

**CARBINE MINING LIMITED**  
**ACN 122 967 818**

**BOARD CHARTER**

---

**1 ROLE OF THE BOARD**

This Board charter (“**Board charter**”) sets out the principles for the operation of the board of directors (“**Board**”) of Carbine Resources Limited (“**Carbine**”) and to describe the functions of the Board and those functions delegated to management of Carbine.<sup>1</sup>

The Board has primary responsibility to shareholders for the welfare of Carbine by guiding and monitoring business and the affairs of Carbine. Carbine recognises the importance of the Board in providing a sound base for good corporate governance in the operations of Carbine. The Board must at all times act honestly, fairly and diligently in all respects in accordance with the law applicable to Carbine. Furthermore, the Board will at all times act in accordance with all relevant Carbine policies.

Each of the directors, when representing Carbine, must act in the best interests of shareholders of Carbine and in the best interests of the company as a whole.

This charter and the various complimentary charters adopted by the Board and the various committees have been prepared and adopted on the basis that there is a recognition that good governance and good governance procedures can add to the performance of Carbine.

---

**2 RESPONSIBILITIES OF THE BOARD**

**2.1 Responsibilities of the Board**

- (a) One of the key ways the Board can add value to Carbine is by selecting the right chief executive officer for Carbine. Beyond this the Board will ensure that management has in place appropriate processes for risk assessment, management and internal control and monitoring performance against agreed benchmarks. The Board will work with senior management as collaborators in advancing the interests of Carbine.
- (b) This charter delegates authority and recognises that once delegated, management needs to be free to manage. The Board will not be too accepting of management’s views and will test and question management’s assertions,

---

<sup>1</sup> ASX Corporate Governance Council, Corporate Governance Principles and Recommendations, Recommendation 1.1.

monitor progress, evaluate management's performance and will, where warranted, take corrective action.

## **2.2 Duties**

- (a) The Board is responsible for the management of the affairs of Carbine, including:
  - (i) financial strategic objectives;
  - (ii) evaluating, approving and monitoring the strategic and financial plans of Carbine;
  - (iii) evaluating, approving and monitoring the annual budgets and business plans; and
  - (iv) evaluating, approving and monitoring major capital expenditure, capital management and all major corporate transactions, including the issue of securities of Carbine.

## **2.3 Executive management**

- (a) Appointing, monitoring, managing the performance of, and if necessary terminating (the employment of) the chief executive officer. Consistent with the obligation to monitor the chief executive officer the Board has identified the role and responsibilities of the chief executive officer as described in **sections 4.4** and **4.5**. The Board will consider this job description and the chief executive officer's authorities and accountabilities, as well as performance indicators to provide monitoring benchmarks.
- (b) Overseeing and ratifying the appointment and termination (of employment) of the chief financial officer.
- (c) Ratifying the terms of appointment of senior management, including in relation to the terms of equity remuneration.

## **2.4 Risk management**

- (a) Monitoring Carbine's performance in relation to principles of best practice corporate governance as identified and resolved by the Board.
- (b) Approving and monitoring Carbine's risk management framework.
- (c) Approving and monitoring compliance with Carbine's key corporate policies and protocols.
- (d) Monitoring Carbine's operations in relation to, and compliance with relevant regulatory requirements.

## **2.5 Guidelines for risk management and strategic planning**

- (a) The Board will be actively and regularly involved in risk management and strategic planning. The intention of the Board is that these functions will be closely integrated. Strategic planning will be based on the identification of opportunities and the full range of business risks that will determine which of

those opportunities are most worth pursuing. The Board recognises that strategic planning is an ongoing process that must be responsive to changes in the external environment and internal developments.

- (b) The Board's involvement in strategic planning and the monitoring of risks does not mean the Board intends to manage the business but it recognises the Board are responsible for overseeing management and holding it to account.
- (c) The Board will oversee the processes that management has in place to identify business opportunities and risks.
- (d) The Board will consider the extent and types of risk that is acceptable for Carbine to bear.
- (e) The Board will monitor managements systems and processes for managing a broad range of business risks.
- (f) The Board will, on an ongoing basis, review with management how the strategic environment is changing, what key business risks and opportunities are appearing, how they are being managed and what, if any, modifications in strategic direction should be adopted.
- (g) The Board intends to benchmark its activities regarding corporate governance against the following criteria for ongoing assessment:

