



龍資源有限公司
DRAGON MINING
LIMITED

(Incorporated in Western Australia with limited liability)

CHARTER OF BOARD, NON-EXECUTIVE DIRECTORS, CHAIRMAN, CHIEF EXECUTIVE OFFICER AND SENIOR EXECUTIVE ROLES/FUNCTIONS

INTRODUCTION AND PURPOSE

This statement summarises the roles/functions and responsibilities of the Board, Non-Executive Directors, Chairman, Chief Executive Officer and senior executives of Dragon Mining Limited (“the Company”). The disclosure of the roles/functions and responsibilities of the Board, Non-Executive Directors, Chairman, Chief Executive Officer and senior executives is designed to assist those affected by corporate decisions to better understand the respective accountabilities and contributions of the Board, Non-Executive Directors, Chairman, Chief Executive Officer and senior executives of the Company.

It must be noted that the roles/functions and responsibilities of the Board, Non-Executive Directors, Chairman, Chief Executive Officer and senior executives will evolve as the Company moves forward. As such, a regular review of the balance of responsibilities is seen to be appropriate to ensure that the division of the functions remains appropriate to the needs of the Company.

This Charter is only a summary of the matters reserved to the Board, Non-Executive Directors, Chairman, Chief Executive Officer and senior executives and should therefore only be used as a general guide only and is not to be used in a legal capacity.

RELATIONSHIP BETWEEN THE BOARD AND SENIOR EXECUTIVES

The relationship between senior executives and the Board is a partnership that is crucial to the Company’s long term success.

The broad separation of functions and responsibilities between senior executives and the Board are set out in this Charter and should be respected and clearly understood. Those who have the opportunity to materially influence the integrity, strategy and operation of the Company and its financial performance are considered to be a senior executive.

The Board gives direction and exercises judgement in setting the Company’s objectives and overseeing their implementation.

The Managing Director is responsible to the Board for the day-to-day management of the Company and advancing the strategic direction. The Managing Director must report to the Board in a timely manner on those matters included in the Company’s risk profile, all relevant operational matters and any other matter that is likely to fall outside the Company’s materiality threshold.

The Board will regularly review the separation of functions and responsibilities between senior executives and the Board to ensure that they are appropriate to meet the Company’s needs and the requirements under The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”).

RESPONSIBILITIES OF THE BOARD

The management and control of the business of the Company is vested in the Board. The Board's primary responsibility is to oversee the business activities and management for the benefit of the Company's shareholders. The Board also recognises its responsibilities to the Company's employees, the environments and communities in which the Company operates and where appropriate, other stakeholders. The Board strives to create shareholder value and ensure that shareholders' funds are prudently safeguarded.

The key responsibilities of the Board include:

1. determining the overall strategy, purpose and values of the Company and its subsidiaries (the "**Group**"), ensuring these align with the Group's culture, which instils and continually reinforces across the organisation values of "acting lawfully, ethically and responsibly";
2. acting with integrity, leading by example, and promoting the desired culture;
3. approving the annual operating budget of the Group;
4. approving and monitoring the progress of major capital expenditure, capital management, acquisitions and divestments;
5. reviewing all significant policy matters of the Group, including but not limited to dividend policy, sustainability policy, board diversity policy, shareholders' communication policy and any major changes in accounting policy;
6. monitoring the performance of management to ensure that the business operations are properly planned, authorised and undertaken;
7. overseeing the risk management and internal control systems on an ongoing basis, ensuring that a review of the effectiveness of the risk management and internal control systems of the Group, which shall cover all material controls, including financial, operational, compliance and environmental, social and governance ("**ESG**") controls, has been conducted annually and, in particular, ensuring the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit, financial reporting functions, as well as those relating to the Company's ESG performance and reporting;
8. overseeing the ESG issue, with overall responsibility for the Company's ESG strategy and reporting;
9. satisfying itself that the financial statements of the Company fairly and accurately set out the financial position and financial performance of the Company for the period under review and approving the Company's half-year report, annual report and accounts on the basis of any recommendations of the Audit and Risk Management Committee;
10. overseeing the management of safety and occupational health, environmental issues, native title, cultural heritage and community development;
11. monitoring and overseeing the management of shareholder and community relations;
12. approving any material contracts and transactions;

