

Intermoco Board Charter

1. Purpose:

The Directors of Intermoco Limited have determined that it is appropriate that this Charter be established to guide the operations of the Board and to improve its effectiveness.

This Charter clarifies the respective roles and responsibilities of board members and senior executives of the company to facilitate both board and management accountability to the company and its shareholders.

2. Review:

The Board will review this Charter annually to ensure it remains appropriate to the company's stage of growth and development,

3. Overall Responsibility

The Board of Directors is responsible for setting the strategic direction of the company and for overseeing and monitoring its business affairs. Directors are accountable to the shareholders for the Company's performance.

3.1 General Board Responsibilities

- Setting overall financial and business goals for the Company
- Adopting a strategic plan to achieve the Company's goals
- Approving annual financial plans and budgets
- Monitoring business performance and results
- Agreeing key performance indicators with senior management
- Approving management recommendations on strategic issues including major capital expenditure, acquisitions, restructuring and funding
- Ensuring systems are in place which facilitate the effective monitoring and management of principal risks to which the Company is exposed
- Appointing and reviewing the performance of the Managing Director
- Approving the remuneration packages and performance criteria for senior executives
- Ensuring processes are in place for the effective communication with shareholders and other stakeholders
- Reporting to shareholders on the Company's performance
- Adopting formal processes for the selection of new directors
- Overseeing the management of occupational health and safety in the workplace

3.2 Audit and Compliance Responsibilities

- Ensuring satisfactory arrangements are in place for auditing the Company's financial affairs;
- Meeting statutory and regulatory requirements and overseeing the effective management of the Company's assets and business risk;

3.3 Integrity of Financial Statements

On finalisation of the financial reports the Board will request the Managing Director/Chief Operations Officer and Chief Financial Officer to state in writing –

"That the company's financial statements present a true and fair view, in all material respects, of the company's financial condition and operating results and are in accordance with relevant accounting standards. Further, the financial statements are based on a sound system of risk management and internal compliance and control."

4. Delegation to Managing Director

Day-to-day management of the Company's affairs and implementation of its strategies and policies is delegated to the Managing Director and senior executives, subject to any limits as to such delegated authority as determined by the Board from time to time.

5. Composition of the Board

The composition of the Board is determined using the following principles:

- The Board is comprised of a minimum of three and a maximum of ten directors
- The Board consists of at least as many non-executive directors as there are executive directors
- The Chairman of the Board shall be an independent director
- A person cannot hold the positions of both Chairman and Managing Director
- A majority of the Board will be comprised of independent directors.

6. Appointment and Retirement of Directors

- The Chairman and Managing Director will regularly review the composition of the Board and if it is considered appropriate recommend changes to the Board
- In the event of the appointment of a new director, the Board will determine any special qualifications, experience or other criteria appropriate to the appointment as well as the process to be used for the appointment

- Any new director must stand for election at the next general meeting of shareholders
- One third of the directors, except the Managing Director, retire by rotation each year, but may offer themselves for re-election for a further three year period
- Intermoco has no set policy with regard to a maximum term for the appointment of a Director

7. New Directors

To enable new directors to participate fully at the earliest possible time they will be fully briefed on the following matters:

- the company's financial, strategic, operational and risk management position;
- their rights, duties and responsibilities, and
- the role of Board Committees.

8. Board Independence

- The majority of directors shall be independent of the management team, substantial shareholders and any commercial dealings with the company.
- The Board chairman shall be independent of management
- Where a director becomes aware of a conflict or potential conflict of interest, that member shall formally declare the conflict and accept the guidance of the Board.

9. Independent Professional Advice

With the prior approval of the Chairman, each director has the right to seek independent legal and other professional advice at the Company's expense concerning any aspect of the Company's operations in order to fulfil his or her duties as a director.

10. Code of Conduct

The Board shall approve a written Code of Conduct, which details the ethical and behavioural expectations for both directors and employees.

11. Chairman

In the event that the Chairman is absent from a meeting of directors, the members of the Board present at the meeting have authority to choose one of their number to chair that particular meeting.

12. Separation of functions between the Chairman and Managing Director

The roles of the Chairman and Managing Director are strictly separated.

12.1 Chairman Responsibilities

The Chairman is responsible for:

- Ensuring the Board operates effectively and provides leadership and vision to the Company;
- Establishing the Board agenda and presiding over board meetings;
- Ensuring board minutes accurately reflect board decisions;
- Initiating the annual process of board and director evaluation;
- Guiding the ongoing effectiveness and development of the Board and individual directors, and
- Acting as the major point of contact between the Managing Director and the directors.

12.2 Managing Directors Responsibilities

The Managing Director is responsible for:

- Implementing all and any actions and initiatives required to deliver the Company's strategic and operational plans;
- Ensuring transactions beyond the managing director's delegation level are referred to the Board for approval; and
- Ensuring all actions comply with the company's policies

13. Company Secretary

The Company Secretary is responsible for carrying out the administrative and legislative requirement of the Board. Responsibilities include:

- Ensuring that the Board agenda is developed in a timely and effective manner for review and approval by the Chairman;
- Ensuring that Board papers are developed in a timely and effective manner;
- Coordinating, organising and attending meetings of the Board and shareholders and ensuring correct procedures are followed;
- Drafting and maintaining minutes of Board and shareholder meetings;

- In conjunction with the Managing Director, carrying out the directions of the Board and implementing strategies and plans;
- Meeting statutory reporting requirements in accordance with relevant legislation;
- Assisting the Chairman and Managing Director in establishing and delivering best practice corporate governance

14. Reporting

- Proceedings of all Board meetings are minuted and signed by the Chairman.
- Minutes of all Board meetings are circulated to directors and approved by the Board at the subsequent meeting.

15. Publication of Charter

A copy of this Charter is available within the Corporate Governance section of the Company website.

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Approved by	Company Secretary