<b>IDENTIFICATION</b>	Clarify Carbine's core values for the organisation and identify these clearly.
<b>ANALYSIS</b>	Examine the core values and develop a model for identifying events within the organisation that could adversely impact on the core values.
<b>ASSESSMENT</b>	<p>Allocate priorities to the risk rated items and integrate these items within the existing (and/or contemplated) operational plans and structures including by reference to the following areas of opportunity/risk:</p> <ul style="list-style-type: none"> <li>• <b>Strategic:</b> for example, market conditions, new competitors, political/regulatory environment.</li> <li>• <b>Operational:</b> eg business processes, technology, human resources, business interruption, environmental issues, health and safety issues, crisis management.</li> <li>• <b>Leadership:</b> eg ability to innovate and motivate throughout the organisation, choice of chief executive officer.</li> <li>• <b>Partnership:</b> eg ability to choose appropriate alliances and partnerships and make them work well.</li> <li>• <b>Reputation:</b> eg quality of products and services,</li> </ul>

	consumer advocacy, public perceptions, illegal or unethical conduct, fraud.
<b>TREATMENT</b>	<p>Develop a scheme for integrating the outcomes within the organisational structure and delegations of authority to ensure responsibilities are matched with the necessary authority and appreciation of the core values.</p> <p>This involves the development of training programs to foster the core values throughout Carbine. This means, for instance, that every person dealing with the investment community appreciates the importance of ensuring that material or price sensitive information is not disclosed to investors if it is not publicly available.</p>
<b>ONGOING MONITORING</b>	This is an essential element of Carbine's program and includes an active program of continuous improvement, including keeping up to date on best practice, fostering a compliance culture, training and recognition.

## 2.6 Reporting

- (a) The Board must supervise disclosure in the annual report, any departures from the ASX recommendations and any information publicly available about Carbine's policies.
- (b) Any decision to deviate from the ASX recommendations must be recommended by the relevant committee and approved by the Board.
- (c) Carbine will, where appropriate, include an appropriate statement regarding departures from ASX recommendations in the annual report<sup>2</sup> such as:

*The Board has considered the ASX best recommendation [\*] and its application to Carbine having regard to the circumstances of Carbine and industry practice. The Board [and the [\*] Committee] have determined to depart from best practice recommendation [\*] is warranted on the basis it is not appropriate to Carbine. The decision was based on the following:*

(A)

(B)

(C)

---

<sup>2</sup> Australian Stock Exchange ("ASX") Corporate Governance Council, Corporate Governance Principles and Recommendations, Recommendations 2.6, 3.3, 4.4, 5.2, 6.2 and 7.4. Principles 1 and 8 do not contain specific recommendations to 'provide the information indicated in Guide to Reporting in Principle [\*]'. However, the Guidelines do contain a requirement to report each of these principles and the better approach would be to treat these matters as requiring disclosure and report in each case whether the Board has determined to deviate from the recommendation and the reasons for that decision.

*[Having regard to the matters set out above, the Board does not believe the benefits are commensurate with the monetary and other costs they impose. As a result, their contribution to shareholder well being is believed to be minimal and they have not been adopted.]*

- (d) The Board will supervise the public disclosure of all matters that the ASX recommendations recommend be publicly disclosed consistent with the disclosure policy and will provide a commentary of any Board's decision not to make such disclosure or to clarify what disclosure has been made.

---

### **3 STRUCTURE OF THE BOARD**

- (a) Where appropriate, the Board is to comprise a majority of non-executive directors<sup>3</sup> who are considered by the Board to be independent, in accordance with the criteria in **section 6.1**, and will be of such size and competence necessary to understand properly and deal with the current and emerging issues of the business of Carbine.
- (b) Where appropriate, the directors will appoint as chairman of the Board, one of the non-executive directors who is independent.<sup>4</sup>
- (c) The Board may appoint another of the non-executive directors as deputy chairman. In the absence of the chairman, the deputy chairman will act as chairman. In the absence of both the chairman and deputy chairman, the Board will elect an alternative chairman.
- (d) Each director is bound by all Carbine charters, policies, codes of conduct etc.
- (e) The Board and/or the committees have delegated carriage of the operation and management of Carbine's business to the chief executive officer and to appropriate members of the senior management group.
- (f) This charter is designed to facilitate a mature and constructive relationship with Carbine's management – one that is grounded in a mutual understanding of their respective roles and the ability of the Board to act independently in fulfilling its responsibilities.
- (g) The Board will approve and monitor delegations of authority from the chief executive officer to senior management.

