

MARRA WORRA WORRA ABORIGINAL CORPORATION
(the "Corporation")
TERMS OF REFERENCE FOR THE BOARD OF DIRECTORS

**Approved at a meeting of the Board of Directors of MARRA WORRA WORRA
ABORIGINAL CORPORATION held on 13 August 2014.**

1. INTRODUCTION

- 1.1 These terms of reference (the "**Terms**"), in accordance with the provisions of the Corporation's Rule Book and the provisions of the Corporations (Aboriginal and Torres Strait Islander) Act 2006 (CATSI Act) shall govern, *inter alia*, the rights, duties, powers and membership of the board of directors of the Corporation (the "**Board**").
- 1.2. The Board may exercise all such powers of the Corporation as are not, by the provisions of the CATSI Act, and the Rule Book of the Corporation (the "**Rules**") or by these Terms, required to be exercised by the Corporation in a general meeting or an annual general meeting (a "**General Meeting**" or an "**Annual General Meeting**").
- 1.3 The role of the Board is to lead and govern the Corporation, including the strategy of the Corporation, with the intention of ensuring that the Corporation successfully meets its objectives as outlined in the Corporation's Rule Book and further with a view to ensuring that the appropriate governance and management structures are in place so as to safeguard and ensure that the future of the Corporation is secured and the interests of its members as a whole are protected.
- 1.4 The Board shall maintain an open dialogue with the Corporation's members based on the mutual understanding of objectives and shall use the Annual General Meeting to communicate with members and to encourage their participation.
- 1.5 The Terms may be amended, from time to time, with the approval of the Board and provided that they do not contradict the provisions of the Corporation's Rule Book and the provisions of the CATSI Act.

2. DIRECTORSHIP

- 2.1 The Board shall be appointed in accordance with the Rules.
- 2.2 The minimum number of the directors shall be five and the maximum number twelve (the "**Directors**").
- 2.3 The eligibility criteria of directors is outlined in section 5.2 of the Corporation's Rule Book.
- 2.4 The Chairperson of the Corporation will chair Board meeting's unless they are not present then the directors present at any meeting of the Board shall elect one of the other Directors to chair the meeting.
- 2.5 The Chairperson of the Corporation and Directors shall be listed each year in the annual report of the Corporation. Any Directors which are independent or specialist non-

member directors shall be identified as such.

2.6 Directors are appointed at Annual General Meeting of the Corporation on rotation for a term of two years, so that half of the directors' appointments expire each year. They are eligible to be re-elected.

2.7 Fulfilment of the duties of a Director shall be personal and, other than as specified below in the case of board Committees, a Director shall not be permitted to appoint a proxy or representative to fulfil his duties or exercise his rights as a member of the Board. If a director is unable to attend a meeting of a Committee of the board they may elect to appoint another Director to attend this Committee meeting as their representative.

2.8 Each Director of the Board shall disclose to the Board:

- any personal financial interest in any matter to be decided by the Board;
- or any potential conflict of interest.

Any such Director shall abstain from voting on resolutions of the Board in relation to which such interest exists and from participating in the discussions concerning such resolutions and (if so requested by the Board) shall resign from the Board.

2.9 The secretary of the Board shall be appointed by resolution of the Board at any time and for such term as may be determined at each first board meeting after each AGM.

2.10 The secretary of the Board shall perform its duties for the term he/she was appointed by the Board until such time that a new Secretary is appointed by the Board to assume the office.

3. MEETINGS

3.1 The Board shall meet as and when required to discharge its duties effectively, provided that the Board shall meet at least four times a year and at such other times as any Director may require.

3.2 Directors shall have the discretion to invite to the meetings of the Board the persons, who are not the members of the Board: the Corporation officers and managers, Corporation's auditor, experts, consultants, etc. The secretary of the Board shall attend meetings to perform his/her role.

3.3 A duly convened meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Board. The quorum necessary for the transaction of the business of the Directors is at least one half of the total number of Directors:

- the Directors gathered in proper quorum determine otherwise, and
- a Director shall not vote in respect of any contract or arrangement in which he or she is interested. In the latter case, a quorum shall be equal to all the Directors who are not interested in the contemplated matter.

In case the quorum is not met in relation to a particular item of business on the agenda, the Chairperson of the Board upon consulting with the present Directors may announce a new time and venue of the meeting as the Chairperson of the Board may determine to be conducted instead of the meeting in relation to the previously established items on the agenda. In that case all members of the Board shall be notified of the new time and venue of the meeting at least 3 days prior to the meeting date.

Meetings of the Board shall be called by the secretary of the Board at the request of any Director which Director shall include the Chairperson of the Board.

The secretary of the Board shall compile an agenda for each meeting of the Board on the basis of the issues suggested by the Directors.

Unless otherwise agreed, notice of each meeting confirming the venue, date and time together with an agenda of items to be discussed and supporting papers where appropriate shall be forwarded (by way of facsimile message, electronic mail, post or in person) to each Director of the Board and any person invited to attend no later than three working days prior to the date of the meeting. All reasonable efforts shall be made to give notice of meetings of the Board to all Directors and to arrange such meetings so that Directors are able to attend them.

In the event that circumstances make it impossible or difficult to conduct a meeting of the Board at the place or at the time which was provided for in the notice to such meeting of the Board, such meeting may be conducted at a different place or at a different time with the agreement of each Director of the Board provided that such meeting is conducted in accordance with the agenda which was notified to the Directors.

A Director's meeting can be held at one or more place using any technology as long as all Directors agree to this.

Each Director shall have one vote. A decision shall be made on a simple majority of votes. In the event of an equality of votes, the Chairperson of the Board shall have a casting vote.

