
Nomination & Remuneration Committee Charter

**Stonewall Resources Limited
(ACN 131 758 177)**

Nomination & Remuneration Committee Charter

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1. DEFINITIONS

ASIC	the Australian Securities and Investments Commission.
ASX	ASX Limited ABN 98 008 624 691.
ASX Listing Rules or Listing Rules	the Official Listing Rules of the ASX as amended or replaced from time to time.
Audit & Risk Management Committee	that Committee charged with determining, implementing and assessing controls for financial management, financial reporting and risk management generally for the Company.
Board	board of directors of the Company.
Charter	the charter of any Committee set out in this Corporate Governance Charter.
Committee	each committee created by the Board in accordance with this Corporate Governance Charter including without limitation, the Audit & Risk Management Committee and the Remuneration and Nomination Committee.
Company	Stonewall Resources Limited (ACN 131 758 177).
Corporate Ethics Policy	the policy set out at section 5 detailing directors' duties given their position with the Company, obligations with respect to trading in securities and general disclosure obligations.
Corporate Governance Principles and Recommendations	<i>the Corporate Governance Principles and Recommendations 2nd Edition</i> issued by the ASX Corporate Governance Council in 2007.
Corporate Governance Charter	the policies, procedures and charters set out in this document.

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Corporations Act	the <i>Corporations Act 2001 (Cth)</i> as amended or replaced from time to time.
Constitution	the constitution of the Company.
Independent Director	a Director who has a sufficient level of independence to the Company, determined in accordance with Section 2.1(c) of this document.
Management	the executive directors and senior managers of the Company.
Standing Rules	the general and procedural rules of each Committee set out in Section 5 of this Corporate Governance Charter.

2. NOMINATION AND REMUNERATION COMMITTEE CHARTER

2.1. Committee Members

The Board may establish a Nomination and Remuneration Committee. The Corporate Governance Principles and Recommendations require the Nomination and Remuneration Committee to be structured so that it:

- (a) consists of a majority of Independent Directors;
- (b) is chaired by an Independent Director; and
- (c) has at least two members.

The company secretary and representatives of the auditors may be invited to attend meetings of the Nomination and Remuneration Committee from time to time.

2.2. Purpose

- (a) This Nomination and Remuneration Committee Charter (the **Charter**) sets out the role, responsibilities, composition, authority and membership requirements of the Nomination and Remuneration Committee of the Company.
- (b) This Charter or key features of this Charter will be made publicly available, ideally by posting it to the Company's website in a clearly marked corporate governance section. The Charter is available to shareholders of the Company upon request to the Company Secretary.

2.3. Definition and Objectives of the Committee

- (a) The Nomination and Remuneration Committee (**Committee**) is a Committee of the Board.
- (b) The Committee's primary function is to assist the Board in discharging its responsibility to exercise due care, diligence and skill in relation to the Company by:

General Functions

- (i) review and make recommendations to the Board on remuneration packages and policies related to the Directors and Management;
- (i) ensure that the remuneration policies and practices are consistent with the Company's strategic goals and human resources objectives;
- (i) review and make recommendations in relation to the composition and performance of the Board and its Committees; and
- (ii) ensure that adequate succession plans are in place (including for recruitment and appointment of Directors and Management).

The Nomination and Remuneration Committee may seek independent advice where it considers appropriate.

Senior executive remuneration and performance review function

The Nomination and Remuneration Committee has the following specific responsibilities with respect to members of the Board and Management:

- (a) policies and structures:
 - (i) recommending remuneration policies and procedures for Management to the Board;
 - (ii) recommending various remuneration structures, incentive programs and performance measures for Management to the Board;
 - (iii) recommending various recruitment, retention and termination policies and procedures to the Board; and
 - (iv) subject always to the limit approved for the time being by the shareholders, reviewing and making recommendations in relation to the remuneration arrangements and policies applicable to the non-executive directors.
- (b) monitoring and review:
 - (i) monitoring and reviewing the remuneration and incentive programs established by the Board and making recommendations to the Board as to any desirable changes;

- (ii) monitoring the performance of Management against any applicable, performance hurdles or other performance measures; and
- (iii) no Director shall be responsible for appraising his or her own performance or solely responsible for recommending his or her own level of remuneration for Board approval.

2.4. Board nominations function

The Nomination and Remuneration Committee also has responsibility for the following:

- (a) developing suitable criteria (as regards experience, skills, qualifications, contacts or other qualities) for the selection and appointment of new Board members and for the selection, appointment and dismissal of the Managing Director and making recommendations from time to time as to changes that the Committee believes to be desirable in the size of the Board;
- (b) identifying individuals who, by virtue of their experience, expertise, skills, qualifications, contacts or other qualities, are suitable candidates for appointment to the Board or to any relevant management position;
- (c) recommending individuals for consideration by the Board as prospective Directors;
- (d) recommending Board members qualified to fill vacancies on any Committee of the Board;
- (e) developing and implementing a plan for identifying, assessing and enhancing Director competencies;
- (f) creating succession plans to maintain the appropriate balance of skills, expertise and experience on the Board; and
- (g) reviewing the overall performance of the Board using measurable and qualitative indicators.

2.5. Reporting

- (a) Proceedings of all meetings are minuted and signed by the Chairperson.
- (b) The Committee, through its Chairperson, is to report to the Board at the earliest possible Board meeting after each Committee meeting. Minutes of all Committee meetings are to be circulated to the Board. The report should include but is not limited to:

- (i) the minutes of the Committee and any formal resolutions;
 - (ii) recommendations for the remuneration arrangements;
 - (iii) any matters that in the opinion of the Committee should be brought to the attention of the Board and any recommendations requiring Board approval and/or action; and
 - (iv) at least annually, a review of the formal written Charter and its continuing adequacy, and an evaluation of the extent to which the Committee has met the requirements of the Charter.
- (c) In addition, the Chairperson of the Committee must submit an annual report to the Board (at the Board meeting at which the year end financial statements are approved) summarising the Committee's activities during the year. The report must include:
- (i) the number of meetings held during the relevant period and the number of meetings attended by each member; and
 - (ii) details of any change to the Independent status of any member during the relevant period, if applicable.

2.6. Attendance at Meetings

- (a) Other Directors (executive and non-executive) have a right of attendance at meetings. However, no Board Director is entitled to attend that part of a meeting at which an act or omission of that Director or a contract, arrangement or undertaking involving or potentially involving that Director or a related party of that Director is being investigated or discussed.
- (b) Notwithstanding clause 3.5(a), if in the opinion of the Committee, their investigation or discussion will be assisted by hearing from the interested Director, the Committee may invite that Director to address the Committee. The Committee will give fair consideration to that address. The Director will not, however, be invited to take part in the deliberations following that address.

2.7. Application of Standing Rules

The Standing Rules for Committees apply to, and are deemed to be incorporated into this Charter, save where the Standing Rules conflict with any of the express terms in this Charter.