13. subject to the requirements of the Listing Rules, approving transactions in which a connected person (as defined in the Listing Rules) is considered to have a material conflict of interests;
14. subject to the requirements of the Listing Rules and/or the Hong Kong Securities and Futures Ordinance (“SFO”), approving the disclosure of any transactions or matters which are subject to Rules 13.09 and 13.10 of the Listing Rules as well as Part XIVA of the SFO and the corporate actions which are outside the ordinary and usual course of business of the Group;
15. approving any appointment (based on the recommendations made by the Nomination Committee) / proposal for re-appointment of Directors, and appointment of the Chairmen and members of the Audit and Risk Management Committee, Remuneration Committee, Nomination Committee, where appropriate;
16. with the assistance of the Nomination Committee, ensuring independent views and input are available in the discussion of any matters which are required to obtain the Board’s approval;
17. considering the recommendations from the Remuneration Committee in respect of (a) the Company’s policy and structure for all directors’ and senior management remuneration; (b) the remuneration packages of individual Executive Directors and senior management; (c) the remuneration of the Non-Executive Directors and Independent Non-Executive Directors; and (d) any compensation arrangement for (i) loss or termination of office; and (ii) dismissal or removal of Directors and/or senior management;
18. appointment, re-appointing or removing the Company’s external auditors (on the recommendation of the Audit and Risk Management Committee); and assuring itself that proper audit procedures are in place;
19. performing the corporate governance duties as set out below:
 - a. to develop and review the Company’s policies and practices on corporate governance;
 - b. to review and monitor the training and continuous professional development of Directors and senior management;
 - c. to review and monitor the Company’s policies and practices on compliance with legal and regulatory requirements;
 - d. to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors;
 - e. to review the Company’s compliance with the Corporate Governance Code of the Listing Rules and disclosure in the Corporate Governance Report; and
20. exercising all such other powers that may only be exercised by the Board pursuant to the Listing Rules or the Company’s Constitution.

FUNCTIONS OF THE NON-EXECUTIVE DIRECTORS

The Non-Executive Directors are responsible for:

1. participating in board meetings to bring an independent judgement to bear on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conduct;
2. taking the lead where potential conflicts of interests arise;
3. serving on the audit, remuneration, nomination and other governance committees, if invited; and
4. scrutinising the Group's performance in achieving agreed corporate goals and objectives, and monitoring performance reporting.

FUNCTIONS OF CHIEF EXECUTIVE OFFICER

The Chief Executive Officer is delegated with the authority and responsibility for running the business of the Group and implementation of the Group's strategy in achieving the overall commercial goals.

ROLE OF SENIOR EXECUTIVES

Those who have the opportunity to materially influence the integrity, strategy and operation of the Company and its financial performance are considered to be senior executives.

The role of senior executives is to progress the strategic direction provided by the Board.

RESPONSIBILITIES OF THE CHAIRMAN AND THE MANAGING DIRECTOR

The Board has delegated responsibility for the day-to-day activities to the Managing Director and senior executives. The Board ensures that the team is appropriately qualified and experienced to discharge their responsibilities and has in place procedures to assess the performance of the Managing Director and senior executives'. The roles of the Chairman and the Managing Director are not combined.

The responsibilities of the Chairman are to:

1. provide leadership for the Board to ensure the Board works effectively and performs its responsibilities, and ensure that all key and appropriate issues are discussed by it in a timely manner;
2. approve an agenda primarily for each Board Meeting and take into account any matters proposed by other Directors for inclusion in the agenda
3. ensure all Directors are properly briefed on issues arising at Board Meetings and receive, in a timely manner, adequate information which must be accurate, clear, complete and reliable;
4. encourage all Directors to make full and active contribution to the Board's affairs and take the lead to ensure that it acts in the best interests of the Company. The Chairman should encourage Directors with different views to voice their concerns, allow sufficient time for discussion of issues and ensure that Board decisions fairly reflect Board consensus;
5. promote a culture of openness and debate by facilitating the effective contribution of Non-Executive Directors and ensuring constructive relations between Executive and Non-Executive Directors;
6. ensure good corporate governance practices and procedures are established;

7. arrange meetings at least annually, including when appropriate meetings with the Independent Non-Executive Directors at which other Directors are not present;
8. ensure appropriate steps are taken to provide effective communication with shareholders and that their views are communicated to the Board as a whole; and
9. exercise such specific and express powers as are delegated to the Chairman by the Board from time to time.

The responsibilities of the Managing Director are to:

- Manage and administer the day-to-day operations of the Company;
- Supervise senior executives and represent them to the Board; and
- Exercise such specific and express powers as are delegated to the Managing Director by the Board from time to time.

RETIREMENT FROM THE BOARD

All Directors are expected to voluntarily review the Director's membership of the Board from time to time taking into account their length of service on the Board, age, qualifications, experience and other commitments in light of the requirements under Listing Rules and the Company's current policies.

Notwithstanding the Company's Constitution if a non-executive Director is required to retire by rotation in accordance with the Company's Constitution or The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the non-executive Director will take into account the views of the other non-executive Directors of the Company when deciding whether to stand for re-election.

ACCESS TO THE COMPANY SECRETARY AND EMPLOYEES

Each Director and senior executive has a right of access to the Company Secretary at all times.

CONFIDENTIALITY

The Directors and senior executives acknowledge that all proceedings of the Board and its Committees are strictly confidential and that a Director or senior executive will be expected to resign from the Board if the Director or senior executive breaches this confidentiality.

REVIEW OF CHARTER

The Board will regularly review the Charter to ensure that it meets the requirements under the Listing Rules and meet the needs of the Company.

Updated as of 18 August 2022