

Board Charter

1. Purpose

This document sets out the key responsibilities and roles of the Board of QRxPharma Limited ACN 102 254 151 ("the Company").

2. Overriding responsibilities

The Board is committed to:

- protecting the interests of shareholders and other stakeholders in the Company (such as employees, business partners, customers and the community as a whole);
- promoting and maintaining good corporate governance structures to facilitate the growth of the Company while managing risks and being accountable to stakeholders;
- acting efficiently, honestly and fairly;
- acting in accordance with all applicable laws and regulations; and
- promoting a culture of good corporate governance throughout the entire Company.

3. Key roles

The Board is ultimately responsible for the business and management of the Company. Taking into consideration the Principles of Good Corporate Governance and Best Practice Recommendations issued by the ASX Corporate Governance Council ("**Best Practice Recommendations**"), the Board acknowledges that their key responsibilities are:

- Overseeing the business and strategic direction of the Company in order to maximise performance and generate appropriate levels of shareholder return.
- Appointment, evaluation and removal of:
 - the Chairman;
 - the CEO;
 - the CFO; and
 - the Company Secretary.
- Ensuring that management establishes and follows an appropriate system of internal controls, risk management and legal compliance.
- Reviewing the performance and implementation of corporate strategies by senior management and ensuring that senior management have the necessary resources to do so.
- Approving and supervising significant capital expenditure, capital management, acquisitions and divestments.
- Approving and monitoring annual budgets and strategic plans.
- Approving and monitoring financial and other reporting made to shareholders and the ASX under the continuous disclosure regime.

4. Delegation

The Board may from time to time establish committees to assist in the discharge of its responsibilities. As at the date of this Charter, the Board has established:

- an Audit and Risk Committee, which is responsible for overseeing the external and internal auditing of the Company's activities;
- a Remuneration Committee, which is responsible for making recommendations to the Board on remuneration packages for executives, senior Managers and non-Executive Directors; and
- a Nominations Committee, which is responsible for making recommendations to the Board on the composition of the Board and appointment and evaluation of the Managing Director.
- a Scientific Advisory Board to provide advice to the Board by evaluating the soundness of the technical basis of the science position adopted by the Company.

5. Board Membership

The Board is committed to ensuring that there will be at least five directors of whom a majority will be non-executive directors, (and where possible independent). Consistent with Principle 2 of the Best Practice Recommendations, a director is regarded as independent if that director is a non-executive director and:

- is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- within the last three years has not been employed in an executive capacity by the Company or another group member, or been a director after ceasing to hold any such employment;
- within the last three years has not been a principal of a material professional adviser or a material consultant to the Company or another group member, or an employee materially associated with the service provided. At present an advisory relationship or contract where the company pays in excess of \$100,000 in a year is regarded as material;
- is not a material supplier or customer of the Company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer. At present an advisory relationship or contract where the company pays in excess of \$100,000 in a year is regarded as material;
- has no material contractual relationship with the Company or another group member other than as a director of the Company. At present an advisory relationship or contract where the company pays in excess of \$100,000 in a year is regarded as material;
- has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company (the Board has set 10 years as an indicative period for considering this issue, but does not believe that it is appropriate to fix a maximum term as the key issue is the ability of the director to continue to bring an independent point of view to their role); and
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company.

The Board is also committed to ensuring that its members have a broad range of skills, experience and expertise. This will assist the Board to maximise performance and ensure appropriate levels of shareholder return.

6. Review

The Board reviews its performance and Charter annually to ensure that it is operating effectively and in the best interests of the Company.

7. Process

The Board will meet as frequently as required but must not meet less than four times each year.

The terms and conditions of the appointment and retirement of members of the Board are set out in letters of appointment and as provided in the Constitution.

The process for performance evaluation of the Board, its committees and individual directors, and key executives is being established.

A code of conduct is being reviewed to guide the directors, the chief executive officer (or equivalent), the chief financial officer and any other key executives as to the practices necessary to maintain confidence in the company's integrity and the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.