---

3 ASX Corporate Governance Council, Corporate Governance Principles and Recommendations, Recommendation 2.1

4 ASX Corporate Governance Council, Corporate Governance Principles and Recommendations, Recommendation 2.2 and 2.3

---

## **4 STATEMENT OF THE DIVISION OF AUTHORITY BETWEEN THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER<sup>5</sup>**

### **4.1 Objective**

- (a) Consistent with its commitment to best practice corporate governance, Carbine recognises the importance of the office of chairman and the office of chief executive officer of Carbine.
- (b) Carbine recognises that it is important that the chairman and the chief executive officer have defined roles in the organisation and function in accordance with clear functional lines.

### **4.2 Role of Carbine chairman<sup>6</sup>**

- (a) In accordance with the constitution, the Board has resolved to appoint a chairman and determine the chairman's period of office.
- (b) The chairman will be selected on the basis of relevant experience, skill and leadership abilities that the Board recognises from time to time. The Board at the first board meeting following the annual general meeting will consider the position of chairman.

### **4.3 Specific duties of the chairman**

The chairman will:

- (a) chair board meetings;
- (b) establish the agenda for board meetings, in consultation with the chief executive officer and company secretary;
- (c) chair meetings of members, including the annual general meeting of Carbine;
- (d) be the primary spokesperson for Carbine at the annual general meeting. The chairman and the chief executive officer will agree between themselves as to their respective roles in relation to all meetings (formal and informal) with shareholders and all public relations activities;
- (e) in consultation with the chief executive officer, approve and/or delegate authority for the approval of all material ASX releases, and other investor and shareholder releases;
- (f) be the primary channel of communication and point of contact between the Board (and the directors) and the chief executive officer;

---

<sup>5</sup> ASX Corporate Governance Council, Corporate Governance Principles and Recommendations, Recommendation 2.3.

<sup>6</sup> ASX Corporate Governance Council, Corporate Governance Principles and Recommendations, Recommendation 2.2.

- (g) be kept fully informed by the chief executive officer of all material matters which may be relevant to directors, in their capacity as directors of Carbine;
- (h) in conjunction with the chief executive officer and other appropriate members of senior management, review all matters material to the interests of Carbine;
- (i) provide guidance and mentoring to the chief executive officer;
- (j) chair the chief executive officer evaluation process; and
- (k) ensure the annual process of Board evaluation is conducted.

#### **4.4 Role and responsibilities of the chief executive officer**

- (a) The chief executive officer has primary responsibility to the Board for the affairs of Carbine.
- (b) The Board appoints the chief executive officer to manage the business on behalf of it (and shareholders) and must delegate sufficient powers to allow him or her to manage effectively. The chief executive officer must carry out the objectives of the Board in accordance with its instructions, and report to the Board all matters the chief executive officer considers to be material to the affairs of Carbine.

#### **4.5 Specific duties of the chief executive officer**

The chief executive officer in conjunction with the corporate director will:

- (a) develop with the Board, implement and monitor the strategic and financial plans for Carbine;
- (b) develop, implement and monitor the annual budgets and business plans;
- (c) plan, implement and monitor all major capital expenditure, capital management and all major corporate transactions, including the issue of any securities of Carbine;
- (d) develop all financial reports, and all other material reporting and external communications by Carbine, including material announcements and disclosures, in accordance with Carbine's external communications policy;
- (e) manage the appointment of the chief financial officer or corporate director, the general counsel and company secretary and any other specific senior management positions;
- (f) develop, implement and monitor Carbine's risk management framework;
- (g) consult with the chairman and the company secretary in relation to establishing the agenda for Board meetings;
- (h) agree with the chairman their respective roles in relation to all meetings (formal and informal) with shareholders and all public relations activities;

- (i) in consultation with the chairman, approve and/or delegate authority for the approval of all material ASX releases, and other investor and shareholder releases;
- (j) be the primary channel of communication and point of contact between the executive staff and the Board (and the directors);
- (k) keep the chairman fully informed of all material matters which may be relevant to the Board, in their capacity as directors of Carbine;
- (l) in conjunction with the chairman and other appropriate members of senior management, review all matters material to the interests of Carbine;
- (m) provide strong leadership to, and effective management of, Carbine in order to:
  - (i) encourage cooperation and teamwork;
  - (ii) build and maintain staff morale at a high level;
  - (iii) build and maintain a strong sense of staff identity with, and a sense of allegiance to, Carbine;
- (n) ensure a safe workplace for all personnel;
- (o) ensure that Carbine has regard to the interests of employees and customers of the company and the community and environment in which the company operates; and
- (p) otherwise carry out the day-to-day management of Carbine.

