BOARD CHARTER

Anax Metals Limited ("COMPANY")

1. Role of the Board

The Board's key objectives include:

(a) setting, with the aid of management, the Company's corporate strategyand objectives;

(b) ensuring the Company is properly managed to pursue its business strategies;

(c) maintaining an appropriate corporate governance framework aimed to safeguard the rights and interests of the Company's shareholders; and

(d) oversight and approval.

2. Responsibility of the Board

The Board is collectively responsible for:

(a) ensuring the Company is properly managed, for example, by:

(i) reviewing and approving management's development of corporate strategy and objectives;

(ii) promoting that appropriate resources are available for management to implement the Company's approved business strategies;

(b) providing the Company with a framework for control and accountabilityto enable risk to be assessed and managed, which includes:

(i) ratifying the appointment, monitoring and, where appropriate,the removal of management personnel, including the chief financial officer, company secretary and relevant senior executives of the Company;

(ii) monitoring senior management's performance and implementation of strategy;

(iii) reviewing, where appropriate, the systems of risk management and internal compliance and control, codes of conduct, and legal compliance;

(c) reviews and approvals:

(i) approving and monitoring the progress of major capital expenditure, acquisitions and divestitures;

(ii) approving major budgets;

(iii) monitoring the financial performance of the Company;

(iv) reviewing and, if appropriate, approving financial and other reporting;

(v) conducting regular reviews of the balance of responsibilities within the Company with the intention that division of management functions where possible remain appropriate to theneeds and circumstances of the Company;

(vi) appointing the external auditor (where applicable, based on recommendations of Management) and the appointment of a new external auditor when any vacancy arises, provided that any appointment made by the Board must be ratified by shareholders at the next annual general meeting of the Company;

(vii) reviewing, to ensure compliance with the Company's legal obligations, the reports of management. In particular, those relating to environment, native title, cultural heritage and occupational health and safety;

(viii) liase, either directly or through the Company's Management, with the Company's external auditor regarding the financial and other reporting;

The Board to convene regular meetings with such frequency as is sufficient to appropriately discharge its responsibilities, which may be at two month intervals or such other intervals the directors' deem to be appropriate.

The Board has overall responsibility for matters as listed in this section (above) and delegates matters as shown.

3. Materiality Threshold

The Board has agreed on the following guidelines for assessing the materialityof matters:

Materiality – Quantitative

Balance sheet items

Balance sheet items are material if they have a value of more than 5% of the Company's cash and current assets from time to time.

Profit and loss items

Profit and loss items are material if they will have a value of more than 5% of the Company's cash and current assets from time to time.

Materiality – Qualitative

Items are also material if:

(a) they significantly impact on the reputation of the Company;

(b) they involve a breach of legislation;

(c) they are outside the ordinary course of business;

(d) they could affect the Company's rights to its assets in a material way;

(e) if accumulated they would trigger the quantitative tests;

(f) they involve a contingent liability of a value of more than 5% of the Company's then current cash and assets or more; or

(g) they will have an effect on operations which is likely to result in an increase or decrease in net income or dividend distribution of more than 10%.

Material Contracts

Contracts will be considered material if:

(a) they are outside the ordinary course of business;

(b) they contain exceptionally onerous provisions in the opinion of the Board;

(c) they impact on income or distribution in excess of the quantitative tests;

(d) there is a likelihood that either party will default, and the default may trigger any of the quantitative tests;

(e) they are essential to the activities of the Company and cannot be replaced, or cannot be replaced without an increase in cost of such a quantum, triggering any of the quantitative tests;

(f) they contain or trigger change of control provisions;

(g) they are between or for the benefit of related parties; or

(h) they otherwise trigger the quantitative tests.

Any matter which falls within the above guidelines is a matter which triggersthe materiality threshold ("**Materiality Threshold**").

4. The Chairperson

The Chairperson is responsible for leadership of the Board, for the efficient organisation and conduct of the Board's function and for the briefing of all directors in relation to issues arising at Board meetings. The Chairperson is also responsible for arranging Board performance evaluation.

5. Independent Directors

It is a priority of the Board to achieve an appropriate balance between independent and non-independent representation on the Board. In makingthis determination, the Board takes into account the required skills and experience required, in the context of the Company's operations and activitiesfrom time to time. In determining whether or not the directors are independent,the Board applies the criteria as set out in the ASX Principles of Good Corporate Governance and Best Practice Recommendations.

Where the Chairperson is not an independent director, the Company will appoint a lead independent director. The lead independent director will take over the role of the Chairperson when the Chairperson is unable to act in that capacity as a result of his or her lack of independence.

The independent directors, along with all directors, are responsible for the reviewing and challenging executive performance. They are also responsiblefor contributing to the development of strategy.

6. Role and Responsibility of Management

The role of management is to implement the running of the operations and financial business of the Company, in accordance with the delegated authorityof the Board.

Management is responsible for reporting all matters which fall within theMateriality Threshold and any other matters of a significant nature to the Chairperson and/or Managing Director.