

## Board Charter

**EntX Limited**  
ACN 164 573 728

**Approved: 11 April 2022**

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(Company)

## Board charter

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### 1. Introduction

- 1.1 This Charter sets out the functions and responsibilities of the Board and other matters relevant to the overall management of the Company.
- 1.2 The Board is committed to ensuring that each of the actions undertaken by the Company reflects the Company's values and strategies.

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### 2. Definitions

#### 2.1 In this Charter:

- (1) **Board** means the board of directors of the Company;
- (2) **CFO** means the Chief Financial Officer;
- (3) **Chair** means the chair of the Board;
- (4) **Charter** means this Board Charter;
- (5) **Constitution** means the Company's constitution;
- (6) **MD** means the Chief Executive Officer/Managing Director; and
- (7) **Secretary** means the Company Secretary.

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### 3. Responsibilities of the Board

- 3.1 The Board is responsible for, and has the authority to determine, all matters relating to the strategic direction, policies, practices, leadership and corporate governance of the Company, and establishing goals for management and the operation of the Company. Without intending to limit this general role of the Board, the specific functions and responsibilities reserved to the Board include:
  - (1) oversight of the Company, including its control, accountability, risk management framework (for financial and non-financial risks) and continuous disclosure systems;
  - (2) appointing and removing the MD (or equivalent), including approving remuneration of the MD;
  - (3) ensuring remuneration policy and succession plans align with the Company's values, strategic direction and risk appetite;
  - (4) approval of the appointment and, where appropriate, the removal of the CFO (or equivalent), the Secretary and other senior executives (including via delegation to the Managing Director where considered appropriate by the Board);

- (5) input into the final approval of management's development of corporate strategy and performance objectives;
  - (6) determining the risk appetite within which the Company is to operate and reviewing and ratifying systems of risk management and internal compliance and control, statements of values, codes of conduct and legal compliance;
  - (7) monitoring senior management's performance and implementation of strategy, and ensuring appropriate resources are available, and holding management to account;
  - (8) approving and monitoring the progress of budgets, major capital, exploration and development expenditure, capital management and acquisitions and divestitures;
  - (9) approving and monitoring financial and other reporting, including oversight of the integrity of reporting systems;
  - (10) appointment and composition of committees of the Board;
  - (11) on recommendation of the Audit and Risk Management Committee, appointment of external auditors; and
  - (12) initiating Board, director and senior management evaluation at least annually.
- 3.2 The Board aims to meet formally at least 8 times per year or such other such number of times as the Chairman determines necessary to discharge its duties. Part of each scheduled meeting may be set aside to allow the non-executive directors to meet without management present.

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## 4. Composition of the Board

### 4.1 Size

The Board will determine the Board size and may decide to increase the number of directors, subject to the requirements or limits in the Constitution, where it is highlighted that additional expertise is required in specific areas, or when an outstanding candidate is identified.

### 4.2 Independence of directors

- (1) The Board will comprise a majority of non-executive directors.
- (2) At least 2 of the non-executive directors will be independent directors.
- (3) The Chair will be a non-executive director. For the avoidance of doubt, the position of Chair will not be held by someone who is performing the role of MD of the Company.
- (4) Where the Chair is not an independent director, a lead independent director will be elected as soon as practicable by a majority of the Board. The lead independent director will assume the role of Chair when the Chair is unable to act in that capacity as a result of his or her lack of independence.
- (5) The Board will regularly assess (at least annually) whether each non-executive director is independent including having regard to the ASX Corporate Governance Principles and Recommendations with respect to independence and each non-executive director is required to provide to the Board all information that may be relevant to this assessment.

## 4.3 Expertise

- (1) The Board shall ensure that, collectively, it has the appropriate range of expertise to properly fulfil its responsibilities, including:
  - (a) finance;
  - (b) business;
  - (c) the Company's industry;
  - (d) legal skills.
- (2) The Board shall, with the assistance of the Remuneration and Nomination Committee once established, review the range of expertise of its members on a regular basis and ensure that it has operational and technical expertise relevant to the operation of the Company, and makes recommendations on remuneration, new appointments and matters regarding successions.

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## 5. Appointment of directors

- 5.1 Directors are appointed in accordance with the terms of the Constitution.
- 5.2 Subject to the number of directors allowed under the Constitution, a director may be appointed by an ordinary resolution of the Company in general meeting. Where a director's position becomes vacant in between such elections, the Board may appoint a replacement director. Such a replacement director will only hold office until the next annual general meeting of the Company.
- 5.3 The terms and conditions of the appointment and retirement of members of the Board will be set out in a letter of appointment.
- 5.4 The appointment, removal, retirement and re-election of directors must be in accordance with the Constitution, applicable law and regulations (including the *Corporations Act 2001*) and applicable ASX Listing Rule requirements.
- 5.5 All new Board appointees must disclose the nature and extent of their other board appointments. The Chair and MD, with assistance from the Secretary, will provide a formal and comprehensive induction for new directors appointed to the Board
- 5.6 The induction includes meetings with the Chair, MD, CFO and other key executives and the provision of information on key Company policies and strategies.

