



Remuneration & Nomination Committee

Adopted by the Board on 28th July 2009

1. Purpose

The Remuneration and Nomination Committee is a committee of the Board of Centrex Metals Limited created to assist and advise the Board in relation to:

- the appointment of directors to the Board;
- reviewing, formulating policy and monitoring progress of succession planning generally in the Company;
- reviewing and making recommendations to the Board for approval of the Managing Director's remuneration;
- reviewing and approving recommendations from the Managing Director on remuneration for executives and senior managers of the Company;
- formulating and reviewing remuneration policies and practices;

2. Membership

Due to the small size of the Board, the membership criteria outlined below may not be achievable. Where possible the Remuneration and Nomination Committee will consist of:

- at least three members; and
- a majority of independent directors who are nominated by the Board.

The committee may elect one of its independent director members as chairman of their meetings. Management (other than the Managing Director) may attend meetings of the committee at the invitation of the committee chairman, but must not be appointed members of the committee.

3. Administrative Matters

The committee will meet at least two times annually or more frequently as required.

Any committee member may, and the Company Secretary must on request from a member, convene a meeting of the committee.

Two directors shall constitute a quorum.

The committee has a right to access management and to seek additional information and explanations where it considers it appropriate. The committee, may on obtaining approval of the chairman of the Board, instruct the Managing Director to engage independent professional advisers as the committee requires to assist it to discharge its purpose and responsibilities.

The Company Secretary will attend all committee meetings as minute secretary. All minutes will be entered into a minute book maintained for that purpose and be available at all times for inspection by any director.

4. Responsibilities

The following are intended to form part of the usual procedures for the committee's purpose:

- review and make recommendations to the Board for approval, on the advice of the Managing Director, of the remuneration amounts and packages for executives and senior managers, other than the Managing Director;
- review and make recommendations to the Board for approval of the Managing Director's remuneration amount and package;
- review remuneration policies and practices generally including incentive schemes for employees and performance targets as submitted by the Managing Director and, where necessary for approval by the Board;

- review and ensure compliance with the Company's obligations in relation to employee benefits and entitlements, superannuation and termination payments;
- review and make recommendations to the Board on the Company's recruitment, retention and termination policies for senior management;
- assess the necessary and desirable competencies of Board members;
- recommend ways to assess the effectiveness of Board members;
- make recommendations of candidates, for consideration and approval by the Board, for appointment to the Board;
- review, formulate policy and monitor progress of succession planning generally in the Company and make recommendations to the Board for approval;

5. Reporting

The committee chairman will usually provide an oral report to the Board of any material matters arising out of the previous meeting of the committee. The minutes of any meetings will be provided to the Board with its Board papers for information. However, if the committee has met before a Board meeting but has not approved the minutes of that meeting or meetings, the draft minutes of the meeting or meetings will be approved by the chairman of the committee for provision to the Board.

6. Review

The Board will, at least once a year review the membership and charter of the committee to determine its adequacy and effectiveness for current circumstances. The committee may make recommendations to the Board in relation to the committee's membership, purpose and responsibilities.