

**CHARTER OF THE BOARD OF DIRECTORS**

**Caledonia Mining Corporation Plc**

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## 1. **Mandate**

The board of directors (the "Board") of Caledonia Mining Corporation Plc ("Caledonia" or the "Corporation") is responsible for overseeing the management and business affairs of Caledonia and makes all major policy decisions. It may delegate certain of its authority and responsibilities to Board committees ("Committees") or management of Caledonia ("Management"). Nonetheless, the Board will retain full effective control over the Corporation.

## 2. **Applicable laws and guidelines**

Caledonia endorses and is committed to the principles of good corporate governance and corporate citizenship. Caledonia has therefore prepared this charter of the Board (the "Charter") with reference to the laws, codes and guidelines that apply in the jurisdictions which are most relevant to Caledonia (i.e. Jersey, the UK, Canada and the USA) including the following specific laws and guidelines:

- the UK Corporate Governance Code September 2014;
- OECD Principles of Corporate Governance 2004;
- the National Policy 58-201;
- Companies (Jersey) Law 1991;
- Corporate Governance Guidelines Related Documents: National Instrument 52-110 Audit Committees;
- National Instrument 58-101 Disclosure of Corporate Governance Practices;
- Form 58-101F1 Corporate Governance Disclosure;
- Amendment Instrument for National Instrument 58-101 Disclosure of Corporate Governance Practices; and
- The Sarbanes-Oxley Act governance requirements as are relevant in terms of the OTCQXtrading facility.

The provisions set out in this Charter are subject to and must also be read in conjunction with the Corporation's articles of association, the rules of the Toronto Stock Exchange and AIM Rules for Companies of the London Stock Exchange plc, the rules of any other applicable securities exchange or any other applicable regulatory body and any other applicable law, rule or regulation (collectively "the Applicable Laws") and with due regard to the recommendations of the codes, rules and requirements outlined above.

In addition, because of its widespread international acceptance, the Charter has also been prepared with regard to the King Report on Governance for South Africa 2009, the King Code of Governance Principles ("King III").

In the event of any ambiguity, discrepancy or conflict between this Charter and any of the Applicable Laws, the Applicable Laws shall prevail.

## 3. **Composition**

The Board needs to achieve an appropriate mix of executive and non-executive directors (each a "Director") who collectively have the knowledge, skills and experience required to carry out the role and responsibilities of the Board.

The Board must include a majority of individuals who qualify as independent Directors. The Board must meet all applicable legal and regulatory requirements.

Directors can be elected by the Board or by shareholders and all are subject to re-election annually by shareholders at the annual general meeting.

#### **4. Membership**

4.1 The Board shall comprise no less than two members but is not subject to any maximum number. The OTCQX requires that a minimum of two independent Directors serve on the Board.

4.2 The Board will appoint from among its members a chairperson (the "Chairperson").

4.3 The role of the Chairperson will be separate to the role of Chief Executive Officer ("CEO").

4.4 The Chairperson will be a non-executive Director and preferably an independent non-executive Director.

4.5 The Chairperson should be elected by the Board each year (recommended to occur immediately after each annual general meeting).

4.6 The Chairperson should not be an employee of any company within the Corporation. The Chairperson should also not be a member of the Audit Committee of the Corporation. The Chairperson should not have been the CEO in the last 3 years.

4.7 Each Director shall:

4.7.1 acquire the basic knowledge and understanding of the business of the Corporation as well as the laws, regulations and rules that govern the activities of the business;

4.7.2 have a fiduciary duty to the Corporation;

4.7.3 perform their functions with such diligence, skill and care as a reasonably prudent person would exercise in comparable circumstances; and

4.7.4 uphold the highest degree of ethics at all times.

4.8 The Board will in considering its size take cognisance of the knowledge, skills and resources required for conducting the business of the Board and its committees.

4.9 The Board will take responsibility for appointing the CEO and any new Director to take office on the Board with the assistance of the Nomination Committee of the Corporation.