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## 6. Independent professional advice

- 6.1 To facilitate independent judgement in decision-making, each director has the right to seek independent professional advice at the Company's expense. However, prior approval from the Chair is required, which may not be unreasonably withheld.

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## 7. Allocation of responsibilities

### 7.1 Chair

- (1) The Board elects the Chair in accordance with the Constitution.

- (2) The Chair will be selected on the basis of the person's achievements and record as a leader.
- (3) The position of Chair will be reviewed annually by the Board at the first Board meeting following the annual general meeting. The Chair authorises the expenses of all the other directors and the MD.
- (4) The Chair is responsible for leadership of the Board, for the efficient organisation and conduct of the Board's function, and for the briefing of all directors in relation to issues arising at Board meetings.
- (5) The Chair's specific duties are to:
  - (a) convene and chair Board meetings;
  - (b) establish the agenda for Board meetings;
  - (c) ensure Board minutes properly reflect Board discussions and decisions;
  - (d) manage the conduct, frequency and length of Board meetings so as to ensure that the Board maintains an in-depth understanding of EntX's performance and the opportunities and strategic issues it faces;
  - (e) facilitate constructive communications between directors and between the Board and the MD (and other senior management as appropriate);
  - (f) regularly review with senior officers, progress on important initiatives and significant issues facing the Company and provide a sounding board for the MD; and
  - (g) commence the annual process of Board and director evaluation.
- (6) The Chair is not entitled to vote or participate in the deliberations on any matter in which he or she has a personal interest, unless there is compliance with the conflict of interest provisions under the Constitution.
- (7) The Chair may be removed from office in accordance with the Constitution and applicable laws.

## **7.2 The MD and senior management**

- (1) The Board has delegated to the MD and the MD's senior management group responsibility for the day-to-day management of the Company in accordance with the strategy, policies and programs, values and risk appetite approved by the Board.
- (2) The delegated responsibilities include:
  - (a) developing, with the Board, a consensus for the Company's strategic vision and direction;
  - (b) constructing, with the Company's management team, programs to implement this vision;
  - (c) negotiating the terms and conditions of appointment of senior executives for Board approval;
  - (d) appointing the senior management team;

- (e) endorsing the terms and conditions of appointment of all other staff members;
  - (f) providing strong leadership to, and effective management of, the Company in order to:
    - (i) encourage co-operation and teamwork;
    - (ii) build and maintain staff morale at a high level; and
    - (iii) build and maintain a strong sense of staff identity with, and a sense of allegiance to, the Company;
  - (g) ensuring a safe workplace for all personnel;
  - (h) ensuring a culture of compliance generally, and specifically in relation to environmental matters;
  - (i) carrying out the day-to-day management of the Company;
  - (j) forming other committees and working parties from time to time to assist in the orderly conduct and operation of the Company;
  - (k) keeping the Board informed, at an appropriate level and on a timely basis, of all the activities of the Company, in particular with respect to performance, financial condition, operating results, compliance with material legal and regulatory requirements and material breaches of the corporate values and code of conduct; and
  - (l) ensuring that all personnel act with the highest degree of ethics and probity.
- (3) The Board formally delegates the power to the MD to authorise all expenditures as approved by the Board (including in a Board approved budget).

### **7.3 Secretary**

- (1) The Secretary holds primary responsibility for ensuring that Board processes and procedures run efficiently and effectively, and to work with the Board to address governance matters.
- (2) The Secretary is appointed in accordance with the Constitution and is accountable directly to the Board through the Chair.
- (3) The specific tasks of the Secretary include:
  - (a) overseeing the Company's compliance program;
  - (b) assisting the Chair with proper functioning of the Board including ensuring that the agenda and briefing materials for Board meetings are prepared and forwarded to directors in a timely and effective manner;
  - (c) recording, maintaining and distributing the minutes of all Board and Board subcommittee meetings as required;
  - (d) preparing for and attending all general meetings of the Company and ensuring that the correct procedures are followed;
  - (e) recording, maintaining and distributing the minutes of all annual and extraordinary general meetings of the Company;

- (f) meeting statutory reporting requirements in accordance with relevant legislation;
  - (g) advising on governance matters and assisting with induction and professional development of directors; and
  - (h) any other services the MD or Chair may require.
- (4) All directors will have direct access to the Secretary.

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## **8. MD and CFO assurances**

8.1 It is the responsibility of both the MD (or equivalent) and the CFO (or equivalent) to provide written assurances to the Board that in all material respects:

- (1) the financial reports submitted to the Board present a true and fair view of the Company's financial condition and operational results; and
- (2) the Company's risk management and internal compliance and control system is operating efficiently and effectively.

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## **9. Committees**

### **9.1 Establish committees**

To assist with the execution of its responsibilities, the Board has the authority to establish and determine the powers and functions of the committees of the Board, including the Audit and Risk Management Committee, the Nomination and Remuneration Committee and other committees that may be formed from time to time. Each Board committee is to document a charter, approved by the Board, setting out its responsibilities.

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## **10. Review of the Charter**

10.1 This Charter shall be reviewed by the Board annually, and may be amended by resolution of the Board.