



BOARD CHARTER

Carpentaria Exploration Board Charter

Roles of the Board and Management

The Board of Directors (“Board”) of Carpentaria Exploration Limited (“Carpentaria Exploration”) considers that the essential responsibility of the Directors is to oversee Carpentaria Exploration’s activities for the benefit of its shareholders, employees and other stakeholders and to protect and enhance shareholder value, in accordance with applicable law and appropriate standards of behaviour for good corporate citizens.

The key responsibilities of the Board include to:

- Appoint and review the performance of the Chairman and management;
- Develop with management and approve strategy, planning, exploration programs and major capital expenditure;
- Arrange for effective budgeting and financial supervision;
- Ensure that appropriate audit arrangements are in place;
- Ensure that effective and appropriate reporting systems in place will, in particular, assure the Board that proper financial, operational, compliance and risk management controls function adequately; and
- Report to shareholders.

The Board is responsible to shareholders for Carpentaria Exploration’s strategic direction and the execution of the Company’s overall objective, which is to increase long-term shareholder value. The size of the Board reflects the modest size of the Company, its business plans, and the scale of its operations as an early stage exploration/mining company. Only the Directors have the capacity to bind the Company.

Management is responsible for the implementation of the Company’s strategies, the management and protection of the Company’s resources and the day-to-day communication with the Company’s shareholders, all in accordance with policies and systems and procedures approved by the Board.

Board Structure

The composition of the Board is determined in accordance with the following principles and guidelines:

- The Board must comprise at least 3 Directors, increasing where additional expertise is considered desirable in certain areas;
- The Board should not comprise a majority of executive Directors; and
- Directors should bring characteristics which allow a mix of qualifications, skills and experience both nationally and internationally.

The Company’s Board meets the above criteria. The terms and conditions of the appointment and retirement of Directors must be set out in a letter of appointment which covers remuneration, expectations, terms, the procedures for dealing with conflicts of interest and the availability of independent professional advice.

The Chairman and Managing Director is to review the performance of all Directors each year.

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Director Independence

Directors are expected to bring independent views and judgement to the Board's deliberations. The Board is to include a majority of non-executive independent Directors.

In considering whether a Director is independent, the Board must have regard to the independence criteria in ASX Principle 2 and other facts, information and circumstances that the Board considers material.

The roles of Chairman and Managing Director are held by the one person. The Board will look to recruit and appoint a suitable Managing Director to lead the Company as it grows and its business expands. The Board will review this situation during each financial year and, if the criteria are not met by the end of the year, will publish its reasons for not meeting them.

Meetings of the Board

The Board must meet at least six times a year to consider the business of Carpentaria Exploration, its financial performance and other operational issues.

Retirement and Re-election

The Constitution of the Company requires one third of the Directors, other than any executive Director, to retire from office at each Annual General Meeting. Directors who have been appointed by the Board are required to retire from office at the next Annual General Meeting and are not taken into account in determining the number of Directors to retire at that Annual General Meeting. Directors cannot hold office for a period in excess of three years or later than the third Annual General Meeting following without submitting themselves for re-election. Retiring Directors are eligible for re-election by shareholders.

When a vacancy exists, for whatever reason, or where it is considered that the Board would benefit from the services of a new Director with particular skills, the Board will select appropriate candidates, with relevant qualifications, skills and experience. External advisers may be used to assist in such a process. The Board must then appoint the most suitable candidate who must stand for election at the next general meeting of shareholders.

Nominations and appointment of new directors

Recommendations of candidates for new Directors are made to the Board. The Board as a whole must make such appointments as it considers the most appropriate for the Company.

Review of Performance

The Board must review its performance and composition at least on an annual basis to ensure that it has the appropriate mix of expertise and experience, taking into account the size and nature of the Company's activities.

Directors' Remuneration

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The remuneration of non-executive Directors is different from that of executives. Executive Directors receive a salary and may receive other benefits.

Non-executive Directors receive a set fee per annum, in addition to their statutory superannuation entitlements, and are fully reimbursed for any out of pocket expenses necessarily incurred in carrying out their duties. When reviewing Directors' fees, the Board takes into account any changes in the size and scope of Carpentaria Exploration activities.

The Board must review the remuneration and policies applicable to all Directors on an annual basis. Remuneration levels are where the Company's position permits to be competitively set to attract the most qualified and experienced Directors and senior executives. Where necessary, the Board will obtain independent advice and the appropriateness of remuneration packages.

Board Access to Information

All Directors are to have unrestricted access to any employees of or contractors to the Company and, subject to the law, access to all Company records and information held by employees and external advisers. The Board must receive regular detailed financial and operational reports from senior management to enable it to carry out its duties.

Each Director may, with the prior written approval of the Chairman, obtain independent professional advice to assist the Director in the proper exercise of powers and discharge of duties as a Director or as a member of a Board Committee. The Company will reimburse the Director for the reasonable expense of obtaining that advice.

Board Committees

The Board, where appropriate, may establish a number of committees to assist in carrying out its responsibilities in an effective and efficient manner.

The Board has established an Audit Committee to assist the Board in the discharge of its responsibilities and is governed by the Audit and Compliance Committee Charter, as approved by the Board.

Business Risks

The Board is committed to ensuring that the risks associated with Carpentaria Exploration's business activities are properly identified, monitored and managed and to embedding in its management and reporting systems a number of risk management controls. The Board is charged with implementing appropriate risk management systems within Carpentaria Exploration as reported to it by management.

The Board is to monitor and receive advice on areas of operational and financial risk, and consider strategies for appropriate risk management arrangements.

Specific areas of risk to be regularly considered at Board meetings are to include intellectual property, changes in government regulation, technology changes, and human resources, integrity of data, statutory compliance and continuous disclosure obligations.