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# Remuneration and Nomination Committee Charter

**Melbana Energy Limited**

**ACN 066 447 952**

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<b>Approved by the Committee</b>	<b>20 June 2019</b>
Previously Approved	June 2017
Next Review Date	June 2020

## 1 Membership of the Committee

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The Committee must consist of:

- only non-executive directors;
- a minimum of 3 members where possible;
- a majority of independent directors; and
- an independent director as chair.

The Board may appoint such additional directors to the Committee or remove and replace members of the Committee by resolution. Members may withdraw from membership by written notification to the Board.

Non-committee members, including members of management, may attend all or part of a meeting of the Committee at the invitation of the Committee chair.

The Company Secretary must attend all Committee meetings as minute secretary.

## 2 Remuneration role and responsibilities

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The responsibilities of the Committee, in respect of remuneration, are as follows:

- (a) Reviewing and recommending to the Board arrangements for the executive directors and the executives reporting to the CEO, including any unusual contract terms, annual remuneration and participation in the Company's short and long term incentive plans.
- (b) Reviewing and approving the Company's short term and long term incentive plans, performance targets and bonus payments for senior management.
- (c) Reviewing and approving major changes and developments in the Company's remuneration, recruitment, retention and termination policies for senior management.
- (d) Reviewing and approving major changes and developments in the Company's superannuation arrangements, personnel practices and industrial relations strategies.
- (e) Reviewing and recommending to the Board major changes and developments to the Company's employee equity incentive plans.
- (f) Determining whether offers are to be made under any or all of the Company's employee equity incentive plans in respect of a financial year.
- (g) Reviewing and recommending to the Board the remuneration arrangements for the Chairman and the non-executive directors of the Board, including fees, travel and other benefits.
- (h) Ensuring that the Board and management have available to them sufficient information and external advice to ensure informed decision-making regarding remuneration.
- (i) In respect of external advice on remuneration-related matters:
  - (1) engaging remuneration consultants and receiving any advice and/or recommendations from them with respect to the setting of executive remuneration;
  - (2) considering any potential conflicts of interest when remuneration consultants are selected and ensuring that their terms of engagement regulate their level of access to, and require their independence from,

- management;
- (3) setting parameters for the interaction between remuneration consultants and management; and
  - (4) where appropriate, communicating the recommendation of any remuneration consultant to persons within the Company.

### **3 Nomination role and responsibilities**

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The responsibilities of the Committee, in respect of nomination, are as follows:

- (a) Reviewing and recommending to the Board the size and composition of the Board, including reviewing Board succession plans and the succession of the Chairman and CEO, having regard to the objective that the Board comprise directors with a broad range of skills, expertise and experience from a broad range of backgrounds, including gender.
- (b) Reviewing and recommending to the Board candidates for election and re-election as Directors in accordance with criteria set by the Board and having regard to the Board Diversity Policy (subject to the principle that a Committee member must not be involved in making recommendations to the Board in respect of himself or herself).
- (c) Reviewing and recommending to the Board whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge need to perform their role effectively.
- (d) Assisting the Board as required in relation to the performance evaluation of the Board, its committees and individual directors, and in developing and implementing plans for identifying, assessing and enhancing director competencies.
- (e) On an annual basis, reviewing and making recommendations to the Board about the effectiveness of the Board Diversity Policy.

### **4 Administrative matters**

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#### **4.1 Meetings**

The Committee will meet as often as the Committee members deem necessary in order to fulfil their role.

#### **4.2 Quorum**

The quorum is at least 2 members.

#### **4.3 Convening and notice of meeting**

Any member may, and the Company Secretary must upon request from any member, convene a meeting of the Committee. Notice will be given to every member of the Committee of every meeting of the Committee.

#### **4.4 Chair**

In the absence of the Committee chair, the Committee members must elect one of their number as chair for that meeting. The chair does not have a casting vote.

#### **4.5 Access to resources and independent advisers**

The Committee is to have access to adequate internal and external resources. For example, the Committee may seek the advice of the Company's auditors, solicitors or other independent advisers (including external consultants and specialists).

#### **4.6 Minutes**

Minutes of meetings of the Committee must be kept by the Company Secretary and, after approval by the Committee Chair, be presented at the next Board meeting. All minutes of the Committee must be entered into a minute book maintained for that purpose and will be open at all times for inspection by any director.

#### **4.7 Reporting**

It is intended that a report of the actions of the Committee and a copy of the Agenda and minutes of the Committee meeting or both will be included in the Board papers for the Board meeting next following a meeting of the Committee.

The Committee Chair will, if requested, provide a brief oral report as to any material matters arising out of the Committee meeting.

### **5 Review**

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The Board will, at least once in each year, review the membership and charter of the Committee to determine its adequacy for current circumstances and the Committee may make recommendations to the Board in relation to the Committee's membership, responsibilities, functions or otherwise.