



REMUNERATION CHARTER: TERMS OF REFERENCE

CONSTITUTION

The full board acts as the remuneration committee.

PRIMARY FUNCTIONS

The primary functions of the Remuneration Committee are to:

- make specific recommendations to the board on remuneration of directors and senior officers;
- recommend the terms and conditions of employment for the Managing Director /CEO;
- Review and recommend on the introduction of any incentive schemes for employees & directors including, but not limited to, company share and option schemes, superannuation benefits, health schemes, etc;
- undertake a review of the Managing Director' / CEO's performance, at least annually, including setting with the goals for the coming year and reviewing progress in achieving those goals;
- undertake a review of the performance of the management of the company, at least annually, including setting with them goals for the coming year and reviewing progress in achieving those goals;
- consider and report to the board on the recommendations of the Managing Director on the remuneration of all direct reports; and
- develop and facilitate a process for board and director evaluation.

The chairman of the board will be chairman of the Remuneration Committee.

The Committee may also invite external professional advisers to address the Committee to assist the Committee in achieving its objectives.

The Company recognises that it operates in a competitive environment and to operate effectively, it must attract, motivate and retain key personnel. The Board of Directors and key management personnel have authority and responsibility for planning, directing and controlling the activities of the Group. Compensation levels for key management personnel of the Company are competitively set to attract and retain appropriately qualified and experienced Directors and Executives.

The compensation structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. The compensation structures take into account:

- The capability and experience of the key management personnel;
- Size of the Group;
- The key management personnel's ability to control the performance;
- The Group's exploration success and identification of new investments; and
- Results of Feasibility Studies and growth in Mineral Resources.

The Board may exercise its discretion in relation to approving incentives, bonuses, performance rights and options in line with individual performance, exploration results and the performance of the Group. The policy is designed to attract the highest calibre of Executives and reward them for performance that results in long-term growth in shareholder wealth.

Key management personnel are also entitled to participate in the company's performance rights and option plan ("Plan"). The Company has adopted the Employee Performance Rights and Options Plan which was approved by shareholders at the November 2019 Annual General Meeting. The Board considers length of service, seniority, responsibilities, potential contribution and any other relevant matters in determining eligibility of participants. The Board has sole responsibility in determining the number of performance rights, options and terms and conditions granted to any participant under the plan.

The Board policy is to remunerate Non-Executive Directors at market rates for time, commitment and responsibilities. Directors may also provide consultancy services to the Company and are remunerated at market rates.

Directors also participate in the plan subject to approval by shareholders at a general meeting. Rights and Options are valued using standard valuation techniques such as Black-Scholes and Monte Carlo option pricing models. Non-Executive Directors receive superannuation guarantee contributions required by the government, which is currently 9.5% (2019: 9.5%) and do not receive any other retirement benefits.

The Board determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at the Annual General Meeting. Fees for Non-Executive Directors are not linked to the performance of the Group. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company.

The Board obtains independent advice as required on the appropriateness of compensation packages of the Company given trends of comparative companies and the objectives of the Company's compensation strategy. In July 2020, the Company engaged Stellar HR to review and provide recommendations on the company's executive remuneration, framework and provide human resource and organisational development services as the Company works towards completion of the Definitive Feasibility Study and the planned transition from explorer to producer.

AUTHORITY

The Committee is authorised by the board

1. to investigate any activity within its terms of reference;
2. to seek any information it requires from any employee; and
3. to direct all staff to cooperate with any request made by the Committee.

The Committee is authorised by the board to obtain external legal or other independent professional advice and secure the attendance at Committee meetings of advisers with relevant experience and expertise if it considers this necessary. This advice must be sought in accordance with board policy on access to independent professional advice.