## **5. Meetings and proceedings**

- 5.1 The agenda for Board meetings shall contain standing business reporting items. At a prior meeting, or through the office of the Chairperson, any Director may request additional items for inclusion on the agenda.
- 5.2 All reports and material for approval by the Board shall be delivered at least 48 hours in advance of a Board meeting in rush circumstances, and seven days for regular reporting, unless extenuating circumstances, as approved by the Chairperson, dictate otherwise.
- 5.3 If the Chairperson is not present at a Board meeting and cannot be contacted, the Directors present must appoint a chairperson for the meeting from amongst the non-executive Directors present at such meeting.
- 5.4 Board meetings shall normally be held and chaired in Jersey which shall be attended in person by a majority of the Directors, unless the Chairperson decides that there are no important decisions pending on the agenda, in which case Directors and invitees may participate in the Board meeting through the use of a conference telephone, video conference or other communication equipment by means of which all persons participating in the meeting can hear each other at the same time, provided that a majority of the Directors attend the meeting in person. Such participation constitutes attendance and presence in person at the meeting, forming part of the quorum necessary in the meeting.
- 5.5 In the event that the Directors attend Board meetings via telephone or video conference, such virtual meetings shall be set-up from Jersey, chaired by the Chairperson (provided that he is not in South Africa), minuted and documented by the secretary of the Corporation (the "Company Secretary") in Jersey and the information that Directors need to consider in preparation for such a meeting should be disseminated from Jersey.
- 5.6 All proceedings at Board meetings must be minuted, evidencing that matters were substantially debated and decided, and all committee documents, information and minutes of previous Board meetings must be distributed to the Directors present at such meeting.
- 5.7 Within five business days of a meeting the Company Secretary will aim to circulate the minutes for review and comment.

## **6. Attendance at meetings**

- 6.1 The Board should meet at least four times per year. Any Director may request a meeting of the Board with no Management in attendance.

- 6.2 Directors should use their best endeavours to attend the Board meetings and to be properly prepared to participate in Board discussions and or be able to consider information/issues at such meetings.
- 6.3 Professional advisors, officers or members of staff whose input may be required or who may be invited for the purpose of, inter alia, capacity building for potential Directors may be invited to the meetings at the discretion of the Chairperson.
- 6.4 Management (who are not executive Directors) may attend Board meetings to facilitate communication between Management and the Board.
- 6.5 Directors unable to attend a Board meeting should advise the Chairperson and the Company Secretary timeously.
- 6.6 The Chairperson may excuse from the meeting or from any item on the agenda any of the attendees at a meeting who may have or may be considered by the Board to have a conflict of interest. In such circumstances, the Director concerned should leave the boardroom while that item is discussed.
- 6.7 The Chairperson may for good reason request executive Directors to leave the boardroom for any part of the Board meeting. This is especially so during deliberations relating to executive performance and remuneration.
- 6.8 No invitee shall have a vote at meetings of the Board.

## **7. Quorum**

- 7.1 The quorum necessary for the transaction of the business of the Board may be fixed by the Board and unless so fixed at any other number shall be a simple majority of the Directors.
- 7.2 Subject to the Articles of Association, any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of the Board meeting, if no other Director objects and if otherwise a quorum of Directors would not be present.

## **8. Remuneration**

- 8.1 Each of the Directors, other than the executive Directors who for the time being hold an executive office or employment with the Corporation, shall be paid a fee for his service at such rate as may from time to time be determined by the Board or by the Compensation Committee authorised by the Board. Such fee shall be deemed to accrue from day to day.

- 8.2 The Board will ensure that the Company's 20-F and any voluntary annual reporting contains full disclosure of the remuneration of each Director and certain senior executives as prescribed by law or in terms of best practice, as adopted by the Corporation for this purpose

## **9. Written resolutions**

- 9.1 In the event a resolution is to be passed by way of written consent rather than a meeting of the Board, a brief summary of the background and purpose of the resolution will be provided to the Directors in writing (or in the resolution itself).
- 9.2 The resolution will be signed by all the Directors then in office or by all the members of the relevant committee of the Board.
- 9.3 The resolution shall be as valid and effectual as if it had been passed at a meeting of the Board or that committee duly convened and held and may be contained in one or more documents each signed by one or more of the Directors or members of that committee. Any such document(s) may be constituted by letter or in electronic form or otherwise as the Board may from time to time approve.
- 9.4 No important decisions of the Board should be taken by such a written resolution without having been considered by the Directors at a Board meeting.