A decision in writing signed by all the Directors entitled to receive notice of a meeting of the Board shall be as valid and effectual as if it had been passed at a meeting of the Directors duly convened and held, provided that the following may only be decided at duly convened meetings:

- approval of strategic plans of the Corporation;
- definition of priority directions of development of the Corporation;
- approval of the annual budget of the Corporation; and
- approval of the annual report of the Corporation.

The secretary of the Board shall prepare minutes of any meeting of the Board no later than five working days after the meeting, including the names of those present and in attendance, after approval and signature by the Chairperson of the Board.

Each Director shall have the right to demand that his/her dissenting opinion on the matters on the agenda at a meeting of the Board and any resolutions approved therein, be noted in the minutes of the meeting. In the event that a Director exercises such right, such dissenting opinion shall be duly noted in the Minutes by the secretary of the Board.

4. DUTIES

4.1 Duties of the Chairperson of the Board

The Chairperson shall be responsible for organising the Board activities including, without limitation:

- i) organising the work of the Board, arranging and chairing its meetings, and ensuring that minutes are maintained of all meetings of the Board;
- ii) being responsible for the preparation of the agendas of the meetings of the Board;
- iii) organising the proceedings at the meetings of the Board so that discussion of the matters on the agenda thereof be open, comprehensive, concise, representative of diverse points of view, and conducive to the approval of specific agreed resolutions;
- iv) organising the development of efficient resolutions on the matters on the agenda and, if necessary, free discussion of the relevant issues, and ensuring that the meetings of the Board are conducted in a supportive and constructive atmosphere;
- v) ensuring that all the Directors receive accurate, timely and clear information and new Directors receive full, formal and tailored instruction on joining the Board;
- vi) initiating the development of draft resolutions on the matters under consideration;
- vii) ensuring that the Directors of the Board continually update their skills, knowledge and familiarity with the Corporation as required to fulfill their role on the Board;
- viii) coordinating the appointment of directors to the committees of the board, and ensuring such committees are organised and managed in accordance with their terms of reference; and
- ix) managing effective communication with the Corporation's Members.

4.2 Duties of each Director

Each Director is expected to:

- i. operate reasonably, objectively, honestly, with due care in relation to affairs of the Corporation;
- ii. act in the interests of the Corporation as a whole, but not separate Member's, officials and other persons;

- iii. possess the degree of knowledge, skills and experience which are required for decision-making on issues referred to the competence of the Board;
- iv. refrain from actions, leading to or potentially able to lead to a conflict between their interests and the interests of the Corporation, and in case of occurrence of such conflict, they must disclose the information on this conflict to the Board;
- v. sign the Corporation's Confidentiality Agreement on appointment and not disclose confidential information relating to the Corporation, its business, affairs, clients and customers;
- vi. where necessary, call meetings of the Board for the resolution of urgent issues;
- vii. be present at board meetings and actively participate in decision-making;
- viii. evaluate fully the risks and potential consequences of such decisions;
- ix. act within the limits of the competence of the Board; and
- x. participate in committees of the Board, in case of appointment.

4.3 Functions of the Board

The Board will:

- i. act fairly in relation to all Members of the Corporation and ensure the equal treatment of members;
- ii. define the overall goals, priorities and strategic objectives of the Corporation, oversee the implementation thereof, and approve any major strategic development plans;
- iii. set the Corporation's values and standards;
- iv. approve the annual budget, and business plan;
- v. approve annual reports and financial statements, including income statements of the Corporation, and submit those for consideration by the General Meeting of Members;
- vi. monitor the financial and economic activity of the Corporation
- vii. ensure the identification, assessment and management of financial, business and operational risks and the implementation and maintenance of a system of internal control and risk management;
- viii. within the limitations as prescribed in the CATSI Act, approve any significant transactions between the Corporation and its members (and such members affiliated parties);
- ix. ensure the creation of a system for identifying and settling potential conflicts of interests;

- x. oversee the day-to-day management of the Corporation carried out by the Corporation's executive personnel, including monitoring and evaluating their performance;
- xi. monitor the performance of the committees of the Board;
- xii. resolve matters referred to the Board by committees of the Board for the approval of the Board;
- xiii. resolve the issues related to preparation for and convening of General Meetings of Members;
- xiv. determine remuneration of the Independent or Specialist Directors;
- xv. appoint the Chief Executive Officer of the Corporation;
- xvi. determine the powers of the Chief Executive Officer of the Corporation;
- xxi. convene general meetings when the Board deems fit or when requisitioned by the required number of members in accordance with the Rules of the Corporation;
- xxii. appoint the Corporation secretary;

4.4 Committees

The Board may resolve to form committees with the power to review and consider, and supervise over matters delegated to the relevant committee (including without limitation the accounts, financial controls and governance controls and matters within the competency of the audit and strategy and committees) and to provide advice to the Board in relation to such matters.

The Board shall the following permanent Committees:

- Audit Committee; and
- Strategy Committee.

The Board can also create other permanent or temporary committees as it deems necessary. The membership, organisation and duties of each committee are regulated by terms of reference approved by the Board.

5. REPORTING RESPONSIBILITIES

5.1 The Board shall prepare a statement for inclusion in the annual report which describes the roles and responsibilities of the Board and actions taken by the Board to discharge those responsibilities. The report should also list the number of meetings and attendance by each Director.

5.2 All Directors shall attend the annual general meeting.

6. OTHER

- 6.1 The Board shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and make any changes it considers necessary.
- 6.2 The Board shall make available these terms of reference, explaining the role and the authority delegated to it by including the information on the Corporation's website.