#### **4.6 Limitations on delegated authority of the chief executive officer**

The delegation of authority to the chief executive officer is subject to the limits determined by the Board.

---

## **5 CHIEF FINANCIAL OFFICER<sup>7</sup>**

The chief financial officer or corporate director and senior finance officers influencing financial performance of Carbine will:

- (a) conduct their duties at the highest level of honesty and integrity, recognising that integrity is the benchmark against which the chief financial officer must conduct all decision making;
- (b) observe the rule and the spirit of the law and comply with any relevant ethical and technical standard;

---

<sup>7</sup> ASX Corporate Governance Council, Corporate Governance Principles and Recommendations, Recommendation 3.1. Also consider the Code of Conduct for Chief Financial Officers, Group of 100, December 2002 at [www.group100.com.au](http://www.group100.com.au).

- (c) 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;
- (d) observe the principles of independence, accuracy and integrity in dealings with the Board, audit committees, board committees, internal and external auditors and other senior managers within Carbine;
- (e) disclose to the Board any actual or perceived conflicts of interest, whether of a direct or indirect nature of, which the chief financial officer becomes aware and which the chief financial officer reasonably believes may compromise the reputation or performance of Carbine;
- (f) maintain transparency in the preparation and delivery of financial information to both internal and external users;
- (g) exercise diligence, skill and good faith in the preparation of financial information and ensure that such information is accurate, timely and represents a true and fair view of the financial performance and condition of Carbine and complies with all relevant legislative requirements;
- (h) ensure that maintenance of a sound system of internal controls to safeguard Carbine's assets and to manage risk exposure through appropriate forms of risk control;
- (i) set a standard of honesty, fairness, integrity, diligence and competency in respect of the position of chief financial officer; and
- (j) observe, develop and implement the principles of this charter in a conscientious, consistent and rigorous manner.

---

## **6 INDEPENDENCE OF DIRECTORS<sup>8</sup>**

### **6.1 Independence standard<sup>9</sup>**

At the time of a director's appointment the Board will consider independence and having regard to the answers to the following questions and resolve whether to consider the relevant director independent.

- (a) Is the director a substantial shareholder of Carbine or an officer of, or otherwise associated directly with, a substantial shareholder of Carbine?

---

<sup>8</sup> ASX Corporate Governance Council, Corporate Governance Principles and Recommendations, Recommendation 2.1

<sup>9</sup> Box 2.1 of Australian Stock Exchange Corporate Governance Council, Corporate Governance Principles and Recommendations contains a definition of independence adapted from the IFSA *Blue Book*.

- (b) Has the director, within the last three years been employed in an executive capacity by Carbine or another group member, or been a director after ceasing to hold any such employment?
- (c) Within the last three years has the director been:
  - (i) a principal of a material professional adviser;
  - (ii) a material consultant to Carbine or another group member; or
  - (iii) an employee materially associated with any service provided to Carbine?
- (d) Is the director a material supplier or customer of Carbine or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer?
- (e) Does the director have a material contractual relationship with Carbine or another group member other than as a director of Carbine?
- (f) Has the director served on the Board for a period that could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of Carbine?
- (g) Is the director free from any interest and any business or other relationship that could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of Carbine?

## **6.2 Disclosure of independence<sup>10</sup>**

Each independent director of Carbine must regularly provide the Board of Carbine with all information regarding his or her interests that is relevant to his or her independence having regard to the standard discussed in **section 6.1**. Where the independent status of a director is lost, this must be immediately disclosed to the market.

## **6.3 Annual report disclosure<sup>11</sup>**

The Board must ensure that each annual report of Carbine discloses:

- (a) in the corporate governance section, the names of directors who are considered by the Board to be independent;
- (b) the Board's reasons for considering a director to be independent;
- (c) the Board's reasons for considering a director to be independent despite the existence of the relationships set out in **section 6.1**;

---

<sup>10</sup> ASX Corporate Governance Council, Corporate Governance Principles and Recommendations, Recommendation 2.1

<sup>11</sup> ASX Corporate Governance Council, Corporate Governance Principles and Recommendations, includes in the Guide to Reporting on Principle 2 the matters that should be included in the annual report.

