

**MOUNT HOPE MINING
LIMITED ACN 677 683 055**

**Remuneration and
Nomination Committee
Charter**

Remuneration and Nomination Committee Charter

1 Introduction

This is the charter of the Remuneration and Nomination Committee (**Committee**) which has NOT been established as a separate committee by the board of directors (**Board**) of Mount Hope Mining Limited ACN 677 683 055 (**Company**) at this stage in accordance with the Company's constitution (**Constitution**) (**Charter**), however the board will act in accordance with this charter.

This Charter sets out the role, authority, responsibilities, composition and procedural requirements of the Committee.

2 General Scope and Authority

- (a) The Remuneration and Nomination Committee is a Committee of the Board. The Charter may be subject to review by the Board at any time. At present, the full Board carries out the duties that would ordinarily be assigned to a Remuneration and Nomination Committee under this Charter
- (b) The primary purpose of the Committee is to support and advise the Board in fulfilling its responsibilities to shareholders by:
 - (i) maintaining a Board that has an appropriate mix of skills and experience to be an effective decision-making body; and
 - (ii) 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.
 - (iii) reviewing and approving the executive remuneration policy to enable the Company to attract and retain executives and Directors who will create value for shareholders;
 - (iv) reviewing and approving the non-executive remuneration policy to enable the Company to attract and retain non-executive Directors in a manner that will not conflict with their obligation to bring an independent judgement to matters before the Board;
 - (v) ensuring that the executive remuneration policy demonstrates a clear relationship between key executive performance and remuneration;
 - (vi) recommending to the Board the remuneration of executive Directors;
 - (vii) 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;
 - (viii) reviewing the Company's recruitment, retention and termination policies and procedures for senior management;
 - (ix) reviewing and approving the remuneration of Director reports to the Managing Director, and as appropriate other senior executives; and

- (x) 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.

3 Composition

The Board will endeavour to comply with the below composition requirements of the Remuneration and Nomination Committee Charter where possible, noting that the stage of the Company's operations and the composition of the Board may not permit all composition requirements to be met from time to time:

- (a) The Committee shall comprise at least three Directors, the majority being independent non-executive Directors in accordance with the criteria set out in **Error! Reference source not found.**
- (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.
- (d) A quorum will comprise any two independent non-executive Director Committee members. In the absence of the Committee Chair or appointed delegate, the members shall elect one of their number as Chair for that meeting.

4 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.

5 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 Chair of the Committee.
- (c) A quorum shall comprise any two members of the Committee. In the absence of the Committee Chair or appointed delegate, the members shall elect one of their members as Chair.

- (d) Where deemed appropriate by the Chair of the Committee, meetings and subsequent approvals may be held or concluded by way of a circular written resolution or a conference call.
- (e) Decisions will be based on a majority of votes with the Chair having the casting vote.
- (f) 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.

6 Access

- (a) A member of the Committee who is also a director of the Company, has rights of access to the books and records of the Company to enable them to discharge their duties as a Committee member in accordance with any Deed of Indemnity, Insurance and Access entered into with the Company. Otherwise, members of the Committee have rights of access to the books and records of the Company to enable them to discharge their duties as a Committee member, except where the Board determines that such access would be adverse to the Company's interests.
- (b) Members of the Committee may consult independent legal counsel or other advisers they consider necessary to assist them in carrying out their duties and responsibilities, subject to prior consultation with the Chair, which shall not be unreasonably withheld. Any costs incurred as a result of the Committee consulting an independent expert will be borne by the Company.

7 Duties and responsibilities

Nomination

- (a) The Committee shall 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:
 - (A) considering the necessary and desirable competencies of new Board members to ensure the appropriate mix of skills, experience, expertise and diversity; and
 - (B) assessment of how the candidates can contribute to the Company's strategic direction;
 - (ii) approve and review induction procedures for new appointees of the Board to ensure that they can effectively discharge their responsibilities;
 - (iii) 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.
 - (iv) consider and recommend to the Board candidates for election or re-election to the Board at each annual shareholders' meeting;
 - (v) review Directorships in other public companies held by or offered to Directors and senior executives of the Company;

- (vi) review succession plans for the Board with a view to maintaining an appropriate balance of skills and experience on the Board;
 - (vii) arrange an annual performance evaluation of the Board, its Committee and individual Directors;
 - (viii) make recommendations to the Board on the appropriate size and composition of the Board; and
 - (ix) make recommendations to the Board on the terms and conditions of appointment to, and removal and retirement from, the Board.
- (b) The Committee should maintain and provide to the Board at appropriate times a skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.

Remuneration

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

- (a) **(Executive remuneration policy):**
 - (i) 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 Directors who can create value for shareholders.
 - (ii) Review the on-going appropriateness and relevance of the executive remuneration policy and other executive benefit programs.
 - (iii) 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.
- (b) **(Executive directors and senior management):**
 - (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 executive remuneration policy.
 - (ii) Review and approve the proposed remuneration (including incentive awards, equity awards and service contracts) for the direct reports of the Chief Executive Officer / Managing Director. 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.
- (c) **(Executive incentive plan):** 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 Chief Executive Officer / Managing Director, review and approve proposed awards under each plan on an individual basis for 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) **(Non-executive remuneration policy):**
 - (i) Consider and make recommendations to the Board on the remuneration for each non-executive Director (as distinct from the remuneration structures of executive directors and senior management) having regard to the non-executive remuneration policy; and
 - (ii) Review the ongoing appropriateness and relevance of the non-executive remuneration policy.
- (f) **(Other):** The Committee shall perform other duties and activities that it or the Board considers appropriate.

8 Approvals

The Committee must approve the following prior to implementation:

- (a) changes to the remuneration or contract terms of executive Directors and direct reports to the Chief Executive Officer / Managing Director;
- (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. Termination payments to other departing executives should be reported to the Committee at its next meeting.

9 Prohibition against hedging unvested entitlements

The Committee must ensure that Key Management Personnel participating in equity based incentive plans are prohibited from entering into any transaction which would have the effect of hedging or otherwise transferring to any other person the risk of any fluctuation in the value of any unvested entitlement in the Company's securities.