

HOT CHILI LIMITED
ACN 130 955 725

Board Charter

As approved by the Board of Directors on 18 February 2010.

Board charter

The Board has adopted a board charter. Under the board charter, the Board is responsible for the overall operation and stewardship of the Company and its subsidiaries and, in particular, is responsible for:

- a. setting the strategic direction of the Company, establishing goals to ensure that these strategic objectives are met and monitoring the performance of management against these goals and objectives;
- b. ensuring there are adequate resources available to meet the Company's objectives;
- c. appointing the managing director and company secretary and chief financial officer of the Company;
- d. evaluating the performance and determining the remuneration of senior executives, and ensuring that appropriate policies and procedures are in place for recruitment, training, remuneration and succession planning;
- e. approving and monitoring financial reporting and capital management;
- f. approving and monitoring the progress of business objectives;
- g. ensuring that any necessary statutory licences are held and compliance measures are maintained to ensure compliance with the law and licences;
- h. ensuring that adequate risk management procedures exist and are being used;
- i. ensuring that the Company has appropriate corporate governance structures in place, including standards of ethical behaviour and a culture of corporate and social responsibility;
- j. ensuring that the Board is and remains appropriately skilled to meet the changing needs of the Company; and
- k. ensuring procedures are in place for ensuring the Company's compliance with the law.

Conflicts of interest

In accordance with the Corporations Act and the Constitution, Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Company. Where the Board believes a significant conflict exists, the Director concerned will not receive the relevant papers and will not be present at the Board meeting whilst the matter is being considered.

Independent professional advice

In fulfilling their duties, each Director dealing with corporate governance matters may obtain independent professional advice at the Company's expense, subject to prior approval of the Chairman, whose approval will not be unreasonably withheld.