



Board Charter

1. Introduction

The Board of Directors of Roc Oil Company Limited ("Board") has adopted this Board Charter to set out the role and responsibilities of the Board and those matters which are delegated to management.

2. Role of the Board

The Board is accountable to shareholders and other stakeholders for the performance of the Company. It is responsible for the overall corporate governance of ROC including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

In performing its responsibilities, the Board will act:

- in the best interests of ROC;
- honestly, fairly and diligently; and
- in accordance with the duties and obligations imposed upon it by ROC's constitution and the law.

3. Composition of the Board

The Board determines its size within the limits provided in the Company's constitution.

ROC's constitution provides for a minimum of three directors and a maximum of 12 directors.

The Board consists of directors who have a proper understanding of the business and who can add value in the context of ROC's business. The Board should include an appropriate number of directors who satisfy the criteria for independence set out in ROC's Policy on Independence of Directors.

The Board should comprise a majority of non-executive directors.

Although the shareholders appoint directors, the Board will seek to ensure that the directors have a broad range of experience and expertise and have (or can develop) a thorough understanding of the business conducted by ROC. Procedures for the nomination, selection and appointment of ROC directors are governed by this ROC Board Charter, the ROC Nomination Committee Charter, the ROC Diversity Policy, the ROC Nomination and Appointment of Directors Policy, the ROC Independence of Directors Policy and the ROC Constitution.

The Board will appoint a Chairman who is a non-executive director and satisfies the criteria for independence set in ROC's Policy on Independence of Directors.

4. Meetings of the Board

Board meetings will be conducted in accordance with ROC's constitution and the Corporations Act.

Board meetings will be held at least 5 times each year.

Wherever practical, Board and committee papers will be provided to directors at least four days before the relevant meeting except where a meeting is called urgently.

Board and committee papers will contain sufficient information to enable directors to be properly informed on the matters to be considered at the forthcoming Board and committee meetings.

The quorum for Board meetings will be two thirds of directors.

The minutes of Board meetings will be confirmed at the next meeting and signed by the Chairman.

5. Powers of the Board

As well as matters expressly required by law to be approved by the Board, the Board is responsible for:

- appointing and removing the Chief Executive Officer and determining his or her terms and conditions of service;
- ratifying the appointment of, and where appropriate removing, senior management;
- approving the remuneration and conditions of service of senior management as recommended by the Remuneration Committee;
- setting and approving the ROC Delegations of Authority ("ROC DOA");
- within the constraints of the Corporations Act and the ASX Listing Rules, the issue of any shares, options, equity instruments or other securities in ROC;
- establishing of any incentive plan for Company officers and employees;
- approving the budget, the business plan and compliance policies;
- approving, as required, the matters set out in ROC DOA that specifically require ROC Board approval; and
- approving all matters in excess of the discretion that it delegates to the Chief Executive Officer and senior management under the ROC DOA.

6. Responsibilities of the Board

In addition to the matters expressly required by law, the Board has a specific responsibility for:

- monitoring of the strategic and financial objectives of ROC;
- monitoring and assessing management's performance in achieving any strategies and budgets approved by the Board;
- monitoring the financial performance of ROC and other required reporting;
- evaluating annually, the performance of the Chief Executive Officer;
- delegating an appropriate level of authority to management, and in particular the Chief Executive Officer;

- reviewing and approving the ROC DOA from time to time;
- appointing the members of the various Board Committees established in accordance with this Board Charter;
- monitoring compliance with regulatory requirements and ethical standards and establishing policies appropriate to the Company to ensure this compliance;
- recommending the nomination, appointment, and reviewing the performance, of directors;
- addressing the matters set out in the ROC Nomination Committee Charter if the Board does not direct the Nomination Committee to meet:
- overseeing and monitoring work health and safety processes, performance and issues;
- setting the measurable objectives for achieving gender diversity in accordance with the ROC Diversity Policy;
- overseeing and reviewing the risk management strategy and monitoring business risks;
- ensuring effective internal control systems;
- effective communication of ROC's financial position, trading performance and prospects to all stakeholders, in particular, shareholders, customers and staff;
- approving annual accounts and reports; and
- the overall corporate governance of the Company.

7. Delegation to Management

The Board has the power to delegate to senior executives certain matters.

The Board has delegated responsibility for the management of the Company's business and affairs to the Chief Executive Officer.

The Board has delegated authority to the Chief Executive Officer and senior management in accordance with the ROC DOA.

8. Board Committees

The Board may establish committees to assist it in carrying out its responsibilities. Where appropriate, the Board will adopt charters setting out the role and responsibilities, composition and structure and other matters that the Board may consider appropriate to that Committee.

The Board has established:

- an Audit and Risk Committee;
- a Nomination Committee;
- a Remuneration Committee; and
- a Health Safety and Environment Committee;

and has adopted charters setting out matters relevant to the composition, responsibilities and administration of those committees.

To ensure that the financial implications of all matters put before the Committees are properly assessed, the Audit and Risk Committee will be provided with copies of all papers and minutes of meetings of the Committees.

9. Conflicts of Interest

Directors must advise the Chairman of any outside activities, financial or business interests or relationships which may give rise to an actual or perceived conflict. The Chairman will determine the appropriate course of action to handle the conflict including, where applicable, giving notice of the conflict to the Company Secretary and, where applicable, referring the matter to the Nomination Committee for consideration and recommendation.

A director who is affected by an actual or possible conflict of interest must also excuse themselves from that part of any meeting which discusses the matter or thing in relation to which there is or may be a conflict of interest. The Company Secretary will put in place procedures to ensure that a director who has given notice of an existing or possible conflict of interest does not receive or otherwise access Board papers or management communications concerning the matter or thing in relation to which there is or may be a conflict.

10. Professional Advice

A director may, with the approval of the Chairman, obtain independent professional advice, at the Company's expense, in relation to their position as a director of the Company to help them carry out their responsibilities.

11. Performance Evaluation of the Board

Each year, the Board will evaluate itself and individual directors with assistance of the Nomination Committee. The evaluation will:

- compare the Board's performance with the requirements of this Charter;
- set the goals and objectives of the Company for the upcoming year;
- provide any improvements to the Board Charter that are necessary or desirable; and
- be in accordance with ROC's Board Performance Evaluation Process.

12. Reporting on the Board in the Annual Report

The Board will make appropriate disclosure regarding the role and responsibilities of the Board and management in ROC's Annual Report in accordance with the ASX Corporate Governance Principles and Recommendations.

This Board Charter is available on ROC's website www.rocoil.com.au

Adopted by the Board on 8 April 2004. Updated on 19 October 2005, 27 February 2008 and 25 January 2012