



## **DIRECTOR INDUCTION PROGRAM**

### **Introduction**

This program has been designed for the purpose of inducting new Directors of Archer Materials Limited (**Archer** or **Company**). It provides a summary of the Company and its activities to assist you to become effective in your role.

### **Company Overview**

The Company is an ASX listed company. The Company's head office is located in Adelaide. Archer listed on ASX in August 2007 (ASX code AXE).

An overview of the Company's activities and projects can be found in the latest version of the Company's Annual Report.

### **Current Board and Executive Profiles**

Listed on the Company's website is profiles of the current Board of Directors, CEO and Company Secretary. Detailed profiles of each Board member and the Company Secretary can also be found in the latest version of the Company's Annual Report.

### **Corporate Governance**

The Company aims to adopt as many of the principles and recommendations of the ASX Corporate Governance Council's Principles and Recommendations 3<sup>rd</sup> Edition as is appropriate for the size of the Board and the activities of the Company.

With reference to the ASX Corporate Governance Council's Principles and Recommendations 3<sup>rd</sup> Edition, the Company has a Board approved Corporate Governance Statement, which it reviews and adopts on an annual basis.

The Corporate Governance Statement reports on the main corporate governance practices of the Company and is located on the Company's website. The Corporate Governance Statement contains links to other documents (such as charters, code of conduct and ethics, and other policies and procedures) that support the Company's corporate governance practices. Where appropriate the Company's Governance documentation is also outlined in the Company's Annual Report.

Accompanying the release of the Annual Report to the ASX each year is an Appendix 4G, which is a statement from the Company with respect of its compliance in each of the 8 principles and recommendations of the ASX Corporate Governance Council's Principles and Recommendations 3<sup>rd</sup> Edition.

### **Board Committees**

#### **Archer Materials Limited**

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[www.archerx.com.au](http://www.archerx.com.au)

The Board is responsible for the overall corporate governance of Archer Materials. This includes setting its strategic direction and objectives, and monitoring progress to the achievement of these goals. The Company is not of a size, nor its affairs of such complexity, that a large Board and management structure, or the establishment of separate governance committees, is warranted at this time. However, the Board has established an Audit & Risk Management Committee to assist in the execution of the Board's responsibilities, and the Board has delegated some of its responsibilities to this Committee.

### ***Audit & Risk Management Committee***

The role of this committee is to assist the Board in gaining assurance as to the integrity of the financial statements and the effectiveness of the system of internal controls and risk management. Its focus is the integrity of the financial statements; the appointment, remuneration, qualifications, performance and independence of the external auditor, and the integrity of the audit process as a whole; the effectiveness of the systems of internal control and risk management; and compliance by management with constraints imposed by the Board.

The members of the Committee are named in the latest Annual Report of the Company.

### **Executive Management**

The Board has reserved the following matters for its decision:

- appointments to the positions of executive Director and CEO and approval of the appointment of executives reporting to executive Directors and the CEO;
- approval of strategy and annual budgets;
- determination of capital and non-capital items in accordance with the Delegations of Authority; and
- determination and adoption of documents (including the publication of reports and statements to shareholders) that are required by the Company's constitutional documents, by statute or by other external regulation.

Subject to the limitations imposed by the Company's constitutional documents, statute and other external regulation, the Board remains free to alter the matters reserved for its decision.

The Board has delegated responsibility for managing the Company to the Executive Chairman and CEO, and, through them, executive management.

### **Written Material**

Each new director will be issued with the following essential information of which that are non-confidential are also available on the Company's website: [www.archerx.com.au](http://www.archerx.com.au)

- Corporate Governance Statement
- Board Charter
- Audit & Risk Management Committee Charter
- Code of Conduct and Ethics
- Constitution



- Securities Trading Policy
- Continuous Disclosure & Communications Policy
- Risk Management Policy
- Diversity Policy
- Delegations of Authority Policy
- Strategic Plan and budget for the current year
- Copies of Minutes of the Board Meetings held during the last 12 months
- Copies of Minutes of the Audit & Risk Committee Meetings held during the last 12 months
- Latest version of the Annual Report
- Latest version of the Company's management accounts
- Quarterly Activities and Cash flow Reports for the last 12 months.

### **Meetings**

One on one meetings will be scheduled with the Chairman, CEO and CFO / Company Secretary prior to your first board meeting.

Follow-up one on one meeting with Chairman will occur within 3 months of your appointment.

ADOPTED BY THE BOARD ON 17 SEPTEMBER 2019