## **10. Independent Directors**

- 10.1 An independent Director (an "Independent Director") is a non-executive Director who:
- 10.1.1 is not a representative of a shareholder which has the ability to control or significantly influence the Board or the Management;
  - 10.1.2 does not have a direct or indirect interest in the Corporation which exceeds 5% (five percent) of the Corporation's total number of shares in issue;
  - 10.1.3 has a direct or indirect interest in the Corporation which is less than 5% (five percent) of the Corporation's total number of shares in issue and such interest is not material to his personal wealth;
  - 10.1.4 has not been employed by Caledonia in any executive capacity or been engaged as the designated auditor or has been a partner in Caledonia's external audit firm or has served as a legal adviser to Caledonia for the preceding 3 (three) financial years;
  - 10.1.5 is not a member of the immediate family of an individual who is, or has during the preceding 3 (three) financial years been, employed by Caledonia in an executive capacity;

- 10.1.6 is not a professional adviser to Caledonia; and
- 10.1.7 is free from any business or other relationship (contractual or statutory) which could be seen by an objective outsider to interfere materially with the individual's ability to act in an independent manner such as being a director of or having a material financial interest in a customer of or a supplier to Caledonia or its group of companies.
- 10.2 Independent Directors should not merely be independent but must be perceived as being independent by any reasonably informed outsider.
- 10.3 Independent Directors should be independent in character and judgement and there should be no relationships or circumstances which are likely to affect or could appear to affect such independence.
- 10.4 A balance should be sought between continuity in the composition of the Board, subject to performance and eligibility for re-election as well as considerations of independence and the need for the introduction of new ideas.
- 10.5 The re-appointment of any non-executive Director which would have the effect of his or her total term of office exceeding 9 (nine) years must be considered, with due regard to the length of office of such Director possibly negatively affecting his or her independence.
- 10.6 An Independent Director may serve longer than 9 (nine) years if, after an assessment by the Board, there are no relationships or circumstances likely to affect, or appear to affect, that Director's objective judgement and independence. Such assessment must show that that Director's independence of character and judgement are not in any way affected or impaired by his or her length of service. A statement to this effect should be included in Caledonia's integrated annual report.
- 10.7 The Board must evaluate the 'independence' of those non-executive Directors that are classified as being independent.

## **11. Separation of functions of the Chairperson and the CEO**

- 11.1 The Board must ensure that, at all times, the roles of the Chairperson and the CEO are kept clearly separate.

## **12. The Chairperson**

- 12.1 The Board must appoint the Chairperson and determine the period for which he or she shall hold office, provided that the Chairperson must be elected (or re-elected) by the Board each year.
- 12.2 The Chairperson is responsible for:



- 12.2.1 setting the ethical tone for the Board and the Corporation together with the other Directors;
- 12.2.2 providing overall leadership to the Board without limiting the principle of collective responsibility of the Board for its decisions while at the same time being aware of the individual responsibilities of Board members;
- 12.2.3 considering and approving the long-term strategy and vision for Caledonia developed by the CEO and which must thereafter be presented by the CEO to the Board for its approval;
- 12.2.4 ensuring, with the CEO and the Company Secretary, that an annual work map for the Board is developed;
- 12.2.5 with the assistance of the Nomination Committee:
  - 12.2.5.1 identifying and participating in the selection of Directors;
  - 12.2.5.2 overseeing a formal succession plan for the CEO, other Directors and senior management of Caledonia;
  - 12.2.5.3 ensuring that a formal programme of induction and continuing professional education for Directors is adopted and, in general, enhancing the confidence of new Directors and encouraging them to speak and make meaningful contributions at Board meetings; and
  - 12.2.5.4 leading the annual evaluation of the performance of individual Directors;
- 12.2.6 presiding over Board meetings and directing Board discussions to effectively use the time available to address the issues facing Caledonia;
- 12.2.7 dealing with conflicts of interest which may arise between Directors and Caledonia. In this regard, the Chairperson must ask the relevant Director to recuse himself or herself from participating in discussions and taking decisions in respect of matters in which they have a conflict of interest;
- 12.2.8 ensuring that the Board receives the necessary information to take effective decisions and actions;
- 12.2.9 receiving regular reports from the CEO and acting as the link between the Board and Management and particularly between the Board and the CEO;
- 12.2.10 ensuring that the Directors play a full and constructive role in the affairs of the Corporation and taking a lead role in the process of removing non-performing or unsuitable Directors from the Board;

