

BOARD CHARTER

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BOARD CHARTER

1. Purpose of Charter

The purpose of this Board Charter is to set out the principles for the operation of the Board of Directors (**the Board**) of Boom Logistics Limited (**the Company**) and to describe the role and responsibilities of the Board and its membership and operation.

This Board Charter and the Charters adopted by the Board for the Committees to be established by the Board have been prepared and adopted to reflect the requirements of the ASX Listing Rules and ASX Corporate Governance Council's Corporate Governance Principles and Recommendations to the extent appropriate to the circumstances of the Company.

2. Role and Responsibilities of the Board

The Board derives its authority to act from the Constitution of the Company and the laws governing corporations in the jurisdictions in which the Company operates, including but not limited to, the Corporations Act.

The Board is responsible for protecting the rights and serving the interests of all Shareholders of the Company through a process of policy setting and performance monitoring.

The Board has overall responsibility for the strategic direction and oversight of the affairs of the Company, including the following activities:

Strategic and financial planning and performance

- Guiding and approving the Company's strategic direction and business planning (including approving the annual operating plans, financial targets and capital expenditure plans of the Company).
- Establishing goals and benchmarks for Management that are consistent with the Company's strategic direction and business plans, and monitoring the Company's business performance against those goals and benchmarks.
- Determining the Company's dividend policy and the operation of the Company's dividend reinvestment plan (if any) and approving the payment of dividends.
- Approving and monitoring major capital expenditure, capital management, business development opportunities, acquisitions, divestitures and other corporate transactions, including the issue of securities of the Company.
- Approving all accounting policies, financial reports and material external communications by the Company.

- Approving all changes to corporate structure, including tax and financial, which are of strategic importance to the Company.

Audit and risk management

- Determining the Company's risk profile and appetite and to identify, assess, and to the extent appropriate, manage business risks.
- With the assistance and advice of the Audit & Risk Committee:
 - approving and overseeing the Company's risk and internal control framework, including the establishment and operation of appropriate internal systems of control and monitoring compliance with the Company's risk and internal control policies, protocols and code of conduct;
 - establishing, monitoring and reviewing management processes designed to ensure the integrity of financial and other reporting;
 - approve the appointment of the Company's external auditor.
- Seeking to ensure that the Company complies with its responsibilities under the Corporations Act, ASX Listing Rules, the Constitution and all other relevant laws and regulations.
- With the assistance and advice of the Health, Safety, Environment & Quality Committee, monitoring and reviewing management processes and systems to seek to ensure the integrity of health, safety, quality and environment systems, reporting and continuous improvement.

Executive management

- With the assistance and advice of the Nomination & Remuneration Committee establishing and approving a remuneration policy for Employees of the Company.
- Appointing and, where appropriate, removing the Chief Executive Officer, Chief Financial Officer and Company Secretary.
- Establishing the powers delegated to the Chief Executive Officer and Senior Executive and setting and reviewing the delegations of powers and authority to assist in defining the interface between Board and Management.

Board governance

- Reviewing and approving the appointment of Directors to Committees established by the Board.
- With the assistance and advice of the Nomination & Remuneration Committee:
 - appointing, monitoring and managing the performance of Executive and Non-Executive Directors of the Company; and
 - reviewing and approving the remuneration of individual Board members and Senior Executives.

Corporate governance

- Ensuring Shareholders are kept informed of the Company's performance and major developments affecting it.
- Overseeing the Company's corporate conduct by modelling and demonstrating appropriate values and ethics and ensuring Management has appropriate policies and frameworks.
- With the assistance and advice of the Nomination & Remuneration Committee, establishing and overseeing the Company's Diversity Policy and monitoring its progress in achieving diversity objectives,
- Regularly reviewing the performance and effectiveness of the Company's corporate governance policies and procedures, and, if appropriate, amend those policies and procedures as necessary.
- Reviewing and approving all disclosures relating to any departures from the ASX Corporate Governance Principles and Recommendations.

3. Composition

Subject to the Constitution, the composition of the Board is determined in accordance with the general principles set out below.

General

- The Chairman must be an independent, Non-Executive Director.
- The Board will appoint one of the Directors as its Chairman.
- The majority of Directors will be independent Non-Executive Directors.
- The Board will comprise Directors with a broad range of business skills, expertise and experience from a diverse range of backgrounds. The Board will comprise a mix of Executive and Non-Executive Directors. The Board will have regard to any Diversity Policy which is adopted in determining the composition.
- The Constitution and the ASX Listing Rules govern the election and re-election of Directors. Upon appointment, Directors are provided with formal letters setting out the key terms and conditions of appointment.
- The Board's composition, its performance, processes and the appointment of new Directors will be reviewed regularly by the Board, taking advice from the Nomination & Remuneration Committee and external advisors as appropriate.

