

## **NOVOGEN LIMITED**

### **BOARD CHARTER**

The Board of Novogen Limited ("the Company") determines and makes decisions on the Board structure, senior executive appointments and considers the Company's business.

#### **BOARD STRUCTURE**

##### **Board size and composition:**

- (i) subject to the bounds set by the Company's Constitution the Board will determine its number and composition;
- (ii) identify, interview and evaluate potential directors;
- (iii) should it be necessary appoint directors to fill casual vacancies; and
- (iv) make recommendations to the Company's shareholders for the appointment or removal of directors.

##### **Chairman**

The Board will select its own Chairman.

##### **Board committees**

The Board will determine the terms of reference of any permanent Board Committee and the membership of each Committee. It will also determine the terms of reference and membership of any ad hoc committee established for a particular purpose.

The Board currently has the following standing Committees:

- the Audit Committee;
- the Remuneration and Corporate Governance Committee; and
- the Capital Works Committee.

##### **The business of the meetings of the Board and Board committees**

The Board will determine the frequency, duration and agendas of its own meetings as well as for the standing Committees of the Board (noting that the Audit Committee has a requirement to meet at least 4 times each year).

##### **Board independence and performance**

The Board will establish and monitor a mechanism for monitoring any dealings by Directors in the Company's securities and ensure that the appropriate Listing Rule requirements are met at all times. In addition the Board will monitor the continued independence of individual non-executive Directors and their declarations of interest, if any.

The Board will also regularly evaluate the performance of the Board as a whole, each of the Board Committees and each individual Director.

## SENIOR EXECUTIVE APPOINTMENTS

### The Chief Executive Officer (CEO)

The Board shall be responsible for the selection and appointment the CEO.

The Board shall be responsible for the determination of the length of the CEO's Contract of Employment as well as the terms of that contract which will include the terms of the total remuneration package. The Board will establish and implement its own methods for the ongoing evaluation of the CEO's performance.

The Board should develop and maintain a succession plan for the role of CEO.

### Executive Directors

The Board shall approve the remuneration and contractual terms of any Executive Director appointed to the Board.

The Board, together with the CEO, will develop and implement a method for the ongoing evaluation of each Executive Director.

### Senior management

The Board shall be consulted in all aspects relating to the appointment of Senior Executives of the Company and Company Secretary. The Board shall also be advised of and monitor the performance of senior management on a continuous basis.

## BOARD BUSINESS

### Strategy

The Board shall provide strategic direction for the Company and approve all significant corporate initiatives.

### Finance

The Board shall ensure that Management prepares and submits for approval a budget for the Company on an annual basis. It shall monitor financial performance against this approved budget

The Board shall be responsible for the determination and implementation of the Company's dividend policy and the determination of the amount the nature and timing of dividends to be paid if any.

The Board shall make determinations concerning the capital structure of the Company including the allotment of new capital and any significant capital raising.

### Risk management

The Board will monitor the effectiveness of the Company's risk management and satisfy itself that the appropriate internal control mechanisms are in place and are being implemented. It shall maintain a

direct and ongoing dialogue with the Company's auditors and, where appropriate, principal regulators and ensure compliance with all regulatory requirements.

#### Social and ethical responsibility

The Board shall set standards for social and ethical practices and consider how these practices will impact of the Company's activities. It is also charges with monitoring these practices from time to time.

#### Auditor

The Board of the Company shall select and arrange for the appointment of external Auditor. It shall determine the term, remuneration, conditions of appointment as well as being responsible for the evaluation of the Auditor's performance.

#### Internal control

The Board shall determine the level of authority delegated to the CEO or any other executive officer of the Company and shall design and implement a system of assessment to ensure that these authorities are not breached.

The Board will be required to approve any recommendation for the appointment of an executive officer to the board of any of the subsidiary companies of Novogen Limited.

#### Delegated responsibility

The Board has delegated to management the responsibility for the development and implementation of:

- the Corporate strategies and making recommendations on significant corporate strategic initiatives;
- maintaining an effective risk management framework and keeping the Board and market fully informed about material risks
- developing the Company's annual budget, recommending it to the Board for approval and managing day-to-day operations within the budget;
- managing day-to-day operations in accordance with standards for social and ethical practices which have been set by the Board;
- making recommendations for the appointment of senior management, determining terms of appointment, evaluating performance; and
- developing and maintaining successions plans for senior management roles.

#### Independence of non executive Directors

The Board should ensure that it maintains the correct level of independent Directors and should also ensure that each Director's independence is maintained.

Each Director shall be permitted, subject to agreement of the Chairman (which shall not be unreasonably withheld), to obtain independent advice at the Company's expense on any matter pertaining to that Director's duty as a Director.