- 12.2.11 leading the process for setting the agenda for Board meetings, working with the CEO and the Company Secretary in this regard, studying the Board information packs prior to Board meetings and ensuring that Board minutes properly reflect proceedings at Board meetings and decisions of the Board;
  - 12.2.12 building and maintaining relations with the shareholders of the Corporation and other stakeholders of Caledonia together with the CEO and the senior management team of Caledonia and maintaining stakeholders' trust in Caledonia; and
  - 12.2.13 considering, in conjunction with the Board, the number of outside chairmanships held by him taking into account, inter alia, the relative size and complexity of the businesses of the companies of which the Chairperson is a chairperson.
- 12.3 The Chairperson may establish an office, to be known as the Office of the Chairperson, to provide support to him and to assist Caledonia in the attainment of its objectives.

### **13. The CEO**

- 13.1 The CEO will report to the Chairperson.
- 13.2 The CEO is required to:
- 13.2.1 develop and submit to the Chairperson a long-term strategy and vision for the strategic development and growth of Caledonia that will generate optimum levels of shareholder value and will create positive relations with stakeholders and, once approved by the Chairperson, must present that strategy and vision to the Board for its consideration and approval;
  - 13.2.2 develop and submit to the Chairperson annual business plans and budgets which are aimed at achieving Caledonia's long-term strategy and vision for approval and thereafter must present those annual business plans and budgets to the Board for its consideration and approval;
  - 13.2.3 strive to achieve financial and operational targets and ensure that the business affairs of Caledonia are appropriately monitored and managed;
  - 13.2.4 ensure, with the approval of the Chairperson, that an effective senior management team for Caledonia is appointed and that regular performance appraisals are conducted in respect of Management;
  - 13.2.5 formulate a proper succession plan for Caledonia's senior management which must be approved by the Chairperson;
  - 13.2.6 ensure that effective internal controls and governance measures are developed and implemented and oversee the implementation of the policies that are adopted by Caledonia;

- 13.2.7 maintain a positive and ethical work culture and climate that is conducive to attracting, retaining and motivating a diverse group of quality employees;
  - 13.2.8 ensure, that a communications policy encompassing the dissemination of clear, balanced and truthful information to all stakeholders of Caledonia is developed together with the Chairperson and submitted to and approved by the Board;
  - 13.2.9 set the ethical tone by providing ethical leadership and creating an ethical environment within Caledonia, together with the Chairperson; and
  - 13.2.10 establish, with the approval of the Chairperson, an organisational structure for Caledonia which is conducive to the proper execution of its strategic plans.
- 13.3 with the assistance of the Audit Committee ensure that mechanisms are developed and implemented for ensuring that the Corporation:
- 13.3.1 complies with all applicable laws, regulations and is cognisant of the corporate governance principles required by the Companies (Jersey) Law 1991, the Toronto Stock Exchange, the Securities Exchange Commission and AIM Market of the London Stock Exchange plc; and
  - 13.3.2 applies all recommended best practices which apply to the industry in which it operates and, if not, that the failure to do so is justifiably explained.
- 13.4 The appointment by the CEO of any executive who reports to him shall require the prior approval of the Chairperson. The CEO shall inform the Chairperson of the appointment of any other executive.

