

9 February 2009

SUMMARY – BOARD CHARTER

The Board of Razor acts under a Charter that regulates Board membership, duties and procedures. A summary of the Charter is as follows:

The Board should comprise of a majority of non-executive directors. The Board currently comprises one executive, three non-executive directors, and one non-executive chairman.

Directors appointed receive and must execute a written agreement setting out the terms and conditions of their appointment, and the standards and duties expected of them. The Charter also requires the Remunerations and Nominations Committee to implement an induction program for new directors.

The Board must meet as appropriate. Proper notice must be given of each meeting, and Management and Financial Reports relevant to the Agenda are to be provided in sufficient time to allow Directors to review and assess the content of the reports and to formulate any queries.

The agenda for meetings is prepared in conjunction with the Chairman, Managing Director and Company Secretary. Standing items include:

- the managing director's report;
- management financial reports;
- strategic matters;
- confirmation of any securities trading by directors;
- continuous disclosure confirmation.

Directors are required to conform to a set of guiding principles in acting as directors of the Company, which include:

- Directors act in the best interests of Razor as a whole and with honesty and in good faith.
- Directors use care and diligence when carrying out their duties as directors and act in a way that recognises that their primary duty is to the shareholders of Razor whilst appropriately taking into account the interests of other stakeholders.
- Directors do not make improper use of their position as directors or of information obtained from their position.
- Each individual director takes on an ongoing responsibility to exercise sound rational judgment and independence of mind and to take all reasonable steps to make proper enquiries when making decisions on behalf of Razor.

- Directors recognise and respect the confidential nature of information to which they are privy to in the course of exercising their duties and agree to honour the confidentiality of that information.

The key responsibilities of the Board are set out in the Charter and include:

- Oversight of the business and affairs of Razor.
- Establishment of control and accountability systems.
- Establishment with management of a strategic direction, supporting strategies and operating performance objectives.
- Monitoring the performance of management in accordance with agreed strategies and objectives.
- Appointing the Managing Director.
- Ratifying the appointment of the CFO.
- Reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and legal compliance.
- Ensuring the company acts legally and responsibly on all matters.
- Ensuring that appropriate ethical standards are maintained.

The Board may retain, at the Company's expense, outside consultants or advisors to advise the Board independently on any matter. Individual board members seeking such advice must obtain the prior approval of the chairman, which may not be unreasonably withheld, and the advice will be made available to all board members as appropriate.

The Board has developed a Delegations Manual covering delegated authorities. The manual outlines approval limits for various categories of authority including the commitment of expenditure. Approval for commitments outside of the authorities stated is required, and the manual sets out what type of approval is required for the different types of commitment. Areas covered by the manual include:

- Bank transactions;
- Purchasing authority;
- Capital expenditure;
- Employment of staff;
- Employment of third party service providers;
- Contracting.