Criteria for "independence"

- For the purpose of this Charter, the Board may at any time determine that a Director is "independent" by reference to the following definition and the recommendations set out in the ASX Corporate Governance Principles and Recommendations. The Board may at any time determine that a Director is "independent" even though that Director does not satisfy one or more elements of the definition set out below if the Board considers that the Director is independent in character and judgment despite such elements not being satisfied. A Director may be regarded as "independent" if the Director:
 - is a Non-Executive Director; and
 - is not a substantial shareholder (that is, a person who has a "substantial holding" as defined in section 9 of the Corporations Act) of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company; and
 - within the last 3 years has not been employed in an Executive capacity by the Company, or been a Director after ceasing to hold any such employment; and
 - within the last 3 years has not been a Principal of a material professional adviser or a material consultant to the Company, or an Employee of such an adviser or consultant and materially associated with the service provided; and
 - is not a material supplier to, or material customer of, the Company, or an officer of, or otherwise associated directly or indirectly with, such a supplier or customer; and
 - has no material contractual relationship with the Company, other than as a Director of the Company; and
 - has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company; and
 - is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.
- Family ties and cross-directorships may be relevant in considering interests and relationships which may compromise independence and should be disclosed by Directors to the Board.
- The Board should regularly assess whether a Non-Executive Director is 'independent' in accordance with the above criteria.

Director responsibilities

- Directors are expected to:
 - comply with all of the Company's charters and policies;
 - conduct their duties at the highest level of honesty and integrity;

- observe both the rule and the spirit of the law and the highest standards of ethical behaviour at all times;
 - maintain confidentiality of the information acquired in the course of conducting their role;
 - observe the principles of independence, accuracy and integrity in dealings with the Board, the Committees, Internal and External Auditors and Senior Executives within the Company;
 - disclose to the Board all information that may be relevant for the Board to assess independence (in the case of Non-Executive Directors) and any actual or perceived conflicts of interest that may compromise the reputation or performance of the Company; and
 - set a standard of honesty, fairness, integrity, diligence and competency in respect of the position of Director.
- All new Directors appointed to the Board shall undertake an induction program coordinated by the Company Secretary to assist them in fulfilling their duties and responsibilities. Management will conduct additional presentations and tutorial sessions for Directors, as appropriate to assist Non-Executive Directors to gain a broader understanding and knowledge of the Company.
 - Directors are expected to undertake any necessary continuing professional education to enable them to discharge their duties. Management will brief the Board on relevant changes in the legislative, regulatory or industry framework. Directors are given the opportunity to attend technical or professional development courses to assist them in keeping up to date with relevant issues.

4. Role of the Chairman

The Chairman is responsible for leading the Board and the efficient organisation and conduct of the Board. The Chairman shall facilitate the effective contribution to the Board by all Directors and promote effective and constructive relations between the Board and Management.

Specifically, the Chairman will (among other things):

- chair Board meetings;
- establish the agenda for Board meetings, in consultation with the Executive Directors and the Company Secretary;
- chair meetings of Shareholders, including the Annual General Meeting of the Company;
- be the primary spokesperson for the Company at the Annual General Meeting of the Company;
- represent the views of the Board to the Shareholders, the general public, governmental authorities, regulators and other stakeholders; and

- develop and maintain key strategic relationships.

5. Directors' access to information

- In discharging their duties, Directors are to have access to adequate internal and external resources as required (this includes obtaining independent external advice).
- Each Director has the right to seek independent external advice at the Company's expense, provided that any such expenditure is approved by the Chairman.
- All Directors are entitled to the benefit of the Company's standard Deed of Access, Insurance and Indemnity which provides ongoing access to the Board papers, and at the Company's expense, Directors and Officers insurance for 7 years after the Director leaves the Board.

6. Meetings and Voting

- The Board will formally meet on a regular basis to ensure the proper and effective discharge of its duties.
- The Board will meet from time to time without the presence of management.
- Management must supply the Board with information in a form, timeframe and quality that will enable the Board to discharge its duties effectively. Directors are entitled to request additional information at any time when they consider it appropriate.
- All reasonable actions will be taken to provide all Directors with advance notice of Board meetings, even those called at short notice.
- If it is not possible to have documents available to all Directors, those Directors who do not have the documents may abstain from voting, or the Chairman may defer the vote until the papers are available to all Directors. Any abstention must be indicated to the Chairman at the time the matter is being considered and recorded in the minutes of that meeting.
- The Company Secretary must prepare the draft minutes of each meeting, and ensure a copy of the draft minutes are distributed to the Chairman and subsequently all Directors promptly following the meeting. Thereafter, the draft minutes will be tabled at the next Board meeting for final review and approval by the Board.

7. Company Secretary

- The Company Secretary is responsible for organising agendas, Board papers, minutes and all statutory and other filings relating to the Board and Company administration.
- The Company Secretary shall report to the Board on all corporate governance matters.

- All Directors shall have access to the Company Secretary.

8. Committees

- The Board may establish such Committees as it considers necessary and appropriate to assist in carrying out its responsibilities.
- Each Committee must adopt a Charter which has been approved by the Board which sets out matters relevant to its purpose, activities, composition and administration.
- At the date of adoption of this Board Charter, the Board has established three Committees to assist the Board in managing its responsibilities. These are an Audit & Risk Committee, a Nomination & Remuneration Committee and a Health, Safety, Environment & Quality Committee.
- Although the Board may delegate powers and responsibilities to Committees, these Committees do not in any way diminish the overall responsibility of the Board for these functions.

9. Charter review

The Company Charters, including this Board Charter, will be reviewed regularly.