

BOARD CHARTER

The Board of Directors has responsibility for the overall corporate governance of Andromeda Metals Limited (“Andromeda” or the “Company”) and to abide by the Company’s Code of Conduct. The Board and Company act within a statutory framework, principally the Corporations Act 2001, and the Constitution of the Company.

The Charter sets out the composition and key processes of the Board, its key responsibilities and relationship with management, and the authority delegated to the Board Committees of the Company. In the compilation of this Charter, the Company has where possible followed the recommendations of the ASX Corporate Governance Principles and Recommendations (4th edition) 2019 as provided by the ASX Corporate Governance Council.

1. ROLE OF THE BOARD

- 1.1 The Board is the governing body of Andromeda and its role is to represent and serve the collective interests of security holders.
- 1.2 The Board has intrinsic responsibility to show leadership by giving directions in relation to:
 - the development and alteration of the strategic direction of the Company, including general and specific goals and ensuring a regular strategic planning process;
 - overseeing management’s implementation of the Company’s strategic objectives, instilling of the Company’s values and its performance generally;
 - taking steps designed to protect the Company’s financial position and its ability to meet its debts and other obligations;
 - The risk management framework, setting risk appetite, assessing and monitoring the material risks of the Company as advised by management, overseeing the integrity of the risk management and control systems and compliance with related Company policies;
 - overseeing the Company’s process for making timely and balanced disclosure of material information concerning the Company that a reasonable person would expect to have a material effect on the Company or its share price and other appropriate external reporting to security holders, the ASX, ASIC and other stakeholders;
 - encouraging ethical behaviour, including instilling the Company’s values, compliance with the Company’s Code of Conduct and all policies which underpin the desired culture;

- taking steps to maximise performance, generate appropriate levels of shareholder value and financial return and sustain the growth and success of the Company's business; and
- establishing targets and goals for senior management to achieve and monitoring the performance of senior management.

1.3 The Board is responsible for monitoring organisational capability in the context of agreed plans and budgets, accountability and diversity, including;

- Adopting clearly defined delegations of authority from the Board to management.
- Approving major expenditures beyond the management delegated authority.

1.4 The Board has responsibility for the following specific matters:

- To evaluate the effectiveness of the Board performance, determining its size and composition, the selection of directors and recommending them for consideration by shareholders at general meetings with adequate information to allow shareholders to make informed decisions
- the appointment and removal of the Chair and Directors of the Company;
- the appointment, and where appropriate, the removal of the:
 - Managing Director
 - Executive Directors and Officers
 - Company Secretary; and
 - ratifying the appointment or removal of other senior management of the Company.
- reviewing the performance of the Managing Director and monitoring the performance of his or her direct reports;
- managing succession planning for the position of the Managing Director and Executive Director and overseeing succession planning of their direct reports;
- together with the Remuneration Committee and if required independent professional advice, approving overall Company, Director and specific senior executive remuneration and related performance standards and their evaluation;
- approving an annual budget for the financial performance of the Company;

- ensure the Company has instituted adequate reporting systems and internal controls (both operational and financial) together with appropriate monitoring of compliance activities aimed at ensuring the integrity of financial and other reporting, including ensuring that the financial reports conform with the Australian Accounting Standards.
- approve the annual, half yearly and quarterly financial statements;
- approving and monitoring major capital expenditure, capital management, material debt obligations, acquisitions and divestitures and material contracts;
- together with the Audit Committee select and recommend the appointment of the external auditors to shareholders.
- review and oversight of compliance with ASX Listing Rules, ASIC regulations, financial reporting obligations, including continuous disclosure, legal compliance and related corporate governance matters;
- regular review of and power to amend the Code of Conduct and corporate policies to ensure they are effective and meet the standards of corporate governance the Board is committed to;
- Establishing measurable objectives for achieving gender diversity and assessing annually both the objectives and progress in achieving them;
- monitoring and reviewing the operational performance of the Company including the viability of current and prospective operations and exploration opportunities;
- proposing and recommending to shareholders for adoption at a general meeting, any changes in the capital structure or Constitution of the Company beyond those allowed under the ASX Listing Rules;
- Performing such other functions as are prescribed by law or are assigned to the Board.

2. ALLOCATION OF RESPONSIBILITIES

2.1 The Chair of the Company represents the Board's position to shareholders, is responsible for the integrity of the Board process and the effective function of the Board, and in the absence of the Managing Director for the functioning of the Company as a whole. The Chair has the following specific responsibilities:

- the organisation and efficient conduct of the business of the Board at Board meetings and on all other occasions;

- ensuring all Directors are adequately informed about Board matters in a timely fashion to facilitate rigorous, effective and accurate decision making in all business of the Board;
- setting the agenda for meetings of the Board, guiding the meeting to facilitate open discussion and managing the conduct of, and frequency and length of such meetings, in order to provide the Board with an opportunity to arrive at a detailed understanding of the Company's performance, financial position, operations and challenges;
- liaising with the Company Secretary concerning matters of corporate governance and conveying all information to the Board;
- act as the contact point for other directors to raise concerns and liaise between the Board and management;
- provide guidance, encouraging fair and equitable engagement and compliance by Board members with their duties as Directors in accordance with its rules, Charters and the Company's Code of Conduct and other Policies ;
- ensuring that each Director is empowered to fully participate in meetings and is properly informed of Director performance expectations;
- strengthening the composition of the Board on an ongoing basis and ensuring Board Members actively build and maintain the Company's image and reputation.

