

BOARD CHARTER

1. Purpose

This document summarises the role, composition and responsibilities of the Board of Nickelore Limited (“Nickelore”) and comments on the Board’s approach to corporate governance. It is supplemented by the Code of Conduct.

2. Role of the Board

The Board is the governing body of the Company. The Board and the Company act within a statutory framework, principally the Corporations Act and the Constitution of Nickelore. Subject to this statutory framework, the Board has the authority and the responsibility to control the affairs of the Company.

3. Composition of the Board

Under the Constitution, the Board must comprise between 3 and 15 Directors. The Board should comprise of Directors with a broad range of skills and experience. Persons nominated as Non-Executive Directors shall be expected to have qualifications, experience and expertise of benefit to the Company and to bring an independent view to the Board’s deliberations. Persons nominated as Executive Directors shall be expected to be of sufficient stature and security of employment to express independent views on any matter raised for deliberation.

Under the Constitution a quorum for Directors is 2. For the purposes of effective Board decision making, input from a majority of Directors is desirable and, unless circumstances require, a Board meeting will not be called unless a majority of Directors are able to attend.

The Company’s Constitution provides that one-third of the Directors retire by rotation at each AGM. Therefore all Directors, apart from the Managing Director, are subject to reelection by rotation within every three years. Those Directors who are retiring may submit themselves for reelection by shareholders, including any Director appointed to fill a casual vacancy or in addition to the existing Directors, since the date of the previous AGM.

All Directors may be removed in general meeting by resolution.

The Board’s current size and composition is considered appropriate for the Company at its present stage of development and given the breadth of its membership, most issues can be decided at Board level without the need for separate committees.

The Board has however, established an Audit Committee. The Charters of the Audit Committee have been approved by the full Board, and committee minutes are provided expeditiously to all Directors.

The Board may also form temporary committees as required, such as a Takeover Response Committee or a Mergers and Acquisition Committee. The members and terms of such occasional committees will be agreed by the full Board, at the time the occasional committee is formed. At each meeting of the Board the following officers are deemed to be regular invitees unless the Chairman determines otherwise:

- Company Secretary

Other officers may be invited to certain parts of the meeting if required from time to time.

4. Remuneration of the Board

Directors' remuneration is set at a level which provides the company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders. The Constitution and the ASX Listing Rules specify that the aggregate amount of Directors' fees shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the Directors as agreed. The amount of aggregate remuneration sought through shareholder approval and the manner in which it is apportioned amongst Directors is reviewed annually.

These requirements do not apply to salaries of Executive Directors. The remuneration of Executive Directors is determined by the Board in consultation with external consultants and taking into consideration fees paid to Directors of comparable companies. Details of the amount of emoluments of each director and executive officer during the financial year are published in the Company's annual report.

5. Responsibility of the Board

The primary responsibility of the Board is to oversee the Company's exploration and development activities for the benefit of its shareholders, employees and other stakeholders and to protect and enhance shareholder value.

To achieve this the Board is required to:

- Set goals and objectives for the Company, and ensure a strategic planning process is in place to progress towards achievement of those goals and objectives.
- Monitor progress against goals and objectives and ensure that corrective action is taken when necessary.
- Establish and monitor policies ensuring that the Company complies with statutory requirements.
- Ensure that all areas of potential business and operational risk are reviewed so that where practicable effective risk management measures are in place.

- Ensure that the Board itself operates effectively to enhance the performance of the Company.
- Ensure that the Managing Director and Senior Executive team of the Company are of high calibre, appropriately rewarded and have clear understanding of their responsibilities and delegated authority.
- Ensure that the Company maintains a high reputation with all stakeholders and communicates effectively with them.
- Responsibility for management of the Company's day to day business activities is delegated to the Managing Director, who is accountable to the Board.

6. Retirement from the Board

All Directors are expected to voluntarily review their membership of the Board from time to time taking into account length of service, age, qualifications and expertise relevant to the Company's then stage of development; together with the other criteria considered desirable for composition of a balanced Board and the overall interests of the Company.

7. Corporate Governance

The Corporate Governance Statement in the Annual Report sets out the Company's compliance with the ASX Best Practice Recommendations in the reporting period. The recommendations however are not prescriptive so that if a company considers that a recommendation is inappropriate with regard to its particular circumstances, the company has the flexibility not to follow it. The annual report identifies and gives appropriate reasoning for any recommendations that have not been followed.