



OPERATIONS COMMITTEE CHARTER

1. INTRODUCTION

The Board of Territory Resources Limited (“**Territory**” or the “**Company**”) has established an Operations Committee (“**Committee**”) to assist the Board in fulfilling its responsibilities in relation to assessing and managing the Company’s operational performance and risk.

The Committee has no Board decision making authority, but makes recommendations to the Board of Directors.

2. SCOPE

The primary function of the Committee is to review current operational performance, assist Management to identify issues that may affect both current and future performance and guide Management to develop action plans to address any such issues identified.

The key responsibilities of the Committee include:

- Ensuring that effective occupational health, safety and environmental policies and systems are in place;
- Monitoring the requirements for, recruitment and performance of, senior operations personnel;
- Monitoring production performance and efficiency to enable the early identification of areas of operational risk and the assessment of appropriate measures developed by Management to mitigate against such risk(s); and
- Evaluating and recommending for approval or otherwise to the full Board submissions for capital expenditure that relate to operations.

3. MEMBERSHIP

The Committee should comprise a minimum of one non-executive member of the Board of Directors, as well as the Managing Director and Chief Operating Officer. Where appropriate, other members of Senior Management will be invited to present to the Committee on specific issues relating to operations.

The Committee shall be chaired by an Independent Chairman who is not Chair of the Board of Directors.

The Committee (including the Chairman of the Committee) will be appointed by the Board of Directors. The Committee will itself appoint a Committee Secretary from amongst its members or from a member of Senior Management.

The effect of ceasing to be a Director of the Board or employee of the Company is automatic termination of appointment as a member of the Committee.





4. MEETINGS

The Committee will meet every two months and more frequently as required.

The Chairman of the Committee may call a meeting of the Committee at any time, or if so requested by any member of the Committee.

A quorum will consist of two Committee members.

The Committee Secretary, in conjunction with the Chairman, shall draw up an agenda for meetings, which shall be circulated to each member of the Committee and attendees, at least two working days prior to each meeting.

The Committee Secretary will prepare the Minutes of the Committee meetings, which shall be considered at the next Board of Directors meeting.

5. AUTHORITY

In carrying out its responsibilities, the Committee has full authority to investigate all matters that fall within the terms of reference of this Charter. Accordingly, the Committee may:

- Obtain independent professional advice in the satisfaction of its duties at the reasonable cost of the Company; and
- Have such direct access to the resources of the Company, as it may reasonably require, including Senior Executives and Management and external consultants.

The Committee may, if it deems appropriate, hold private meetings with advisers and Senior Executives and Management Personnel.

6. CHARTER REVIEW

The Committee shall review this Charter within six months of its adoption and thereafter annually.

Adopted: _____

