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DEFOLD MINE BOARD CHARTER

1. INTERPRETATION

In this Charter, unless the context otherwise requires:

- **“Act”** means the Companies and Other Business Entities Act [Chapter 24:31] and the Public Entities Corporate Governance Act [Chapter 10:31];
- **“Board”** means the Board of Directors of Defold Mine (Private) Limited;
- **“Business”** means the business of the Company;
- **“Chairperson”** means the Chairperson of the Board;
- **“Company”** means Defold Mine (Private) Limited;
- **“Company Goals”** means the goals of the Company as set out in its approved strategy;
- **“Deputy Chairperson”** means the Deputy Chairperson of the Board;
- **“Executive Director”** means a Director involved in the day-to-day management of the Company;
- **“General Manager”** means the General Manager of the Company and replaces any reference to Chief Executive Officer or Chief Executive Office;
- **“Independent Non-Executive Director”** means a Non-Executive Director who meets independence criteria under applicable governance codes;
- **“Management”** means the executive management personnel of the Company;
- **“Members”** means members of the Board;
- **“Mutapa Investment Fund”** means the sole Shareholder of the Company;
- **“Secretary”** means the Company Secretary or person performing the functions of a board secretary;
- **“Shareholder”** means the Mutapa Investment Fund.

2. COMPANY GOALS AND FUNCTIONS

2.1 Overall Functions

Defold Mine (Private) Limited shall pursue the following core functions:

- To structure, participate in, and manage commercially viable mining joint ventures and strategic partnerships, particularly in critical and strategic minerals;
- To identify, explore, peg, evaluate, and commercialize mineral assets, including undeveloped mineral resources, in partnership with credible technical and financial investors;
- To drive value addition through mineral beneficiation, processing, and portfolio diversification, enhancing downstream integration and maximizing sustainable long-term returns;
- To provide strategic, financial, and performance oversight of portfolio subsidiaries and joint ventures, ensuring operational efficiency, value growth, and enhanced dividend flows to Defold Mine and ultimately the Mutapa Investment Fund.

3. BOARD PROCESSES

3.1 Purpose of Defold Mine (Private) Limited

Established in 2015, Defold Mine (Private) Limited is a strategic mining investment company and a wholly owned subsidiary of the Mutapa Investment Fund since 2023. The Company's mandate is to invest in, develop, and manage mining assets across the entire mineral value chain, encompassing exploration, extraction, beneficiation, and value addition of Zimbabwe's mineral resources.

Originally operating under the Ministry of Mines and Mining Development, Defold Mine was transitioned to the Mutapa Investment Fund portfolio as part of the Government of Zimbabwe's broader reform agenda to enhance corporate governance, operational efficiency, and returns on national mining investments.

The Company's strategic focus aligns with Zimbabwe's Vision 2030 and the Results Based Budgeting (RBB) Technical Guidelines, positioning the mining sector as a key driver of sustainable economic growth, industrialization, and long-term value creation.

3.2 Roles and Responsibilities

3.2.1 The Board

The Board shall:

- Formulate, approve, and oversee implementation of the Company's strategy and ensure adequate financial and other resources are in place to meet Company objectives;
- Review and monitor Management performance against agreed targets and performance contracts;
- Ensure compliance with all statutory, regulatory, and corporate governance requirements;
- Ensure that appropriate policies, procedures, and systems are established and implemented, including accounting, financial reporting, information technology, and internal control systems;
- Ensure that financial records, financial statements, and external audits are maintained in accordance with the Act;
- Ensure that a robust enterprise risk management framework is in place, supported by effective internal controls and an independent internal audit function;
- Approve the appointment, removal, remuneration, and performance evaluation of the General Manager and other senior executives.

3.2.2 Chairperson

The Chairperson shall:

- Provide leadership to the Board and ensure its effectiveness;
- Ensure that Directors are aware of their roles, responsibilities, and fiduciary duties and that appropriate induction and continuous development programmes are implemented;
- Maintain constructive relationships with the Shareholder and key stakeholders;

- Ensure that Board decisions are implemented timeously and effectively;
- Set the ethical tone of the Board and promote a culture of integrity;
- In consultation with the General Manager and the Company Secretary, approve Board agendas and annual work plans;
- Manage conflicts of interest at Board level;
- Preside over Board meetings and encourage open, candid, and constructive debate;
- Monitor Board and individual Director performance and facilitate annual performance evaluations.

3.2.3 Company Secretary

The Company Secretary shall:

- Act as the custodian of corporate governance and advise the Board on governance, legal, and regulatory matters;
- Ensure compliance with procedures for appointment, induction, and training of Directors;
- Facilitate Board and Committee meetings, including preparation of agendas, Board packs, and minutes;
- Provide guidance to Directors on their duties and responsibilities;
- Maintain effective communication channels between the Board, Management, and Committees;
- Raise matters requiring Board attention in the interest of good governance.

3.2.4 Deputy Chairperson

The Deputy Chairperson shall:

- Assist the Chairperson in carrying out Board leadership responsibilities;
- Assume the role of Chairperson in the Chairperson's absence;
- Chair Board Committees as assigned;
- Support effective Board governance and leadership.

