

AUSTBROKERS HOLDINGS LIMITED
(the "Company")

BOARD CHARTER
adopted by the board on 15 February 2005

1. Purpose

- 1.1** The purpose of the Charter is to set down the role, composition, responsibilities and conduct of the Board in the governance framework of the Company and its wholly-owned entities ("Group").
- 1.2** The Corporations Act and the Constitution of the Company are also relevant to these matters.
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2. Membership

- 2.1** The Constitution of the Company provides for a minimum of 3 directors and a maximum of 10 directors. The Board has adopted a policy of having 5 directors - 4 non-executive, and 1 executive, namely (the CEO). The Board may review this policy from time to time.
- 2.2** The Board must have a majority of independent directors (as the term "independence" is defined in the "Principles of Good Corporate Governance and Best Practice Recommendations" issued by the ASX Corporate Governance Council).
- 2.3** The Chairperson of the Board must be an independent non-executive director.
- 2.4** The Board has adopted the policy that no non-executive director may hold office continuously as a director for more than (10) years after the admission of the Company to the official list of the Australian Stock Exchange Limited or the director's appointment, whichever is later.
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3. Separation of function

- 3.1** The roles of the Chairman and Chief Executive Officer are strictly separated.
- 3.2** The Chairman is responsible for:
- (a) leading the Board in the performance of its role and responsibilities;
 - (b) ensuring the regular evaluation of the performance of the Board, its Committees and its individual directors;
 - (c) facilitating effective discussion at Board meetings; and
 - (d) ensuring effective communications with shareholders.
- 3.3** The Chief Executive Officer is responsible for:
- (a) the efficient and effective operation and administration of the Group;
 - (b) ensuring the directors are provided with accurate and clear information in a timely manner to promote effective decision-making by the Board; and
 - (c) ensuring all material matters affecting the Group are brought to the Board's attention.

4. Role and responsibilities

4.1 The Board is responsible for:

- (a) charting all direction, and developing the objectives, policies and strategies of the Group;
- (b) monitoring the implementation of that direction and of those objectives, policies and strategies;
- (c) monitoring compliance with regulatory requirements and ethical standards; and
- (d) appointing and reviewing the performance of the Chief Executive Officer

4.2 Without limiting 4.1, the Board has specific responsibility for:

- (a) monitoring and assessing management's performance in achieving any strategies and budgets approved by the Board;
- (b) setting criteria for, and evaluating at least annually, the performance of the Chief Executive Officer;
- (c) reviewing on a regular and continuing basis:
 - (i) executive succession planning (particularly for the Chief Executive Officer); and
 - (ii) executive development activities.

4.3 In performing its role and responsibilities the Board should at all times act:

- (a) in a manner designed to create and continue to build sustainable value for shareholders; and
- (b) in accordance with the duties and obligations imposed upon them by the Constitution and by law.

5. Powers

5.1 In addition to the matters expressly required by law to be approved by the Board, the following powers are specifically reserved to the Board:

- (a) appointment of the Chief Executive Officer and determination of his or her terms and conditions of employment (including remuneration);
- (b) appointment of the Company Secretary;
- (c) any matters in excess of discretions that it may from time to time have delegated to the Chief Executive Officer and senior management on particular matters; and
- (d) approvals of each of the following:
 - (i) the strategic plan, at least annually;
 - (ii) the budget and strategic plan, at least annually;
 - (iii) the remuneration and conditions of service, including financial incentives, of any executive directors, and their direct reports, at least annually;

- (iv) significant changes to the organisational structure and the appointment of such senior officers as the Board may determine;
- (v) the acquisition, establishment, disposal or cessation of any significant business of the Group;
- (vi) the issue of any shares, options, equity instruments or other securities in or by any Group member;
- (vii) any public statements which reflect significant issues of Group direction, objectives, policy and strategy; and
- (viii) any change to the discretions delegated by the Board.

6. Meetings

6.1 The Board should meet at least 6 times each year.

6.2 The non-executive directors should meet at least twice each year for private discussion of management issues.

7. Board Committees

7.1 The Board may from time to time establish Committees to assist it in carrying out its role and responsibilities, and must adopt a charter for each of those Committees setting out matters relevant to its composition, responsibilities and administration, and other matters the Board considers appropriate.

7.2 The Board will as a minimum establish the following Committees:

- (a) an Audit Committee;
- (b) a Nomination Committee; and
- (c) a Remuneration and Succession Planning Committee.

8. Independent advice

After consultation with the Chairman, the directors may seek independent professional advice at the Company's expense. Following its receipt, such advice should normally be made available to all directors.

9. Board performance

The Board will regularly evaluate its performance and the performance of its Committees and individual directors. An external consultant may be engaged to assist the Board with this process.