

BOARD CHARTER

1. INTRODUCTION

The Board of Delta Lithium Limited has established a committee of the Board of Directors to be known as the Nomination & Remuneration Committee (Committee).

This Charter sets out the role, composition, and responsibilities of the Committee. The role of the Board is to provide overall strategic guidance and effective oversight of management. The Board derives its authority to act from the Company's Constitution.

2. OBJECTIVES

The purpose of the Committee is to provide advice, recommendations, and assistance to the Board of Directors of the Company (Board) with respect to:

Nomination matters

- (a) identifying nominees for directorships, including the Managing Director role;
- (b) inputting to other key executive appointments such as CFO, COO and Company Secretary;
- (c) the composition of the Board and succession planning;
- (d) ensuring that effective induction and education procedures exist for new Board appointees and key executives; and
- (e) ensuring that appropriate procedures exist to assess and review the performance of the Chair, executive and non-executive directors, senior executive, Board committees and the Board as a whole.

Remuneration matters

- (a) putting in place remuneration policies which are designed to attract and retain senior executives and directors with the expertise to enhance the performance and growth of the Company;
- (b) ensuring that the level and composition of remuneration packages are fair, reasonable, and adequate and, in the case of executive directors and senior executives, display a clear relationship between the performance of the individual and the performance of the Company.

3. COMPOSITION

3.1 Members

The Committee must have a minimum of three members, all of which must be non-executive directors.

The members of the Committee will be appointed and removed by the Board.

The composition of the Committee and details of the number of meetings held and attended by each member of the Committee, shall be published in the Company's Annual Financial Report.

3.2 Expertise

Members of the Committee must have an appropriate level of understanding of:

- (a) the principles of corporate governance, including knowledge of the Australian Stock Exchange Limited's (ASX) Principles of Good Corporate Governance and Best Practice Recommendations;
- (b) the Company's business and organisation structure;
- (c) the functions of the Board and the various roles and responsibilities of directors and other key executive positions;
- (d) Company management, at a senior executive level;
- (e) The disclosure requirements under the Corporations Act 2001 and the ASX Listing Rules in respect to executive and director remuneration; and
- (f) The complexities involved in negotiating and determining executive remuneration packages.

3.3 Chair and Secretary

The Committee will be chaired by an independent non-executive director (Chair). The Company Secretary will act as secretary to the Committee (Secretary) unless determined otherwise by the Board.

4. MEETINGS

4.1 Frequency

The Committee will meet as frequently as required but must, at a minimum, meet annually. The Secretary must call a meeting of the Committee if requested to do so by any member of the Committee or Board.

4.2 Agenda and Notice

The Secretary will be responsible, in conjunction with the Chair, for drawing up the agenda (supported by any necessary explanatory documentation) and circulating it to the Committee members prior to each meeting.

4.3 Quorum

A quorum for Committee meetings will be at least two members.

4.4 Minutes

The Secretary is responsible for taking minutes of each meeting and distributing them to Committee members as soon as practicable. Approved minutes will be signed and dated by the Chair and a copy circulated to the Board before or at the following meeting of directors.

4.5 Attendance

The Managing Director of the Company may, by invitation, attend meetings at the discretion of the Committee. Voting at Committee meetings is restricted to Committee members.

5. OBJECTIVITY AND ACCESS TO INFORMATION

- 5.1 The Committee has the right to seek internal and external advice when it considers such advice necessary to fulfil its responsibilities.
- 5.2 Management must supply the Committee with information in a form, timeframe and of a quality that will enable the Committee to effectively discharge its duties.
- 5.3 The Committee must ensure that it obtains sufficient information to enable it to make informed decisions with respect to the advice and recommendations it provides to the Board.
- 5.4 As Directors of the Company, members of the Committee are entitled to obtain external professional and legal advice as they may require at any time and from time to time on any matter concerning or in relation to their rights, duties, and obligations as Directors in relation to the affairs of the Company. Such advice shall be at the expense of the Company.
- 5.5 Members of the Committee are encouraged to attend relevant courses, conferences, seminars, and briefings by external advisors.

6. RESPONSIBILITIES OF THE COMMITTEE

The Committee's responsibilities are as follows.

Nomination matters

- (a) Evaluating the necessary and desirable competencies for members of the Board of Directors;
- (b) Assessing skills, experience and expertise and making recommendations to the Board on candidates for appointment and re-appointment as directors on the Board;
- (c) Reviewing and making recommendations on processes for evaluating the performance of members of the Board and its Committees and for assessing and enhancing director competencies;
- (d) Reviewing and monitoring progress of succession plans and making recommendations to the Board; and
- (e) Reviewing annually the adequacy of this Charter and an evaluation of the extent to which the Committee has met the requirements of this Charter.

Remuneration matters

- (a) Reviewing and making recommendations to the Board on the remuneration of the /Managing Director;
- (b) Reviewing and making recommendations to the Board, on advice from the Managing Director, on remuneration of senior executives of the company (other than the Managing Director) and in respect of remuneration matters generally;
- (c) Evaluating and making recommendations to the Board on the Company's recruitment, retention and termination policies and procedures; and
- (d) Assessing and making recommendations to the Board on remuneration policies and practices including superannuation arrangements, incentive schemes and performance targets for senior executives and other employees of the Company.

7. ROLE OF THE CHAIR

The role of Chair is non-executive and central to the effectiveness of the Committee and its contribution to the Board's overall responsibility for the Corporate Governance of the Company. The Chair leads the Committee and its meetings and is instrumental in ensuring effective communications exist between the Committee and the Board of Directors and senior executive.

The Chair is also responsible for the following.

- (a) Ensuring the Committee has appropriate procedures in place to evaluate the performance and effectiveness of the Committee as a whole and its individual members;
- (b) Ensuring that meetings of the Committee are conducted efficiently and effectively and that the quality of agendas and papers properly inform members on matters before the Committee that facilitates effective review, analysis, discussion and decision making by members of the Committee;

- (c) Maintaining a close working relationship with the Executive Chair/Managing Director and senior executive to facilitate an effective flow of relevant and appropriate information to the Committee; and
- (d) Ensuring that the Board is kept informed on all matters relating to the activities of the Committee and overseeing any communications concerning its activities with shareholders and other key stakeholders.

8. REPORTING

8.1 Reporting to the Board

The Committee must report to the Board, at the first Board meeting after each Committee meeting, regarding the proceedings of each Committee meeting, the outcomes of the Committee's review and recommendations and any other relevant issues.

8.2 Annual report

The Committee must provide the Board with advice and recommendations regarding the appropriate material and disclosures to be included in the corporate governance section of the Company's annual report which relates to the Company's nomination and remuneration policies and procedures, information concerning the directors and the performance evaluation of the Board and senior executives.

8.3 Public availability of materials

The Committee must ensure that a copy of this Charter is made publicly available.