

Appointment and Selection of Directors Policy – Summary

The Board's procedure when selecting and appointing new Directors varies depending upon the circumstances of the Company at the particular time. Generally, however, the procedure for the selection and appointment of a new Director will be based on the Nomination Committee doing the following:

1. assessing the needs of the Board to ensure that there is a range of skills represented, including, but not limited to:
 - a. the range of skills currently represented on the Board;
 - b. the skills, expertise, experience (including commercial and/or industry experience) and particular qualities that make individuals suitable to be a Director of the Company; and
 - c. the individual's understanding of accounting, finance and legal matters;
2. where a need is identified or arises, using appropriate sources available to the Nomination Committee to identify potential candidates for the Board;
3. developing a short list of potential appointees taking into account, among other things, the particular skills and expertise of each individual appointee and their ability to fit with the existing Board; and/or
4. recommending to the Board the most appropriate person from the short list of potential appointees to be invited to become a Director of the Company.

Policy for the appointment of Directors

The Nomination Committee policy for the appointment of Directors, as part of the broader selection and appointment procedure, looks to ensure that the potential appointee best matches the needs of the Board.

Factors considered by the Nomination Committee when recommending a person for appointment as a Director include, but are not limited to:

- 1 the time commitment required by a Director to effectively discharge his or her duties to the Company;
- 2 the number of existing Directorships and other commitments that may demand the attention of the appointee;
- 3 the nature of existing positions, directorships or other relationships and the impact that each may have on the appointee's ability to exercise judgment without conflicts of interest; and
- 4 the extent to which the appointee is likely to work constructively with the existing Directors and contribute to the overall effectiveness of the Board.

In accordance with the Company's constitution, all new appointees to the Board will only hold office until the next Annual Shareholders' Meeting after the date of their appointment.

The Company will ensure that a notice of Shareholders' Meeting involving the election of Directors will contain sufficient information to enable shareholders to make an informed choice about who should be elected as a Director.

Policy for the re-election of Directors

A number of factors are considered by the Board in relation to whether an incumbent Director should be recommended to Shareholders for re-election. These include:

1. an assessment of the factors set out above under the heading "Policy for the appointment of Directors", in so far as they relate to the incumbent Director; and
2. the Chairman's assessment of the incumbent Director's performance, which takes into account a number of factors, including his or her attendance at Board meetings and contribution to, and experience gained on, the Board historically.

The Company will ensure that a notice of Shareholders' Meeting contains relevant background information on those Directors recommended for re-election.