3.3 Composition of the Board and Diversity

- The Board shall comprise Executive Directors, Independent Non-Executive Directors, and Non-Executive Directors representing the Shareholder;
- The ideal Board composition shall consist of at least 75% Independent Non-Executive Directors, 15% Non-Executive Directors representing the Shareholder, and 10% Executive Directors;
- A fully constituted Board shall comprise nine (9) Directors to ensure effective governance and properly functioning Board Committees;
- Board diversity shall be promoted across skills, qualifications, experience, gender, age, and background to enhance balanced decision-making.

3.4 Board Committees: Structure and Functions

The Board shall establish the following standing Committees, each operating under Board-approved Terms of Reference.

3.4.1 Audit Committee

The Audit Committee shall consist of at least two Non-Executive Directors, excluding the Chairperson of the Board, and persons with accounting or financial expertise.

Functions include:

- Establishing and monitoring accounting procedures and controls;
- Oversight of internal audit and external audit processes;
- Enhancing the integrity, objectivity, and accuracy of financial statements;
- Advising the Board on financial reporting and assurance matters.

3.4.2 Risk, Legal and Compliance Committee

The Committee shall comprise at least three Non-Executive Directors and relevant senior Management members.

Functions include:

- Oversight of enterprise-wide risk management;
- Legal and regulatory compliance monitoring;
- Oversight of litigation, disputes, and legal exposures;
- Development of risk mitigation and business continuity strategies;
- Advising the Board on risk appetite and emerging risks.

3.4.3 Finance and Investment Committee

The Committee shall comprise at least three Non-Executive Directors with finance or investment expertise.

Functions include:

- Oversight of financial strategy, budgeting, and capital allocation;
- Review of management accounts, cash flows, and liquidity;
- Review and recommendation of investments, divestments, joint ventures, and strategic partnerships;
- Oversight of investment appraisal methodologies and portfolio performance;
- Monitoring returns and dividend flows to the Shareholder.

3.4.4 Technical Committee (Expanded Mandate)

The Committee shall comprise Non-Executive Directors and technical experts.

Functions include:

- Oversight of exploration, project development, construction, and mining operations;
- Review of technical due diligence, project economics, and resource and reserve estimates;
- Monitoring technical, financial, and human resource capacity;

- Oversight of Environmental, Social and Governance (ESG) matters within technical operations, including environmental management, rehabilitation, occupational health and safety, and community impact mitigation;
- Ensuring sustainability and social licence-to-operate considerations are integrated into technical decisions.

3.4.5 Human Resources and Remuneration Committee

Functions include:

- Determination of executive and senior management remuneration;
- Oversight of remuneration policies and performance management frameworks;
- Succession planning and human capital governance.

3.4.6 Integrity Committee

The Committee shall comprise a majority of Independent Non-Executive Directors.

Functions include:

- Oversight of ethical conduct, integrity frameworks, and organisational values;
- Oversight of Anti-Corruption and Whistleblower Protection policies;
- Oversight of investigations into unethical conduct and corruption allegations;
- Protection of whistleblowers and confidentiality;
- Reporting integrity matters to the Board.

3.5 Ethical Conduct

The Board and Directors shall:

- Adhere strictly to this Board Charter and all Company policies;
- Comply with the Anti-Corruption Policy and Whistleblower Protection Policy;
- Disclose conflicts of interest and recuse themselves where required;
- Act with integrity, transparency, accountability, and in the best interests of the Company.

3.6 Board Development

3.6.1 Board Induction

All newly appointed Directors shall undergo a structured induction programme covering the Company's operations, governance framework, applicable laws, and strategic objectives.

3.6.2 Continuous Professional Development

The Board shall annually identify development needs and implement targeted training programmes to enhance effectiveness.

3.7 Board Evaluation

The Board shall undertake an annual formal evaluation of its performance, its Committees, and individual Directors, preferably facilitated by an external party.

3.8 Meetings

3.8.1 Preparation and Meeting Management

Board meetings shall be prepared and conducted in accordance with ZIMCODE and international best practice. Board packs shall be circulated at least seven (7) days prior to meetings.

3.8.2 Agenda and Minutes

The Company Secretary shall coordinate annual meeting schedules, agendas, and accurate minutes.

3.8.3 Frequency

The Board shall meet at least once every quarter or as required.

3.8.4 Quorum and Voting

A quorum shall be more than 50% of Directors.

3.8.5 Conflicts of Interest and Disclosure

Conflicts of interest shall be declared annually and on an ongoing basis and shall be a standing agenda item.

4. BOARD AND MANAGEMENT RELATIONSHIP

4.1 Boardroom Culture

The Board shall foster a culture of trust, integrity, accountability, transparency, diversity, inclusion, and constructive challenge.

4.2 The General Manager

The Board delegates authority to Management through the General Manager, subject to approved policies and performance frameworks. Where required, reporting shall be made to the Chief Executive Officer of the Mutapa Investment Fund.

4.3 Stakeholder Relationships

The Board shall facilitate communication with shareholders and other key stakeholders, ensuring timely, accurate, and relevant information sharing.

5. ADOPTION AND REVIEW

This Board Charter was approved by the Board of Directors of Defold Mine (Private) Limited at its 24th Board Meeting held on 16 December 2025 and shall be reviewed periodically.

Signed: _____



O. M. Moyo
Board Chairman

Date: _____

18-12-2025