

Nomination and Remuneration Committee Charter

Miclyn Express Offshore Limited

ARBN 141 683 552

Adopted by the Board on 19 February 2010
[Last amended by the Board on 17 August 2012]

1. Membership of the Committee

The Committee must consist of:

- a minimum of 3 members;
- 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 meetings of the Committee at the invitation of the Committee chair.

The Company Secretary shall be the secretary of the Committee.

2. Administrative matters

2.1 Meetings

The Committee will meet as often as the Committee members deem necessary in order to fulfill their role. However, the number of meeting shall not be less than three each year, except where the Chair determines otherwise.

2.2 Quorum

The quorum is at least 2 members.

2.3 Convening and notice of meeting

Any member may, and a Company Secretary must upon request from any member, convene a meeting of the Committee. Notice confirming date, time, venue and agenda shall be given to each Committee member either at the member's advised address or via electronic means to the last notified email address, but there is no minimum notice period and acknowledgement of receipt of notice by all members is not required before the meeting may be validly held.

2.4 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) as to any matter pertaining to the powers or duties of the Committee or the responsibilities of the Committee, as the Committee may require.

2.5 Minutes/Resolutions

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 and formal resolutions 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.

2.6 Reporting

A copy of the minutes of the Committee meeting 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. All directors may, within the Board meeting, request information from members of the Committee.

3. Role and responsibilities - nomination

The Committee's purpose is to act as a recommendatory body to assist the Board in relation to the following:

- (a) review and recommend to the Board the size and composition of the Board, including review of Board succession plans;
- (b) review and recommend to the Board the criteria for Board membership, including assessment of necessary and desirable competencies of Board members;
- (c) review and recommend to the Board membership of the Board, including recommendations for the appointment and re-election of Directors, and where necessary propose candidates for consideration by the Board;
- (d) assist 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) review and make recommendations in relation to any corporate governance issues related to the Directors as requested by the Board from time to time;
- (f) review the Board Charter on a periodic basis, and recommend any amendments for Board consideration;
- (g) review and recommend to the Board the time expected to be devoted by non-executive directors in relation to the Company's affairs; and
- (h) ensure that an effective induction process is in place and regularly review its effectiveness and the documentation associated with appointments and inductions, and recommend any amendments for Board consideration,
- (i) Review succession plans for the CEO and Senior Management [annually] to maintain an appropriate balance of skills, experience, diversity and expertise on the executive management team and advising the Board of any recommended actions.
- (j) Review the Diversity Policy to ensure that the policy reflects relevant corporate governance and legal requirements;

- (k) Establish measurable objectives for achieving gender diversity and monitoring annually both the Company's objectives and progress in achieving them;
- (l) Review and monitoring appropriate procedures to ensure that the Diversity Policy is implemented, which may include additional measurable objectives in relation to other aspects of diversity as identified in the policy; and
- (m) Monitor the implementation of internal review mechanisms to assess the effectiveness of the Diversity Policy,

by receiving reports from management, reviewing these reports, and subsequently making recommendations to the Board within the Committee's areas of recommendatory responsibility and in accordance with any legal or other relevant requirements.

4. Policy and procedure for selection and appointment of new directors

- (a) Factors to be considered when reviewing a potential candidate for Board appointment include without limitation:
 - the skills, experience, expertise and personal qualities that will best complement Board effectiveness;
 - the capability of the candidate to devote the necessary time and commitment to the role. This involves a consideration of matters such as other Board or executive appointments; and
 - potential conflicts of interest, and independence.
- (b) Detailed background information in relation to a potential candidate should be provided to all directors.
- (c) The identification of potential director candidates may be assisted by the use of external search organisations as appropriate.
- (d) An offer of a Board appointment must be made by the chair only after having consulted all directors, with any recommendations from the Committee having been circulated to all directors.
- (e) All new Board appointments should be confirmed by letter in the standard format as approved by the Board on the recommendation of the Committee from time to time.

5. Role and responsibilities – remuneration

The Committee's purpose is to act as a recommendatory body to assist the Board in relation to the following:

- (a) review and recommend for approval remuneration arrangements for the Chief Executive Officer (**CEO**);

- (b) review and recommend for approval the remuneration arrangements for the top 5 [chief] executives reporting to the CEO;
- (c) review and make recommendations to the Board regarding major changes and developments in the Company's remuneration, recruitment, retention and termination policies and procedures for senior management, remuneration policies, superannuation arrangements, personnel practices and industrial relations strategies for the Group;
- (d) review and make recommendations to the Board on the senior management performance assessment processes and results as they reflect the capability of management to realise the business strategy;
- (e) review and recommend for approval short term incentive strategy, performance targets and bonus payments;
- (f) review and recommend to the Board major changes/developments to the long term incentive plan/s and recommend for approval allocation/s of equities;
- (g) review and recommend to the Board the remuneration arrangements for the non-executive directors of the Board;
- (h) be satisfied that the Board and management have available to them sufficient information to ensure informed decision-making regarding remuneration; and
- (i) review and recommend to the Board that the remuneration disclosures have been made in accordance with all applicable laws, governmental regulations and accounting standards,

by receiving reports from management, reviewing these reports, and subsequently making recommendations to the Board within the Committee's areas of recommendatory responsibility and in accordance with any legal or other relevant requirements.

6 Remuneration policy

- (a) In discharging its responsibilities, the Committee must have regard to the following policy objectives:
 - to ensure the Company's remuneration structures are equitable and aligned with the long-term interests of the Company and its shareholders;
 - to attract and retain skilled executives;
 - to structure short and long term incentives that are challenging and linked to the creation of sustainable shareholder returns; and
 - to ensure any termination benefits are justified and appropriate.
- (b) In the discharge of the Committee's responsibilities, no director or executive should be directly involved in determining their own remuneration.
- (c) The Committee must at all times have regard to, and notify the Board as appropriate of, all legal and regulatory requirements, including any shareholder approvals which are necessary to obtain.

7. Review

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.