

3 REMUNERATION, NOMINATION and DIVERSITY COMMITTEE CHARTER

*Once the Board is of a sufficient size and structure, reflecting the Company's growth in operations, then the Board will establish a separate Remuneration, Nomination and Diversity Committee (**Committee**) to assist in fulfilling its duties.*

Until such time, the Board will carry out the duties that would ordinarily be assigned to the Remuneration, Nomination and Diversity Committee under the written terms of reference, being this adopted Charter.

In this Charter, a reference to the Committee is a reference to the Board and a reference to a meeting of the Committee is a reference to a meeting of the Board for the purposes of satisfying the responsibilities of the Committee.

This Charter has been adopted.

1. Role

The role of this Committee is to identify and recommend candidates to fill Board vacancies, determine the appropriateness of director nominees for election to the Board and to appoint Board candidates to achieve diversity, ensuring the Company's values are maintained.

2. Function and Responsibility

The principal functions of the Committee include:

- review and recommend to the Board the overall strategies in relation to executive remuneration policies;
- review and make recommendations to the Board in respect of the compensation arrangements for all non-executive directors;
- review the effectiveness of performance incentive plans;
- review and make recommendations to the Board in respect of all equity based remuneration plans;
- review and make recommendations to the Board in respect of the Company's recruitment, retention and termination policies and superannuation arrangements;
- review the composition of the Board and ensure that the Board has an appropriate mix of skills and experience to properly fulfil its responsibilities;
- ensure 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;
- review and make recommendations to the Board in respect of the succession plans of senior executives (other than executive Directors) and ensuring the performance of senior executives is reviewed at least annually; and
- consider nominations for potential candidates to act as Directors.

In consultation with the Chief Executive Officer, the Committee will review and recommend to the Board for approval, the Company's general approach to compensation and will oversee the development and implementation of the compensation regime. However ultimate responsibility for the Company's nomination and remuneration policies remains with the Board.

Without limiting its role, the specific duties and responsibilities of the Committee include the following:

(a) Recruitment policy

The Committee will regularly review and make recommendations to the Board in respect of the Company's recruitment policy.

(b) Remuneration policy

The Committee will:

- Determine and agree with the Board the policy for the remuneration of the Chair, non-executive directors, the Chief Executive Officer and senior executives (Remuneration Policy);
- review the on-going appropriateness and relevance of the Remuneration Policy;
- review and submit to the Board equity based plans
- ensure that all relevant legal requirements regarding disclosure of remuneration, in all forms, are complied with.

1) Non-executive Directors

The maximum remuneration of non-executive directors is to be determined by the Shareholders in general meeting in accordance with the Company's Constitution, the ASX Listing rules and the Corporations Act 2001 (Cth). The individual fees for each non-executive director, within the allowed maximum will be made by the Board having regard to each individual director's contribution to the Board.

Shareholders must also approve the framework for any future equity based compensation schemes and if a recommendation is made for a director to participate in an equity scheme, that participation must be approved by the shareholders.

The practice of granting options to non-executive directors as a part of their remuneration package is not recommended in accordance with the ASX Corporate Governance Council's, Principles of Good Corporate Governance and Best Practice Recommendations (second edition). However, the Committee will from time to time consider whether equity participation by way of the grant of options to members of the Board is appropriate. In such circumstances the meeting materials for the shareholder approval relating to the issue of options will disclose that the practice is contrary to the recommendations set out in the ASX Corporate Governance Council's, Principles of Good Corporate Governance and Best Practice Recommendations (second edition).

2) Senior Executives

The Company's remuneration policy for senior executives is designed to promote superior performance and long-term commitment to the Company. Remuneration packages are set at levels that are intended to attract and retain executives capable of managing the Company's operations. Executives receive a base remuneration package which is market related, together with performance based remuneration which is met out of a profit sharing pool on a calendar year basis.

The remuneration of the Chief Executive Officer will be determined by the Board.

The remuneration packages for senior executives will be determined by the Chief Executive Officer in accordance with the Remuneration Policy. To assist the Chief Executive Officer to determine executives' remuneration and to allow the Board to adequately review any executive remuneration policy, the Committee will review:

- the proposed remuneration (including incentive awards, equity awards and service contracts) for senior executives, to ensure that it is consistent with the Remuneration Policy;
- contractual rights of senior executives on termination, and any payments made or proposed, to determine whether they are reasonable in the circumstances; and
- the depth of senior executives and the appropriateness of succession planning policies which are in place.