2.2 The Managing Director of the Company has the following responsibilities:

- recommend to the Board for review and approval the Company strategy and strategic framework;
- recommend to the Board for review and approval an annual budget including the setting of key objectives and deliverables consistent with the agreed strategy;
- recruit and develop appropriately skilled senior management to execute the plans of the Company;
- manage the Company in accordance with the directions and delegations of the Board;
- report to the Board in a timely fashion all material matters concerning the operations of the Company and its employees;
- coordinate the roles and responsibilities of management and employees of the Company to achieve the goals set by the Board;
- carry out the day-to-day management of the Company and overseeing general management of operations;

- in consultation with the Company's management and employees, establish and implement management policies and procedures to:
 - achieve the financial and operational goals set by the Board;
 - build and maintain employee satisfaction and well-being;
 - build and maintain a staff identity and allegiance to the Company; and
 - ensure a safe workplace for all employees in accordance with related Company policies.

2.3 The Company Secretary of the Company has the following responsibilities:

- the adoption and implementation of corporate governance practices;
- coordination of the Board and its Committees;
- monitoring the policies and procedures of the Board;
- advising the Board, through the Chair, of the corporate governance policies of the Company;
- ensuring that each Director has access to the Company Secretary as required;
- the accurate reporting of the business of the Board including the timely despatch of Board agendas and briefing papers and the accurate recording and timely despatch of the minutes of the Board meetings;
- ensuring compliance with the ASX Listing Rules, the Corporations Act 2001 and Corporations Regulations where applicable to the Board and the Company;
- maintaining a continuous disclosure register;
- in particular, in conjunction with the Chair, determining whether information should be disclosed to the ASX; and
- liaising with the ASX with respect to Company announcements.

3. COMPOSITION OF THE BOARD

3.1 It is the objective of the Company to establish and maintain a Board with a broad representation of skills, experience and expertise.

3.2 The members of the Board will be listed in the Annual Report of the Company.

3.3 To assist in achieving the objective stated above, the Board will at all time consist of:

- Executive and Non-Executive Directors
 - a minimum of three Directors
- 3.4 The Board should be a size and competence necessary to properly understand and deal with the current and emerging issues of the Company's business.
- 3.5 Where practicable:
- a majority of the Board should be comprised of non-executive Directors;
 - a majority of the Board should be comprised of independent Directors;
 - the Chair should be a non-executive director. If the Chair ceases to be an independent director, then the Board will consider appointing a lead independent Director; and
 - the role of Chair and CEO should not be exercised by the same person.
- 3.6 The Board considers a Director to be independent if the Director is free of any interest, relationship or association that may materially influence, or may reasonably be perceived to materially influence, the Director's capacity to exercise their independent judgment on issues before the Board, and to act in the best interests of the Company and its shareholders. Therefore the Board considers a Non-Executive Director to be independent if they are a Director who is not a member of Senior Management of the Company and who:
- is not a substantial security holder of the Company, or an officer of, or otherwise directly associated with a substantial security holder of the Company;
 - is not or has not been employed in an executive capacity by the Company or a child entity of the Company within the last three years and did not become a Director within three years of being so employed;
 - within the last three years, has not been a senior employee, partner or director of a provider of material professional services to the Company or a child entity of the Company;
 - within the last three years, has not been in a material business relationship with the Company or any child entity of the Company or an officer of, or a associate to, someone with such a relationship; and
 - is free from any conflict of interest which may materially interfere with that Director's motivation to act in the best interest of the Company.

- 3.7 The Board shall confirm the independence of each Non-Executive Director at each Board meeting, having regard to the criteria set out on clause 1.4 above.
- 3.8 If a Director ceases, or may have ceased to be independent, the Director shall advise the Chair of the Board immediately, and, if the Board shall immediately announce this to the market.
- 3.9 The Board shall state whether a Non-Executive Director is independent or not in the Company's annual report.

