

TERRAMIN AUSTRALIA LIMITED

NOMINATIONS AND REMUNERATION COMMITTEE CHARTER

INTRODUCTION

This Charter sets out the role, structure and responsibilities of the Remuneration & Nomination Committee (**Committee**) established by the Board of Terramin Australia Limited (**Terramin** or **Company**).

ROLE OF THE COMMITTEE

The role of the Committee is to make recommendations to the Board, and otherwise to assist the Board with its oversight responsibilities, in relation to:

- recruitment and remuneration strategies and policies in relation to Directors, the Chief Executive Officer and other senior executives; and
- performance evaluation, and appointments, re-appointments and succession planning, in relation to the Company Chief Executive Directors and other senior executives, the Board, its committees, and individual Directors.

The Committee's role is also to:

- ensure it is of an effective composition, size and commitment to adequately discharge its responsibilities and duties; and
- independently ensure that the Company adopts and complies with remuneration policies that:
 - attract, retain and motivate high calibre executives and directors so as to encourage strong performance by the Company;
 - are consistent with the human resource needs of the Company;
 - motivate directors and management to pursue the long-term growth and success of the Company within an appropriate control framework and ensure that shareholder interests and employee interests are aligned;
 - demonstrate a clear relationship between key executive performance and remuneration; and
 - are consistent with current governance and legal developments.

RESPONSIBILITIES AND DUTIES

The Committee is responsible for reviewing and making recommendations to the Board in respect of:

- the process for the nomination, selection and induction of non-executive directors to the Board
- the Company's succession plans for non-executive directors, the Chief Executive Officer (CEO) and other senior executives ensuring that the Board and management effective composition, size and commitment to adequately discharge their responsibilities and duties;



- reviewing gender diversity as well as necessary and desirable competencies of the Board and Board Committees to ensure that the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively;
- the level and composition of remuneration of executives and non-executive directors which will aim to:
 - attract, retain and motivate high calibre executives and directors so as to encourage enhanced performance by the Company;
 - motivate directors and management to pursue the long-term growth and success of the Company within an appropriate control framework;
 - demonstrate as much as possible a clear relationship between key executive performance and remuneration; and
 - are consistent with current governance and legal requirements.
- the remuneration framework for all staff in the organisation, in particular with respect to equity-based remuneration structures;

The Committee is also responsible for reviewing:

- the performance of the senior executives annually;
- the Company's compliance with its approved nomination and remuneration policies and practices;
- annually the relative proportion of women and men appointed or employed within the Company group;

For these purposes, the Committee is authorised to engage, at the Company's expense, outside legal or other professional advice or assistance on any matters within its Charter.

REPORTING

The Chairman shall report to the Board at the Board meeting following each Committee meeting. The report shall cover:

- the Committee's actions with respect to the areas of primary responsibility set out in the Responsibilities and Duties section below; and
- any other material matters relevant to the Committee's duties.

CONSTITUTION

The Committee is constituted and delegated functions by the Board. It has no powers other than those set out in this charter or otherwise delegated to it by the Board.

The Committee's role is to review and make recommendations to the Board. It has no executive power or management function.

The Board retains full responsibility for nomination and remuneration policy.

MEMBERSHIPS AND MEETING

The Committee shall have at least 3 members. A quorum shall be 2 members. In the event that a member is unable to attend a Committee meeting for any reason, he may nominate another director to attend as his alternate by giving prior notice to the Chairman.

New Committee members shall be given a thorough briefing by the Chairman and/or Secretary on key nomination and remuneration issues and provided with appropriate background documentation.



The Board will appoint the Chairman of the Committee. The Chairman must be independent and must not be the Chairman of the Board. The Chairman will be involved in selection of Committee members and oversee planning and conduct of Committee meetings and presentations to the Board from the Committee. Should the Chairman be absent from a meeting, the members of the Committee present shall appoint a Chairman for that particular meeting.

The Committee will meet at least once during each calendar year. Otherwise the Chairman of the Committee will call meetings as and when necessary or appropriate. Any Committee member may also call a meeting of the Committee. The Committee may invite any director, senior manager or other staff member, or external or internal auditor, to attend all or a part of a meeting of the Committee.

The Committee will operate independently of management of the Company, whilst receiving recommendations and input from external advisers and other individuals as required, however no individual will be directly involved in deciding his/her remuneration.

Any action permitted to be taken at any meeting of the Committee may be taken without a meeting, if a written recommendation is signed by all the members of the Committee, provided that such written recommendation shall be filed with the minutes of the proceedings of the Committee.

The Company Secretary shall act as Secretary of the Committee and shall attend meetings of the Committee, as required.

The Company Secretary will be responsible for taking and keeping minutes of Committee meetings and circulating minutes to all Committee members. Minutes will be included in the papers for the next meeting of the Board following the Committee meeting.

REVIEW

The Committee will annually review its role and responsibilities and evaluate the effectiveness of its performance. Any recommendations arising from a review will be put to the Board for consideration.

The Committee will review this Charter annually to ensure it is consistent with the Committee's authority, role and responsibilities. Any proposed amendments to this Charter arising from a review will be put to the Board for consideration.

