

NOMINATIONS AND REMUNERATION COMMITTEE CHARTER

This Charter sets out the specific responsibilities delegated by the Board to the Nominations and Remuneration Committee and details the manner in which the Nominations and Remuneration Committee will operate.

1. General Scope and Authority

- (a) The Nominations and Remuneration Committee is a Committee of the Board. The Charter may be subject to review by the Board at any time.
- (b) The primary purpose of the Committee is to support and advise the Board in fulfilling its responsibilities to shareholders by:
 - (i) processes for recruiting a new Director, including evaluating the balance of skills, knowledge, experience and independence and diversity on the Board and, in light of this evaluation, preparing a description of the role and capabilities required for a particular appointment;
 - (ii) Board succession planning generally to maintain a Board that has an appropriate mix of skills and experience to be an effective decision-making body, including the appointment and re-election of Directors;
 - (iii) succession planning for the Managing Director (or equivalent) and senior executives;
 - (iv) ensuring that the Board is comprised of Directors who contribute to the successful management of the Company and discharge their duties having regard to the law and the highest standards of corporate governance;
 - (v) induction and continuing professional development programs for Directors;
 - (vi) the development and implementation of a process for evaluating the performance of the Board, its Committees and individual Directors;
 - (vii) reviewing and making recommendations to the Board on the Company's remuneration framework for Directors, including the process by which any pool of Directors' fees approved by Shareholders is allocated to Directors;
 - (viii) reviewing and recommending to the Board the Company's remuneration policy to enable the Company to attract and retain executives and Directors who will create value for shareholders;
 - (ix) reviewing and recommending to the Board remuneration packages to be awarded to executives (including Executive Directors), ensuring that the executive remuneration policy demonstrates a clear relationship between executive performance and remuneration.
 - (x) fairly and responsibly rewarding executives having regard to the performance of the Group, the performance of the executive and the prevailing remuneration expectations in the market;

NOMINATIONS AND REMUNERATION COMMITTEE CHARTER

- (xi) reviewing the Company's recruitment, retention and termination policies and procedures for senior management;
 - (xii) reviewing and approving any equity-based plans and other incentive schemes.
- (c) The Committee shall have the right to seek any information it considers necessary to fulfil its duties, which includes the right to obtain appropriate external advice at the Company's expense.

2. Membership

- (a) The Committee shall comprise at least three Directors, the majority being independent non-executive Directors.
- (b) The Committee will be chaired by an independent Director who will be appointed by the Board.
- (c) The Board may appoint such additional non-executive Directors to the Committee or remove and replace members of the Committee by resolution.

3. Secretary

- (a) The Company Secretary or their nominee shall be the Secretary of the Committee and shall attend meetings of the Committee as required.
- (b) The Secretary will be responsible for keeping the minutes of meeting of the Committee and circulating them to Committee members and to the other members of the Board.
- (c) The Secretary shall distribute supporting papers for each meeting of the Committee as far in advance as possible.

4. Meetings

- (a) The Committee will meet at least once per year and additionally as circumstances may require.
- (b) Meetings are called by the Secretary as directed by the Board or at the request of the Chairman of the Committee.
- (c) A quorum shall comprise any two members of the Committee.
- (d) In the absence of the Committee Chairman, the members shall elect one of their members as Chairman for that meeting.
- (e) Where deemed appropriate by the Chairman of the Committee, meetings and subsequent approvals may be held or concluded by way of circular resolution.
- (f) Decisions will be based on a majority of votes, with the Chairman of the Committee having the casting vote.

NOMINATIONS AND REMUNERATION COMMITTEE CHARTER

- (g) The Committee may invite any executive management team members or other individuals, including external third parties, to attend meetings of the Committee, as they consider appropriate.

5. Access

- (a) Members of the Committee have rights of access to the books and records of the Company to enable them to discharge their duties as Committee members, except where the Board determines that such access would be adverse to the Company's interests.
- (b) The Committee may consult independent experts to assist it in carrying out its duties and responsibilities. Any costs incurred as a result of the Committee consulting an independent expert will be borne by the Company.