4. APPOINTMENT OF DIRECTORS

- 4.1 Directors are appointed in accordance with the Constitution of the Company. The Board will review and assess the suitability of new Directors against fixed criteria, which include overall skills, experience and background, professional skills, potential conflicts of interest, ability to exercise independent judgment and whether such director can be considered to be independent.
- 4.2 The Board will set out the terms and conditions of the appointment of a Director in a formal letter of appointment or Director's Service Agreement.
- 4.3 A copy of the Company's constitution and all relevant policies will be made available to each New Director of the Company.
- 4.4 New Directors will be fully briefed with respect to the strategic direction of the Company.
- 4.5 Directors will be provided with professional development opportunities as they arise.
- 4.6 The Company shall undertake appropriate checks before appointing a Director or putting forward to shareholders a candidate for election as a Director of the Company.
- 4.7 The Company will provide shareholders of the Company with all material information in the Company's possession which is relevant to a decision on whether to elect or re-elect a Director.

5. BOARD MEETINGS

- 5.1 At least half of the appointed Directors must be present at a Board meeting to constitute a quorum.
- 5.2 The Board will meet no fewer than six times each financial year and may meet as often as required to fulfil its duties.

- 5.3 Board papers are to be provided to all proposed attendees of Board meetings no fewer than five days before the date of each Board meeting.
- 5.4 Minutes of each Board meeting shall be prepared by the Company Secretary, approved by the Chair and circulated to Directors after each meeting.
- 5.5 Minutes of Board meeting must be approved at the next Board meeting.
- 5.6 Each Director has an obligation at Board meetings and concerning the Company generally, to reach decisions which he or she believes to be in the best interests of the Company, free of any actual or possible personal or other business related conflict of interest.
- 5.7 At the commencement of each Board meeting, each Board member must disclose any actual, potential or ongoing conflict of interest.
- 5.8 Where members are deemed to have a real or perceived conflict of interest, they may be excused from discussion on the issue.

6. BOARD COMMITTEES and CORPORATE GOVERNANCE

- 6.1 To assist in the execution of its duties, the Board has established an Audit and Risk Committee and a Remuneration and Nomination Committee.
- 6.2 The Board has adopted a charter for the Audit and Risk Committee setting out matters concerning its composition and responsibilities.
- 6.3 The Board has adopted a charter for the Remuneration and Nomination Committee setting out matters concerning its composition and responsibilities.
- 6.4 Committee charters are approved by the Board and reviewed when necessary.
- 6.5 Members of Committees are appointed by the Board. The Board may appoint additional Directors to Committees or remove and replace members of Committees by resolution.
- 6.6 In addition to this Charter, the Board has also adopted a number of policies and charter documents in the interest of best practice in corporate governance and to guide and assist the Company in the pursuit of its values and the achievement of its goals. These include:
 - Code of Conduct
 - Continuous Disclosure
 - Securities Trading Policy

- Health and Safety Policy
- Risk Management Policy
- Audit and Risk Committee Charter
- Remuneration and Nomination Committee Charter

6.7 The Board will review the corporate policies and Committee structures on a regular basis and at least annually to ensure that, considering the size of the Company and composition of the Board, the Board Committees are the most cost-effective and beneficial corporate structure for the Company which reflect the values of the Company and guide the conduct of the Board consistently with those goals.

6.8 The Board may also establish ad-hoc special purpose committees from time to time, with terms of reference approved by the Board.

7. INDEPENDENT PROFESSIONAL ADVICE

7.1 The Board collectively, and the Directors independently, are entitled to seek independent professional advice at the Company's expense to assist in their carrying out the functions and responsibilities as set out in this Charter or as regulated by applicable legislation, regulation or common law.

7.2 The Chair must approve the engagement of professional advisors acting in the best interests of the Company. If the Chair refuses approval of the engagement of professional advisors, the matter may be referred to the Board.

8. PERFORMANCE EVALUATION

8.1 The Board shall develop a process and undertake on an annual basis prior to the Company's year end the performance of the Board, its Committees and individual Directors, and disclose, in relation to each reporting period, whether a performance evaluation was undertaken during the reporting period.

8.2 The Board shall monitor and evaluate the performance of the Managing Director and Senior Executives in achieving the strategies and budgets set by the Board, and where appropriate, may seek advice from the Remuneration Committee.

8.3 The Board shall approve Non-Executive Director remuneration, the Managing Director and Senior Executive remuneration and any incentive or employee equity plans.

9. CORPORATE GOVERNANCE

- 9.1 The Board shall encourage ethical behaviour and compliance with the Company's policies and procedures, including the Code of Conduct, Company's Securities Trading Policy, Continuous Disclosure Policy, Shareholder Communication Policy, Community Engagement Policy, Risk Management Policy, Environmental Policy, Health and Safety Policy, Indigenous Peoples Policy, Modern Slavery Policy, Privacy Policy and Whistleblower Policy.
- 9.2 The Board shall periodically review the Company's compliance with corporate governance standards.

DATE:

24 August 2021

Record of reviews and relevant changes or amendments and/or reasons below:

Date	Version	Changes Made/Reasons for Changes	Changed By
20.01.2022	1	Adoption of new Charter	The Board