- (d) any materiality thresholds that apply to the relationships set out in the **section 6.1**;
- (e) in the corporate governance section, the period of office of each director.

Carbine will, where appropriate include an appropriate statement regarding independence in the annual report, such as:

*[\*] is a consultant to the firm [\*]. [\*] provides occasional advice to the firm in respect of a range of the company's activities in [\*]. Fees paid to [\*] last year by Carbine were less than \$[\*]. Carbine has been advised that this is less than [5]% of the total fees of [\*]. [\*] does not directly or indirectly provide any [\*] advice to [\*] or any material owners or managers of Carbine.*

*Having regard to the matters set out above, the Board believes [\*] is independent in character and judgment and the existing relationship between [\*] and Carbine are not material enough in quantum or nature to affect, or appear to affect, [\*]'s judgment or her ability to act as an independent non-executive director of Carbine.*

---

## **7 CONFLICTS OF INTEREST**

As a general principle each director must bring an enquiring, open and independent mind to Board meetings, listen to the debate on each issue raised, consider the arguments for and against each motion and reach a decision that he or she believes, to be in the best interests of Carbine as a whole, free of any actual or possible conflict of interest and consistent with the Directors' code of conduct.

If the Board determines that a director might be in a position where there is a reasonable possibility of conflict between his or her personal or business interests, the interests of any associated person, or his or her duties to any other company, on the one hand, and the interests of Carbine or his or her duties to Carbine, on the other hand. The Board will require that the director:

- (a) fully and frankly informs the Board about the circumstances giving rise to the conflict; and
- (b) abstains from voting on any motion relating to the matter and absenting himself or herself from all board deliberations relating to the matter including receipt of Board papers bearing on the matter.

If the Board resolves to permit a director to have any involvement in a matter involving possible circumstances of conflicting interests the Board must minute full details of the basis of the determination and the nature of the conflict including a formal resolution concerning the matter.

If a director believes that he or she may have a conflict of interest or duty in relation to a particular matter, the director should immediately consult with the chairman.

The company secretary will maintain a register of all possible conflict of interest situations.

---

## 8 MEETINGS

Directors should ordinarily receive board papers and related material not later than five days prior to the relevant meeting.

The chairman of the meeting should ensure the availability and, if necessary, the attendance at the relevant meeting, of any member of executive management responsible for a matter included as an agenda item at the relevant meeting.

The non-executive directors should arrange to meet at least twice in each financial year to conduct a non-executive discussion of board and management issues. These meetings are to be used to provide feedback about board processes, including the adequacy and timeliness of information being provided to the Board. At times these meetings may focus on substantive issues that some Board members wish to discuss with management present. These meetings may also discuss areas where the performance of independent directors could be strengthened.

Any issues arising from these meetings that bear on the relationship between the Board and management will be communicated quickly and directly to the chief executive officer by the chairman.

### 8.1 Agenda

An agenda will be prepared for each board and committee meeting. The Board meeting will generally follow the format outlined below.

Item
Minutes of previous meetings
Matters arising from minutes
Major correspondence
Report by the chief executive officer
Report of Audit Committee
Report by senior managers
Board submissions
General business
Meeting review
Date and time of next meeting

Each meeting should allow for informal discussions between Board members.

### 8.2 Flying minutes

Urgent matters that cannot wait until the next Board meeting can be dealt with by a flying minute. Flying minutes should be approved by the chairman before being circulated and should normally be preceded by a telephone meeting if practical.

Flying minutes must be signed by all directors approving the action and will be entered in the Board minute book. If all directors approving the action do not sign the resolution the item is deferred to the next Board meeting.

---

## 9 BOARD COMMITTEES

The Corporations Act 2001 (Cth)<sup>12</sup> allows the directors to delegate their powers regarding financial matters to the Audit Committee.<sup>13</sup> This charter relies on those delegation powers as specific authority for the rest of the Board to rely reasonably on information or advice provided to the Board by its various committees,<sup>14</sup> to assist the Board in the discharge of its responsibilities (either in whole, or in conjunction with the Board).<sup>15</sup> The Board has established the following committees:

- (a) Audit Committee;<sup>16</sup>
- (b) Remuneration Committee;<sup>17</sup> and
- (c) Risk Management Committee.<sup>18</sup>

These committees are designed to consider specific matters and make recommendations to the Board. However, it is not intended that these committees restrict the ability of the Board to make an independent assessment of the recommendations, having regard to the Board's knowledge of Carbine and the complexity of the structures and operations of Carbine. The Board will consider the materials and recommendations presented to them and bring their own mind to bear on the issue using the skill and judgment they possess.<sup>19</sup>

The Board will consider and approve the charters of the various committees.