The Committee will review succession plans of senior executives (other than executive Directors) on a regular basis to maintain an appropriate balance of skills, experience and expertise in the management of the Company and providing advice to the Board accordingly.

With respect to cash-based and equity-based incentive plans together with Employee benefits and other policies, the Committee will:

- Make recommendations to the Board with respect to the implementation and operation of equity-based incentive plans and other employee benefit programs; and
- Ensure that incentive schemes are designed around appropriate performance benchmarks that measure relative performance and provide rewards for materially improved company performance.

Superannuation

The Committee will regularly review and provide advice to the Board in relation to the Company's superannuation arrangements.

Termination

The Committee will:

- Determine and regularly review the Company's termination policies, including the Company's policy in relation to the compensation agreed to be paid to any executive Director or other senior executive in connection with termination of employment and, where appropriate, office as Director.
- Ensure that termination payments for the Chief Executive Officer and any executive Directors are agreed in advance, including detailed provisions in case of early termination, except for removal for misconduct.
- Ensure that employment agreements include a clear articulation of performance expectations.
- Ensure that consideration is given to the consequences of an appointment not working out, and to the costs and other impacts of early termination.

(c) Nominations

The Committee shall periodically review and consider the size and structure of the Board and where necessary make recommendations to change the make up of the Board.

In terms of Nomination, the Committee:

- identifies and recommend 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;
- approve and review induction procedures for new appointees of the Board to ensure that they can effectively discharge their responsibilities;
- 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;
- consider and recommend to the Board candidates for election or re-election to the Board at each annual shareholders' meeting;
- review directorships in other public companies held by or offered to directors and senior executives of the Company;
- review succession plans for the Board with a view to maintaining an appropriate balance of skills and experience on the Board;
- make recommendations to the Board on the appropriate size and composition of the Board; and
- make recommendations to the Board on the terms and conditions of appointment to, and removal and retirement from the Board.

(d) Diversity

The Committee will:

- Develop and review annually the Company's Diversity Policy and strategy;
- Establish and monitor measurable objectives for achieving diversity that are linked to the Company's circumstances and industry; and
- Assess and report to the Board at least annually on the objectives of the diversity strategy and progress achieved

3. Composition

The Committee shall comprise at least three (3) non-executive directors, a majority of whom are independent and who have diverse and complementary backgrounds.

The Chair of the Committee will be appointed by the Board and will not be the Chair of the Board of Directors; and

The Committee will appoint a Secretary who will normally be the Company Secretary.

4. Meetings

The Committee will meet as frequently as necessary, but not less than twice a year and one of those meetings must take place at least 2 months prior to each annual general meeting.

Any member may (and the Secretary must act upon a request from any member) convene a meeting of the Committee. Notice is to be given to every member of the Committee with no minimum notice period required and minutes of all Meetings of the Committee will be maintained.

Board Directors are entitled to attend Committee meetings together with the Chief Executive Officer and the Chief Financial Officer by invitation.

5. Reporting to the Board

The Committee Chair shall report the findings and recommendations of the Committee to the Board after each Committee meeting.

6. Authority

In performing its functions in accordance with any applicable law, the Committee:

- has unrestricted access to executive management, all employees and all Company records and to financial and legal advisors;
- has unrestricted access to information and reports relevant to fulfilling its responsibilities;
- may seek independent external advice (at the cost of the Company) on matters brought before the Committee or in relation to the functions and responsibilities of the Committee; and
- investigations into any matters within the Committee's scope of responsibilities or when requested by the Board

(a) Board approvals

The Board is to approve the following (subject to recommendation by the Committee as required under this Charter):

- (i) the executive remuneration policy;
- (ii) the remuneration report to be included in the annual report;
- (iii) the design of all equity-based incentive plans; and
- (iv) the remuneration of the non-executive directors.

(b) Committee approvals

The Committee is to approve the following prior to implementation:

- (i) changes to the remuneration or contract terms of executive directors;
- (ii) the design of new executive equity or cash-based incentive plans and any amendments to current plans;
- (iii) the total level of award proposed from equity-based plans or executive cash-based incentive plans; and
- (iv) termination payments to executive directors and other members of the senior executive team.

7. Other

The Committee may seek input from individuals on remuneration policies, but no individual should be directly involved in deciding their own remuneration and/or position.

The Committee may, in its discretion, delegate all or some of its responsibilities to a sub-committee.

Policy History

Date	Change Reason
June 2020	2 nd Revision
August 2017	1 st Revision
July 2013	Policy adopted by the Board