

## BOARD INDUCTION AND PROFESSIONAL DEVELOPMENT POLICY

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### 1. Introduction

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Flinders Mines Limited (**the Company**) recognises that the appointment of new Directors is a means of enhancing the performance of the Board and the Company, through the inclusion of additional skills and experience. The Board also recognises the importance of providing new Directors with the opportunity to build their knowledge in the Company quickly, so that they are able to make an effective contribution to the work of the Board.

This Policy sets out the procedure to be followed for the induction of new Directors of the Company.

### 2. Induction

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The Chair of the Board and the Managing Director (or if the same person, an existing Director) will work to determine a time-effective program for the formal induction process. The induction will be tailored for each new Director (depending on their personal requirements, having considered background skills, qualifications and experience) and will as a minimum include:

- (a) Providing the Director with detailed information about the Company and its structure, corporate governance regime, business plans, financial position and strategy. In particular, and as soon as possible following the new Director's appointment, the Company Secretary will provide the new Director with the following materials:
  - (i) Organisational Structure chart;
  - (ii) Capital Structure;
  - (iii) Constitution;
  - (iv) Corporate Governance Policies and Procedures – including but not limited to the Board Charter, Codes of Conduct, Securities Trading Policy, Committee Charters and Continuous Disclosure Policy. It is expected that the Director will become familiar with all these documents;
  - (v) Copies of papers and minutes of the last 3 Board meetings - the Board papers and minutes are provided to assist the Director to gain familiarity with the Company's operations, current issues and risks impacting the Company;
  - (vi) Latest financial statements of the Company – the latest financial statements together with the annual and half-yearly reports for the last 2 financial years are provided to assist the Director to gain familiarity with the financial performance, operations and risk management position of the Company;
  - (vii) The Company's Auditor's last 2 reports to the Board;
  - (viii) The current year's approved budget; and
  - (ix) All current standing notices of interests from the other Directors;
- (b) Providing additional information relating to the Director's role and responsibilities, including payroll documentation and superannuation information;

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- (c) Facilitating introductions to, and structured meetings with other Board members, the Managing Director, the Company's senior management team, the Company Secretary and the Company's external auditors with a focus on key issues for the Board awareness and decision making;
- (d) Providing information about any Committees that might be established by the Board and their charters and their responsibilities;
- (e) Providing new Directors with the opportunity to visit the Company's major operational sites within a short period after commencement; and
- (f) Providing access to management for briefings on strategic, financial and other matters.

A copy of this Policy will be provided to all Directors as part of the Company's induction process.

### 3. Chair's Role

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As part of the induction process for new Directors, the Chair will hold a meeting or meetings with the new Director to provide an opportunity for the Chair to formally welcome the new Director and discuss:

- (a) Ethics, values, culture and history of the Company and the Board;
- (b) Strengths and weaknesses of the Company, the Board and senior management;
- (c) Role and responsibilities of the Board and senior executives;
- (d) Performance Evaluation processes of the Board and senior executives;
- (e) Workload, time and commitment, both at a Board and individual Director level;
- (f) The Chair's expectations, including as to how the new Director can contribute.
- (g) Current strategies; and
- (h) Board meeting procedures and protocols (including the interaction of Directors with each other and with senior management and Board support functions).

The Chair will provide a new Director with an overview of the current matters before the Board and will highlight relevant priorities, minutes, discussions and actions.

### 4. Professional Development

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In order to achieve continuing improvement in Board performance, all Directors are encouraged to undergo continual professional development.

Specifically, Directors are to be provided with access to resources and training to address skills gaps where they are identified and to receive continuing education concerning key developments in the Company and in the industry and environment within which the Company operates. In the case of a director who does not have specialist accounting skills or knowledge, professional development will be encouraged to ensure that he or she has a sufficient understanding of accounting matters to fulfil his or her responsibilities in relation to the entity's

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financial statements.

Examples of professional development activities will include, where appropriate:

- (a) Professional development sessions offered by the AICD, GIA and other relevant industry bodies;
- (b) Specialist briefings on developments in accounting standards; and
- (c) Membership of relevant industry bodies.

Requests for approval for professional development and educational expenses should be submitted to the Chair.

### 5. Questions

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Directors who have any questions about this Policy or any aspect of the induction process should seek clarification from the Chair of the Board or the Company Secretary.



Steven Michael  
**Managing Director / Chief Executive Officer**

Flinders Mines Ltd