#### **14 The Company Secretary**

- 14.1 The Board is responsible for the selection, appointment and removal of a competent and suitably qualified and experienced Company Secretary, based in Jersey.
- 14.2 The Company Secretary may be an individual or a body corporate.
- 14.3 If thought fit two or more persons may be appointed as joint Company Secretary with the power to act jointly and severally.
- 14.4 The Board may from time to time appoint an assistant or deputy Company Secretary during such time as there may be no Company Secretary or no Company Secretary capable of acting or to support the Company Secretary.

- 14.5 The Company Secretary is accountable to the Board, and as such the Board shall recognise the pivotal role to be played by the Company Secretary in the achievement of good corporate governance, and empower this individual accordingly.
- 14.6 The Company Secretary must provide the Board as a whole and the individual Directors with detailed guidance regarding their duties, responsibilities and powers.
- 14.7 The Company Secretary must make the Directors aware of relevant legislation, regulations and rules affecting the Corporation as well as keep the Board informed of current and new developments regarding Directors' duties and corporate governance requirements and practices.
- 14.8 The Company Secretary should report to the Board any failure of compliance with the Corporation's articles of association on the part of any Director or the Board.
- 14.9 The Company Secretary should certify in the annual financial statements that the Corporation has filed all returns and notices required by the terms of the Companies (Jersey) Law 1991.
- 14.10 The Company Secretary should ensure that the role of the Board is properly articulated in the Charter and that the Board's delegations are recorded, approved and updated.
- 14.11 The Company Secretary or, in the absence of the Company Secretary, any other person deemed appropriate by the Board shall be the secretary of the Board. It shall be incumbent upon this person to ensure that:
- 14.11.1 contents of agendas of meetings are agreed with the Chairperson;
  - 14.11.2 agendas and papers are distributed timeously to Board members and attendees;
  - 14.11.3 minutes are taken and agreed by members of the Board; and
  - 14.11.4 all other things necessary to ensure that meetings are held as scheduled are done.
- 14.12 The Company Secretary should further assist with:
- 14.14.1 appointment of Directors;
  - 14.12.1 Director induction and training programmes; and
  - 14.12.2 evaluation of the Directors, the Board and its committees.

14.13 The Company Secretary or assistant or deputy Company Secretary shall attend all Board meetings but shall not be a Director.

14.14 The Company Secretary is responsible for discharging the Company Secretary's duties as required by the Companies (Jersey) Law 1991, the Toronto Stock Exchange and AIM Market of the London Stock Exchange plc and other applicable laws.

## 15 **The roles and responsibilities of the Board**

15.1 In discharging its duties and stewardship responsibility, the Board's duties include the following:

15.1.1 selecting, appointing, evaluating and (if necessary) terminating the CEO and Chief Financial Officer of the Corporation and selecting, appointing, evaluating and (if necessary) terminating the Chairperson;

15.1.2 adopting a strategic planning process, approving strategic plans and monitoring performance against plans;

15.1.3 reviewing and approving annual operational budgets, capital expenditure limits and corporate objectives and monitoring performance on each of the above;

15.1.4 reviewing policies and procedures to identify business risks and ensure that systems and actions are in place to monitor them;

15.1.5 reviewing policies and processes to ensure that the Corporation's internal control and management information systems are operating properly;

15.1.6 approving the financial statements and MD&A, and making a recommendation to shareholders for the appointment of auditors;

15.1.7 approving the Corporation's Code of Business Conduct, Ethics and Anti-Bribery Policy, monitoring compliance with the code and granting any waivers from the code for the benefit of Directors or officers of the Corporation in accordance with applicable requirements of securities regulatory authorities or the Toronto Stock Exchange;

15.1.8 assessing the contribution of the Board, committees and all Directors annually and planning for succession of the Board;

15.1.9 evaluating the relevant relationships of each Independent Director and making an affirmative determination that such relationship does not preclude a determination that the Director is independent;

15.1.10 arranging formal orientation programs for new Directors, where appropriate, and a continuing education program for all Directors;

