



PROCEDURE FOR THE SELECTION, APPOINTMENT AND RE-ELECTION OF DIRECTORS

Responsibility for selection

The Nominations Committee is responsible for evaluating Board candidates and recommending individuals for Board appointment as a director.

Selection criteria

New Board members will be sought who possess the particular skills, experience, expertise and diversity that will best complement Board effectiveness at the time. In its evaluation of candidates for the Board, the Nominations Committee will have regard to normally accepted nomination criteria, including:

- (a) honesty and integrity;
- (b) the ability to exercise sound business judgement;
- (c) appropriate skills, experience, diversity and professional qualifications;
- (d) absence of conflicts of interest or other legal impediments to serving on the Board;
- (e) willingness to devote the required time;
- (f) the current and emerging strategic and business needs of the Company; and
- (g) the Board's succession planning and retirement arrangements.

In considering overall Board balance, the Nominations Committee will give due consideration to the value of a diversity of backgrounds and experiences among the members. The Board may engage an independent recruitment firm to undertake a search for suitable candidates.

Prior to appointment

Prior to appointment, preferred candidates:

- (a) are required to be available to meet with the Board;
- (b) must disclose the nature and extent of their other appointments and activities; and
- (c) must demonstrate that they understand what is expected of them and confirm that they are willing to make the necessary commitment to discharge their responsibilities.

Letters of appointment

Complete details regarding the terms and conditions of a candidate's appointment are set out in a formal letter of appointment, which also sets out obligations that a Director is required to fulfil. The candidate is required to accept all terms and obligations as a condition of their appointment.

Induction

Induction training is provided to all new directors including a comprehensive induction manual.

Directors' Deeds

Each director is required to enter into a Deed of Indemnity, Insurance and Access which, among other things, provides the director with certain indemnities and rights of access to Company information following retirement.

Appointment

Non-executive directors appointed by the Board must retire at the next Annual General Meeting, at which time they may stand for election by shareholders. Subject to the terms of the Company's Constitution, Non-executive directors are elected by the shareholders for a three year term.

Re-election

A non-executive director will not stand for re-election except with the recommendation of the Board or otherwise in accordance with the procedure prescribed by the Constitution. Board support for a director's re-election is not automatic and is subject to satisfactory director performance.