

Focus Minerals Ltd Remuneration and Nominations Committee Charter **Effective April 2016**

1.0 ROLE OF THE COMMITTEE

The role of the Remuneration and Nominations Committee (Committee) is to assist the Company's Board of Directors (Board) in establishing policies and practices which:

- (a) enable Focus Minerals to attract capable Directors and employees who achieve operational excellence and create value for shareholders;
- (b) reward employees fairly and responsibly, regard being had to the results of the Focus Minerals Group, individual performance and general remuneration conditions; and
- (c) effectively oversee and monitor Board and senior executive performance, succession planning, and the Company's diversity policy.

2.0 DUTIES

2.1 GENERAL DUTIES

The Committee will:

- (a) review and make recommendation to the Board on the Company's remuneration policies, including short-term incentives and equity awards;
- (b) review and make recommendation to the Board on its composition and size giving consideration to the needs of the Company.
- (c) oversee the formulation and review of the Company's organisational development, and succession planning for the Directors, the Chief Executive Officer (CEO) and senior executives;
- (d) Review the nominations received from shareholders who wish to be appointed to the Board in accordance with agreed criteria.
- (e) consider whether, and if so when, shareholder approval of aspects of the remuneration policy is required;
- (f) ensure that the Company meets its disclosure obligations in respect of remuneration matters as required under the ASX Listing Rules and the Corporations Act; and
- (g) Develop a process for evaluating the performance of the Board, CEO, and senior executive.

2.2 DIRECT REPORTS TO THE CEO

The Committee will have the power to approve, or if it considers appropriate, review and refer to the Board for final decision: (a) the appointment and the removal of executives who report directly to the CEO; and (b) the specific remuneration (including base pay, incentive payments, bonuses, equity awards, superannuation, retirement rights, termination payments, services contracts) of the direct reports of the CEO.

2.3 EXECUTIVE DIRECTORS/CEO

The Committee will review and make recommendations to the Board on:

- (a) the specific remuneration (including base pay, incentive payments, bonuses, equity awards, superannuation, retirement rights, termination payments, services contracts) of the CEO and executive directors.
- (b) the criteria for, and the evaluation of, the performance of the CEO; and
- (c) succession plans.

2.4 EMPLOYEE EQUITY-BASED PLANS

The Committee will:

- (a) monitor and make recommendations to the Board in respect of the design and implementation of all equity-based plans, including performance hurdles and incentive pool amounts vesting terms and company contributions (if any);
- (b) review these plans at least annually; and
- (c) in relation to each equity-based plan, consider from time to time whether awards should be made under it and the amount thereof.

2.5 REMUNERATION OF NON-EXECUTIVE DIRECTORS

The Committee will:

- (a) review annually the compensation of the Chairman and non-executive Directors and for that purpose obtain external advice either directly or through management on market practice for the remuneration of Directors;
- (b) consider whether there are circumstances in which compensation or additional remuneration may be appropriate in the case of any particular Director;
- (c) ensure that the total remuneration paid to Directors each year inclusive of superannuation contributions does not exceed the fee ceiling limit approved by shareholders in general meeting; and
- (d) ensure that the remuneration of Directors and disclosure relating to that remuneration complies with the requirements of the ASX Listing Rules and the Corporations Act.

2.6 NOMINATION OF DIRECTORS

When reviewing a nomination for directorship, the Committee will consider the nominee's:

- (a) previous and other directorial experience;
- (b) standing in the industry;
- (c) level of further education;
- (d) skill set with respect to the existing skill set of the Board;
- (e) declared or apparent conflicts of interest; and
- (f) any other attributes that Committee considers is relevant to the Company.

2.7 OTHER DUTIES

The Committee will:

- (a) at least annually review this Charter and will then consider whether any changes are appropriate;

- (b) participate in an annual review of its performance and effectiveness;
- (c) review the Company's annual Remuneration Report to ensure it complies with the ASX Principles of Good Corporate Governance and Best Practice Recommendations;
- (d) review all reporting by the Company of its remuneration policies and practices including valuations applied to equity plans; and
- (e) undertake any other duties and activities that the Board may consider appropriate.

3.0 MEMBERSHIP

3.1 The Committee must consist of at least 3 Non-Executive Directors (with a majority of independent Directors) one of whom will chair the Committee.

3.1.1 If the structure of the Board makes the structure outlined in 3.1 impossible, the Committee will be structured to ensure the Committee has a strong spirit of independence

3.2 The Committee may invite the CEO or any senior executive or any other individual to attend a meeting as they consider appropriate.

4.0 MEETINGS

4.1 MEETING FREQUENCY

The Committee will meet as frequently as required but not less than once each year. Any member of the Committee or the Company Secretary may call a meeting of the Committee.

4.2 QUORUM

At least half of the members of the Committee must attend to form a quorum.

4.3 COMMITTEE AGENDA AND PAPERS

Committee agendas should be settled by the Chairman in conjunction with the Company Secretary, and Committee papers should be provided to Committee members sufficiently far in advance of scheduled meetings to permit adequate preparation.

4.4 PROFESSIONAL ADVICE

The Committee may have access where necessary to professional advice from external advisers, and may meet with external advisers without management being present.

5.0 REPORTING

5.1 The Committee Chairman will:

- (a) report to the Board on the proceedings of each Committee meeting (to the next Board meeting); and
- (b) attend the Annual General Meeting and be available to respond to any shareholder questions on the Committee's activities and areas of responsibility.

6.0 ASSESSMENT

At least once each year the Committee will review this Charter and make recommendations to the Board in relation to any proposed change to this Charter.