

Saracen Mineral Holdings Limited
Remuneration Committee Charter



A. SCOPE AND AUTHORITY

The primary function of the Remuneration Committee is to assist the Board of Directors in fulfilling its responsibilities on matters relating to the remuneration of the Managing Director, senior executives (those that report directly to the MD), employees of the Company, consultants/contractors engaged with management or senior executive responsibilities, and Non-executive Directors.

Remuneration is set by reference to independent data, external professional advice, the Company's circumstances, and the requirement to attract and retain high-calibre, senior executive management and staff, and Non-executive Directors.

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 cost of the Group; and
- have such direct access to the resources of the Group, as it may reasonably require, including management.

The Committee acts primarily as an advisory body to the Board and in making recommendations to the Board. The Committee does not, as of itself, have the power or authority of the Board in dealing with the matters on which it advises except where certain powers are specifically set out in this Charter or are otherwise delegated by the Board.

Matters relating to the nomination and appointment of Non-executive Directors, the assessment of Board performance, the performance of the MD, and overseeing succession planning for the position of MD, are specifically reserved for, and undertaken by, the Board as a whole.

B. COMPOSITION

The Remuneration Committee shall comprise three non-executive Directors all of whom the Board considers to be independent. The Board will determine each Director's independence having regard to any past and present relationships with the Group which, in the opinion of the Board, could influence the Director's judgment. The Chair of the Committee is to be selected by the Board, but shall not be the Chairman of the Board.

A quorum for Committee Meetings is two members of the Remuneration Committee.

The Committee may invite members of the management team to attend the Meetings and to provide information as necessary.

C. MEETINGS

The Committee shall meet as circumstances require.

The Group's Managing Director and senior management shall be available to attend meetings as and when required.

D. REPORTING

The key matters discussed at each Committee Meeting are to be ordinarily reported by the Chair of the Committee to the Board at the next Board Meeting.

E. RESPONSIBILITIES

The Committee will review and make recommendations to the Board as appropriate with respect to:

- The remuneration of Non-executive Directors;
- Every aspect of the MD's remuneration package, including total remuneration, its fixed and variable components, short-term and long-term incentives, including the determination of the MD's Key Performance Indicators (KPIs) as applicable;
- The MD's recommendation for the overall annual salary review, in percent and total amount, for the Company as a whole;
- The MD's recommendations on the remuneration of senior executives, the fixed and variable components of that remuneration, and the participation of all executives in short and long-term incentive schemes, including the determination of Key Performance Indicators (KPIs) for the senior executives as applicable;
- MD's recommendations on the appointment or termination of senior executives, including termination arrangements;
- Any matters relating to employment and remuneration policies brought forward by the MD;
- The operation and effectiveness of the Company's Incentive Option Scheme;
- The development of equity purchase plans, and
- The Company's obligations on employee benefits (including superannuation) and employee entitlements in general.

In fulfillment of its responsibilities, the Committee may commission independent advice on any remuneration-related matter, as it reasonably determines. Also, the Committee may seek information from and consult with such members of Management as it considers appropriate.

F. OTHER MATTERS

The Committee shall review this Charter at least annually and if appropriate, recommend changes to the Board. The Committee shall also perform any other activities consistent with this Charter that the Committee or Board deem appropriate.