

# **SWICK MINING SERVICES LTD**

## **REMUNERATION & NOMINATION COMMITTEE CHARTER**

### **1. INTRODUCTION**

The Board of Swick Mining Services Ltd (“**Swick**” or the “**Company**”) has established a Remuneration and Nomination Committee (“**Committee**”) to assist the Board in fulfilling its responsibilities in relation to:

- developing and assessing the Company’s remuneration policies to ensure that remuneration is sufficient and reasonable and that its relationship to performance is clear; and
- structuring the Board to ensure that it has an effective composition, size and commitment to adequately discharge its responsibilities and duties, and add value through effective decision making.

The Board supports the Principles of Good Corporate Governance and Best Practice Recommendations 2<sup>nd</sup> Edition developed by the ASX Corporate Governance Council (the “**Principles**”).

The Committee has no Board decision making responsibility, but makes considered recommendations to the Board of Directors.

### **2. SCOPE**

#### ***Remuneration***

The primary functions of the Committee with respect to remuneration are to develop remuneration policies for the Company that are appropriate to the organisation with respect to its size, peers and market conditions, and to recommend remuneration packages and incentive schemes for the Company’s Senior Executives and Management, and remuneration packages for Non-Executive Directors, that motivate and reward performance, attract and retain quality people, and align interests with those of shareholders.

The key responsibilities of the Committee include:

- undertaking an annual review of market conditions, economic factors, industry trends, remuneration statistics and trends, and peer remuneration practices to set the framework for the determination of organisational wide remuneration policies;
- ensuring that a formalised annual performance appraisal and remuneration review process is in place and carried out each year across the Company;
- reviewing the remuneration of Senior Executives on at least an annual basis and putting remuneration recommendations to the Board for approval;
- reviewing the remuneration of Non-Executive Directors on at least an annual basis and putting remuneration recommendations to the Board for approval;
- reviewing remuneration recommendations for Management put forward by their immediate supervisors and putting those remuneration recommendations to the Board for approval;

- making recommendations to the Board with respect to the Company's equity based performance incentive plans and cash based performance incentive plans; and
- reviewing the operation and effectiveness of the Company's equity based performance incentive plans and cash based performance incentive plans and making recommendations to the Board with respect to the modification of existing plans or the introduction of new plans.

### ***Nomination***

The primary functions of the Committee with respect to nomination are to develop a framework within which the desired competencies, composition and size of the Board are established, and regularly monitor the appropriateness of the Board structure against that framework, and structure and oversee the procedures for the recruitment and selection of new Board candidates.

The key responsibilities of the Committee include:

- developing and monitoring a framework within which the desired skills, experience and expertise of the Board are established, appropriate to the Company's circumstances;
- monitoring the existing Board structure against the framework and making recommendation to the Board with respect to proposed changes to the Board;
- developing procedures for the recruitment and selection of new Board candidates;
- overseeing the implementation of the procedures for recruiting new Board candidates;
- making recommendations to the Board with respect to the membership of Board committees; and
- ensuring that succession planning is undertaken for key Management positions and the position of Chairman.

### **3. MEMBERSHIP**

The Committee shall be structured so that it comprises a majority of independent directors. The Committee shall have at least three members.

The Committee shall be chaired by an independent director.

The Committee (including the Chairman of the Committee) will be appointed by the Board of Directors. The Committee will itself appoint a Committee Secretary from amongst its members or from a member of Senior Management.

The effect of ceasing to be a Director of the Board is automatic termination of appointment as a member of the Committee.

### **4. MEETINGS**

The Committee will meet at least twice a year and more frequently as required.

The Chairman of the Committee may call a meeting of the Committee at any time, or if so requested by any member of the Committee.

A quorum will consist of two Committee members.

The Committee Secretary, in conjunction with the Chairman, shall draw up an agenda for meetings, which shall be circulated to each member of the Committee and attendees, at least two working days prior to each meeting.

The Committee Secretary will prepare the Minutes of the Committee meetings, which shall be considered at the next Board of Directors meeting.

As necessary or desirable, the Chairman may invite Senior Executives and Management to be present at meetings.

## **5. AUTHORITY**

In carrying out its responsibilities, the Committee has full authority to investigate all matters that fall within the terms of reference of this Charter. Accordingly, the Committee may:

- obtain independent professional advice in the satisfaction of its duties at the reasonable cost of the Company; and
- have such direct access to the resources of the Company, as it may reasonably require, including Senior Executives and Management and external auditors.

The Committee may, if it deems appropriate, hold private meetings with advisers and Senior Executives and Management personnel.

## **6. CHARTER REVIEW**

The Committee shall review this Charter within six months of its adoption and thereafter annually.