

# SWICK MINING SERVICES LTD

## OPERATIONS COMMITTEE CHARTER

### 1. INTRODUCTION

The Board of Swick Mining Services Ltd (**Swick** or the **Company**) has established an Operations Committee (**Committee**) to assist the Board in fulfilling its responsibilities in relation to assessing and managing operational performance and risk.

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

The primary function of the Committee is to review current operational performance, assist Management to identify issues that may affect both current and future performance and develop action plans to address any such issues identified.

The key areas of review will include:

- health and safety performance;
- employee recruitment, training and retention;
- performance and productivity by drilling division;
- performance of the maintenance and supply support services; and
- customer relationships.

The Committee meetings will be a forum to discuss operations strategy and future business opportunities including Research and Development possibilities.

The Continuous Improvement Committee function has been placed on hold until the Company finalises its restructure and mineral industry conditions stabilise. The Operations Committee will continue to review the requirement for a Continuous Improvement Committee.

### 3. MEMBERSHIP

The Committee should comprise a minimum of two non-executive members of the Board of Directors, the Managing Director and the Finance Director. Where appropriate, other members of Senior Management will be invited to present to the Committee on specific issues relating to operational performance as covered in the above scope.

The Committee shall be chaired by an Independent Chairman who is not Chair of the Board of Directors.

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 or employee of the Company is automatic termination of appointment as a member of the Committee.

#### **4. MEETINGS**

The Committee will meet at least every two months 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.

#### **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.