflecting that the Black Cat's operations are of a sufficient magnitude, to assist the Board in fulfilling its duties, the Board will establish the following committees, each with written charters:

- (a) Audit and Risk Committee;
- (b) Remuneration Committee; and
- (c) Nomination Committee.

For each committee, the Board shall adopt a charter setting out the committee's composition, role, operations, responsibilities, authority and resources and any other relevant matter. The appointment of a chairman and members of the committee will be made by the Board.

The Board may also establish standing and ad hoc committees comprising members of management, as appropriate, to address particular matters and those committees will have responsibility to report directly to the Board.



9 Company Secretary

The Company Secretary is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board. 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 policy and procedures are followed;
- (c) coordinating the timely completion and despatch of board and committee papers;
- (d) prepare the minutes of each Board meeting, ensure approved by the Chairman and circulated to Directors after each meeting;
- (e) ensuring that the business at board and committee meetings is accurately captured in the minutes; and
- (f) helping to organise and facilitate the induction and professional development of Directors.

10 Review

This Charter will be reviewed annually and updated as required.



Appendix to Board Charter

Policy and guidelines of relationships affecting independence

It is the Board's policy that in determining a Director's independence, the Board considers the factors relevant to assessing the independence of a Director as set out in Box 2.3 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition) as follows:

An independent Director is a Director who is free of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual security holder or other party.

Examples of interests, positions and relationships that might raise issues about the independence of a Director are set out below. Where a Director falls within one or more of these examples, the Board should rule the Director not to be independent unless it is clear that the interest, position or relationship in question is not material and will not interfere with the Director's capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual security holder or other party:

- (a) is, or has been, employed in an executive capacity by the Company or any of its child entities and there has not been a period of at least three years between ceasing such employment and serving on the Board;
- (b) receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of the Company;
- (c) is, or has been within the last three years, in a material business relationship (e.g. as a supplier, professional adviser, consultant or customer) with the Company or any of its child entities, or is an officer of, or otherwise associated with, someone with such a relationship;
- (d) is, represents, or is or has been within the last three years an officer or employee of, or a professional adviser to, a substantial holder;
- (e) has close personal ties (these ties may be based on family, friendship or other social or business connections) with any person who falls within any of the categories described above; or
- (f) has been a Director of the Company for such a period that his or her independence from management and substantial holders may have been compromised.

In each case, the materiality of the interest, position or relationship needs to be assessed by the Board to determine whether it might interfere, or might reasonably be seen to interfere, with the Director's capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual security holder or other party.

The mere fact that a Director has served on the Board for a substantial period of time does not mean that he or she has become too close to management or a substantial holder to be considered independent. However, as part of its assessment of independence, the Board will regularly assess whether that might be the case for any Director who has served in that position for more than 10 years.