- 15.1.11 establishing and maintaining an appropriate system of corporate governance including practices to ensure the Board functions effectively and independently of Management, including reserving a portion of all Board and its committee meetings for in camera discussions without Management present;
- 15.1.12 reviewing and approving the compensation of members of the senior management team, as well as corporate objectives and goals applicable to each member, in order to ensure that the compensation is competitive within the industry, the composition mix (i.e., between cash, short-term incentives and long-term incentives) is appropriate to incentivize and reward each member relative to his or her responsibilities and the Corporation's objectives and goals and the form of compensation aligns the interests of each such individual with those of the Corporation;
- 15.1.13 ensuring that an adequate system of internal control is maintained to safeguard the Corporation's assets and the integrity of its financial and other reporting systems;
- 15.1.14 ensuring that there is in place a system of internal disclosure controls and procedures that, among other things, creates a disclosure charter setting out the Corporation's disclosure policy and mandates activities relating to public disclosure, ensures all material information is properly gathered, reviewed and disseminated, and monitors and evaluates compliance with, and the effectiveness of, such controls and procedures;
- 15.1.15 adopting a process for shareholders and other interested parties to communicate directly with the Board or the Independent Directors, as appropriate;
- 15.1.16 reviewing and considering for approval all amendments or departures proposed by Management from established strategy, capital and operating budgets, or matters of policy, which diverge from the ordinary course of business;
- 15.1.17 ensuring that a process is established that adequately provides for Management succession planning, including the appointing, training, and monitoring of Management;
- 15.1.18 being responsible for information technology governance;
- 15.1.19 in addition to the above, adhering to all other Board responsibilities as set forth in the Corporation's articles of association and other statutory and regulatory requirements.

- 15.2 The day-to-day operational management of the business and affairs of Caledonia are delegated by the Board to the CEO and other executive officers as directed by the CEO. However, this delegation does not include the right to make key management and commercial decisions for the Corporation;
- 15.3 The Compensation Committee consists of at least 3 (three) Directors, the majority of whom must be Independent Directors. The purpose of the Compensation Committee is, inter alia, to examine the compensation of Management and to assist the Board in its responsibility for setting the Corporation's remuneration policies to ensure that these policies are aligned with the business strategy and create value over the long term.
- 15.4 The Audit Committee consists of at least 3 (three) Directors, all of whom must be Independent Directors. The Board has assigned to the Audit Committee the authority to monitor the integrity of Caledonia's financial reporting process and systems of internal controls regarding finance, accounting, and legal compliance; to monitor the independence and performance of Caledonia's independent auditors and internal audit department; and to provide an avenue of communication among the independent auditors, Management, the internal audit department, and the Board. The shareholders of the Corporation must, at each annual general meeting of the Corporation, elect the members of the Audit Committee.
- 15.5 The Board has assigned to the Corporate Governance Committee the authority to develop Caledonia's approach to governance issues and to ensure that all requirements are met.
- 15.6 The Nomination Committee consists of at least 3 (three) Directors, the majority of whom must be Independent Directors. The Board has assigned to the Nomination Committee the responsibility of establishing the criteria for Board membership and identifying, vetting and recommending prospective nominees for Board membership and monitor succession planning for the Chairperson, the CEO, other Directors and senior management of Caledonia.
- 15.7 The Strategic Planning Committee consists of at least 3 (three) members. The purpose of the Strategic Planning Committee is, inter alia, to monitor the development by Management of short and long term strategic plans for the Corporation and to approve the annual budgets.
- 15.8 The Technical Committee consists of at least 3 (three) members. The purpose of the Technical Committee is, inter alia, to assist the Board with its duties and responsibilities in evaluating and overseeing the exploration and development of and reporting on the Corporation's projects and reviewing and approving the technical plans, schedules and budgets of the Corporation.

- 15.9 The Board should ensure that the Board committees have terms of reference which have been approved by the Board. Those terms of reference should be reviewed each year and all amendments made thereto should also be approved by the Board.
- 15.10 The Board should ensure that a framework for the delegation of its powers to Management is developed and adopted.
- 15.11 The following matters are not delegated and require the prior approval of the Board:
- 15.11.1 strategic plans and annual budgets;
  - 15.11.2 approval of the annual audited and unaudited quarterly financial statements;
  - 15.11.3 any transaction which is not in the ordinary course of business of Caledonia;
  - 15.11.4 Acquisitions and dispositions of fixed assets in excess of \$1 million;
  - 15.11.5 borrowings or giving guarantees in excess of \$1 million;
  - 15.11.6 all contracts with officers or Directors in excess of \$75,000 annually; and
  - 15.11.7 all other matters that are within the powers of the Board and are not delegated.