---

12 Corporations Act section 189

13 Corporations Act section 198D and see Ford, Ramsay and Austin, n 19, at [7.264]; see also section 3.2 of Appendix D to the Ramsay Report

14 Corporations Act section 189(a)(ii)

15 For example, safety committees, related party transactions committee

16 ASX Corporate Governance Council, Corporate Governance Principles and Recommendations, Recommendation 4.2

17 ASX Corporate Governance Council, Corporate Governance Principles and Recommendations, Recommendation 9.2

18 ASX Corporate Governance Council, Corporate Governance Principles and Recommendations, Recommendation 7.1

19 Corporations Act section 189(b)(ii) and see also cases like *Southern Resources Ltd v Residues Treatment & Trading Co Ltd* (1990) 3 ACSR 207 at 225

The Board will receive copies of committee papers/minutes/agendas in respect of each committee and all non-executive directors may attend meetings of committees of which they are not members.

---

## **10 THE BOARD AND EXECUTIVE MANAGEMENT**

Any director may communicate directly with employees of Carbine but such communications are to be made having regard to the efficient operation of Carbine and the need to preserve and maintain an effective chain of command and the confidentiality of the Board's deliberations.

Where individual directors wish to communicate with executive management or with other employees or representatives of Carbine in relation to company business, all communications must be facilitated by the chairman.

---

## **11 INDEPENDENT ADVICE<sup>20</sup>**

A director of Carbine is entitled to seek independent professional advice (including but not limited to legal, accounting and financial advice) at Carbine'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:

- (a) a director must seek the prior approval of the chairman;
- (b) in seeking the prior approval of the chairman, the director must provide the chairman with details of:
  - (i) the nature of the independent professional advice;
  - (ii) the likely cost of seeking the independent professional advice; and
  - (iii) details of the independent adviser he or she proposes to instruct.
- (c) the chairman may prescribe a reasonable limit on the amount that Carbine will contribute towards the cost of obtaining such advice; and
- (d) all documentation containing or seeking independent professional advice must clearly state that the advice is sought both in relation to Carbine and to the director in his or her personal capacity. However, the right to advice does not extend to advice concerning matters of a personal or private nature, including for example, matters relating to the director's contract of employment with Carbine (in the case of an executive director) or any dispute between the director and Carbine.

---

<sup>20</sup> ASX Corporate Governance Council, Corporate Governance Principles and Recommendations, includes in the Guide to Reporting on Principle 2 the disclosure of this procedure as one of the matters that should be included in the annual report.

---

**12 REMUNERATION**

The level of non-executive director remuneration will be set by the Remuneration Committee and approved by shareholders in general meeting so as to attract the best candidates for the Board while maintaining a level commensurate with boards of similar size and type.

In line with Carbine's desire to maintain director independence, each director is permitted to deal in personal securities of Carbine in accordance with the Securities trading policy.

---

**13 BOARD PERFORMANCE**

The Board believes that regular assessment of the Board's effectiveness and the contribution of individual directors is essential to improve governance of Carbine.

At least once in each financial year, there must be a performance evaluation:

- (a) of the Board and compare the performance of the Board with respect to the requirements of this charter and current best practice principles of corporate governance;
- (b) individual directors' contribution to the Board;
- (c) the Board's committees; and
- (d) establishing the goals and objectives of the Board for the upcoming year.

The focus of the evaluation will be on how performance can be made more meaningful in setting and achieving goals that add value. The results will be internal to the Board, but disclosure will be made in the annual report and Carbine's website that such evaluations are undertaken.

The Board will determine the manner and form of the performance evaluation.

---

**14 ACCESS TO BOARD CHARTER**

This charter will be available, upon request, to each director of Carbine, the senior management group, internal and external auditors and shareholders.

This charter will be available to other interested parties upon request.

---

**15 REVIEW OF BOARD CHARTER**

The Board will, at least once in each financial year, review this charter, and the charter of each of the committees, and make any amendments it determines are necessary or desirable.