6. Duties And Responsibilities

In order to fulfil its responsibilities to the Board, the Committee shall:

(a) Board Composition

Periodically review and consider the structure and balance of the Board and make recommendations regarding appointments, retirements and terms of office of Directors. In particular, the Committee is to:

- (i) identify and recommend to the Board candidates for the Board after considering the necessary and desirable competencies of new Board members to ensure the appropriate mix of skills and experience and after assessment of how the candidates can contribute to the strategic direction of the Company;
- (ii) conduct appropriate background checks as to a potential Board candidate's character, experience, education, criminal record and bankruptcy history;
- (iii) approve and review induction procedures for new appointees to the Board to ensure that they can effectively discharge their responsibilities;
- (iv) assess and consider the time required to be committed by a non-executive Director to properly fulfil their duty to the Company and advise the Board.
- (v) consider and recommend to the Board candidates for election or re-election to the Board at each annual shareholders' meeting;
- (vi) review Directorships in other public companies held by or offered to Directors and senior executives of the Company;
- (vii) review succession plans for the Board with a view to maintaining an appropriate balance of skills and experience on the Board;
- (viii) arrange an annual performance evaluation of the Board, its Committees and individual Directors;

NOMINATIONS AND REMUNERATION COMMITTEE CHARTER

- (ix) make recommendations to the Board on the appropriate size and composition of the Board;
 - (x) make recommendations to the Board on the terms and conditions of appointment to, and removal and retirement from, the Board;
 - (xi) conduct all Board appointment processes in a manner that promotes gender diversity.
- (b) Executive Directors and Senior Executives
- (i) Consider and make recommendations to the Board on the remuneration for each Executive Director (including base pay, incentive payments, equity awards, retirement rights, service contracts) having regard to the Remuneration Policy.
 - (ii) Review and approve the proposed remuneration (including incentive awards, equity awards and service contracts) for the direct reports of the Managing Director (or equivalent). As part of this review the Committee will oversee an annual performance evaluation of the executive team. This evaluation is based on specific criteria, including the business performance of the Company and its subsidiaries, whether strategic objectives are being achieved and the development of management and personnel.
 - (iii) Review and approve the Group's recruitment, retention and termination policies and procedures for senior executives to enable the Company to attract and retain executives and Executive Directors who can create value for shareholders.
 - (iv) Review the on-going appropriateness and relevance of the remuneration policy and other executive benefit programs.
 - (v) Ensure that remuneration policies fairly and responsibly reward executives having regard to the performance of the Company, the performance of the executive and prevailing remuneration expectations in the market.
- (c) Executive Incentive Plans
- Review and approve the design of any executive incentive plans.
- (d) Equity Based Plans
- (i) Review and approve any equity based plans that may be introduced (**Plans**) in the light of legislative, regulatory and market developments.
 - (ii) For each Plan, determine each year whether awards will be made under that Plan.
 - (iii) Review and approve total proposed awards under each Plan.
 - (iv) In addition to considering awards to executive Directors and direct reports to the Managing Director (or equivalent), review and approve proposed awards under each plan on an individual basis for

NOMINATIONS AND REMUNERATION COMMITTEE CHARTER

executives as required under the rules governing each plan or as determined by the Committee.

- (v) Review, approve and keep under review performance hurdles for each equity based plan.

- (e) Diversity

Where considered appropriate, develop measurable objectives and strategies to meet the objectives of the Company's Diversity Policy and monitor the progress of the measurable objectives through the monitoring, evaluation and reporting mechanisms listed in the Diversity Policy.

- (f) Other

The Committee shall perform other duties and activities that it or the Board considers appropriate.

7. Approvals

The Committee must approve the following prior to implementation:

- (a) changes to the remuneration or material contract terms of executive Directors and direct reports to the Managing Director (or equivalent);
- (b) the Plans or amendments to current equity plans or executive cash-based incentive plans;
- (c) total level of awards proposed from equity plans or executive cash-based incentive plans; and
- (d) termination payments to executive Directors or direct reports to the Managing Director (or equivalent). Termination payments to other departing executives should be reported to the Committee at its next meeting.



Steven Michael
Managing Director / Chief Executive Officer
Red Hawk Mining