## 16 **Declaration of interests**

- 16.1 The Directors shall, at all times, observe the legal requirements in respect of the declaration of their interests and do everything reasonably required to avoid a conflict of interest in the execution of their duties and responsibilities to the Corporation.
- 16.2 Any possible conflict of interest shall at all times be declared before the matter is discussed at a Board meeting and the Director concerned shall not be counted in the quorum for that Board meeting nor shall his or her vote (if any) be counted unless so permitted by the Corporation's articles of association. Any Director who is not permitted to vote on a resolution in respect of the subject matter to which their conflict relates shall leave the meeting immediately after making such declaration.

## 17 **Dealings in securities of the Corporation**

- 17.1 Directors must, before dealing in the securities of the Corporation (including the issue or exercise of share options or other equity-linked instruments), obtain prior written clearance to do so from the Chairperson or any one of either the CEO or the Chief Financial Officer of the Corporation pursuant to the Chairperson having been notified of the relevant Director's intention to deal in securities of the Corporation by the Chief Executive Officer or the Chief Financial Officer, as the case may be.



17.2 The Chairperson must, before dealing in the securities of the Corporation, obtain prior written clearance to do so from any two of either the chairperson of the Compensation Committee, the Audit Committee or the Nomination Committee.

17.3 The CEO and the Chief Financial Officer of the Corporation must, before dealing in securities of the Corporation, obtain prior written clearance to do so from the Chairperson.

17.4 A detailed share dealing code shall be or shall have been adopted by the Board.

## 18 **Policy on Directors obtaining professional advice**

18.1 The Directors may engage the services of any consultant, specialist or outside professional to assist the Board in the performance of its duties.

18.2 Where a consultant, specialist or outside professional has been engaged to assist the Board in the performance of its duties, the Corporation shall meet all expenses reasonably incurred by the Directors in this regard.

## 19 **Confidentiality**

19.1 All information in whatever form must be kept confidential and the Directors must not disclose any confidential information within their knowledge or possession in any manner to any person, corporation or other entity.

19.2 The following shall not be considered confidential information:

19.2.1 information which was in the public domain prior to its disclosure to the relevant Director or subsequently came to be in the public domain in any way otherwise than by the wrongful disclosure by such Director;

19.2.2 information which is disclosed directly or indirectly by the relevant Director to any person who is a Director, employee, agent, consultant, adviser or contractor of or to Caledonia, as the case may be, whose knowledge or possession of such information is necessary for that person to perform their particular functions; or

19.2.3 information the disclosure of which is required by any applicable law, by an order of court or by the rules of any securities exchange on which the Corporation's shares are listed or by any other regulatory body the rules of which the Corporation is subject.

## 20 **Evaluation**

20.1 With the assistance of the Nomination Committee, the Board must ensure that the performance of the following individuals and bodies are evaluated annually:

- 20.1.1 the Board as a whole;
- 20.1.2 the Chairperson;
- 20.1.3 the CEO;
- 20.1.4 individual Directors; and
- 20.1.5 Board committees and their respective chairpersons.

**21 Reporting**

The Board must comply with its reporting obligations under all applicable laws.

**22 Document Control**

**Version**

**Date**

**Status**

**Author**

***Version Control***

<b>Date</b>	<b>Revision #</b>	<b>Description of Change</b>	<b>Author</b>
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## 23 **Charter Approval**

This Charter will be updated on an annual basis and sooner if any significant changes have occurred, and notification of revisions of this document will be communicated to users. A copy of this document will be available from all Caledonia's offices and on the Corporation's website.

This Charter supersedes any previous Board charter.

Approved and authorised by the Chairperson of the Board.

8 March 2017