
Remuneration Committee Charter

DevEx Resources Limited ACN 009 799 553 (Company)

1 Composition

The Committee will be appointed by the Board and shall be composed of:

- (a) at least three, the majority of which will, where practicable, be independent non-executive Directors; and
- (b) a Chairperson of the Committee, also appointed by the Board, who is one of those independent Directors.

Currently the full Board performs the function of a Remuneration Committee.

From time to time, non Remuneration Committee members may be invited to attend meetings of the Remuneration Committee, if it is considered appropriate.

2 Role

The Board's function as a Remuneration Committee is to meet its oversight responsibilities in relation to the Company's human resources, compensation and practices and to set the level and compensation of remuneration for directors and senior executives and ensure that such remuneration is appropriate and not excessive.

The Board's function as a Remuneration Committee is to examine and determine the following:

- (a) the Company's remuneration framework for directors including the process by which any pool of directors' fees approved by security holders is allocated to directors;
 - (b) remuneration packages to be awarded to senior executives;
 - (c) incentive and equity-based remuneration plans for senior executives and other employees, including the appropriateness of performance hurdles and total payments proposed to be made to senior executives;
 - (d) superannuation arrangements for director, senior executives and other employees; and
 - (e) whether there is any gender or other inappropriate bias in remuneration for directors, senior executives or other employees.
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3 Operations

The full Board shall meet in its capacity as a Remuneration Committee at least once a year or otherwise as required. Minutes of such meetings must be kept, and the meetings are to be governed by the same rules as set out in the Company's Constitution, as they apply to meetings of the Board.

3.1 Responsibilities

The responsibilities of the Remuneration Committee include:

- (a) review and make recommendations to the Board on the Company's *Remuneration Policy*;
- (b) review and make recommendations to the Board on the Company's diversity policies and practices;
- (c) review and make recommendations to the Board on senior executives' remuneration and incentives;
- (d) review and make recommendations to the Board on the remuneration framework for directors, including the process by which any pool of directors' fees approved by shareholders is allocated to directors;
- (e) review and make recommendations to the Board on superannuation arrangements for directors, senior executives and other employees;
- (f) review and make recommendations to the Board on termination payments;
- (g) review and make recommendations to the Board on any equity-based remuneration or incentive scheme;
- (h) review whether there is any gender or other inappropriate bias in remuneration for directors, senior executives or other employees.

3.2 Executive remuneration

In formulating the Company's *Remuneration Policy* and levels of remuneration for executives, the Remuneration Committee balance:

- (a) its desire to attract and retain high quality executive directors and to attract, retain and motivate senior executives;
- (b) the need to ensure that the incentives for executive directors and other senior executives encourage them to pursue the growth and success of the Company (both in the short term and over the longer term) without rewarding conduct that is contrary to the Company's values or risk appetite;
- (c) the need to ensure that the incentives for non-executive directors do not conflict with their obligation to bring an independent judgement to matters before the board;
- (d) the implications for its reputation and standing in the community if it is seen to pay excessive remuneration to directors and senior executives; and
- (e) its commercial interest in controlling expenses.

The Remuneration Committee refers to the following guidelines for executive remuneration extracted from the Principles and Recommendations in formulating its executive remuneration policies and practices:

Guidelines for Executive Remuneration

Composition: remuneration packages for executive directors and other senior executives should include an appropriate balance of fixed remuneration and performance-based remuneration.

Fixed remuneration: should be reasonable and fair; taking into account the Company's obligations at law and labour market conditions, and should be relative to the scale of the Company's business. It should reflect core performance requirements and expectations.

Performance-based remuneration: should be linked to clearly specified performance targets. These targets should be aligned to the Company's short and long-term performance objectives and should be consistent with its circumstances, purpose, strategic goals, values and risk appetite. Discretion should be retained, where appropriate, to prevent performance-based remuneration rewarding conduct that is contrary to the Company's values or risk appetite.

Equity-based remuneration: well-designed equity based remuneration, including options or performance rights, can be an effective form of remuneration, especially when linked to hurdles that are aligned to the Company's short, medium and longer-term performance objectives. Care needs to be taken in the design of equity-based remuneration schemes, however, to ensure that they do not lead to "short termism" on the part of senior executives or the taking of undue risks.

Termination payments: termination payment, if any, for senior executives, should be agreed in advance and the agreement should clearly address what will happen in the case of early termination.¹ There should be no payment for removal for misconduct.

To the extent that the Company adopts an approach to executive remuneration that is not in accordance with the guidelines outlined above, the Remuneration Committee shall document its reasons for the purpose of disclosure to stakeholders.

3.3 Non-executive remuneration

In considering the Company's *Remuneration Policy* and levels of remuneration for non-executive directors, the Remuneration Committee is to ensure that:

- (a) fees paid to non-executive directors are within the aggregate amount approved by shareholders and make recommendations to the Board with respect to the need for increases to this aggregate amount at the Company's annual general meeting;
- (b) non-executive directors are remunerated by way of fees (in the form of cash and superannuation benefits);
- (c) non-executive directors are not provided with retirement benefits other than statutory superannuation entitlements; and
- (d) non-executive directors are not entitled to participate in equity-based remuneration schemes designed for executives without due consideration and appropriate disclosure to the Company's shareholders, and any incentives must not conflict with the non-executive director's obligation to bring an independent judgment to matters before the Board.

The Remuneration Committee refers to the following guidelines for non-executive director remuneration extracted from the Principles and Recommendations in formulating its non-executive director remuneration policies and practices:

Guidelines for Non-executive Director Remuneration

Composition: non-executive directors should be remunerated by way of cash fees, superannuation contributions and non-cash benefits in lieu of fees (such as salary sacrifice into superannuation or equity).

¹ Note also the restrictions that apply under sections 200 to 200J of the *Corporations Act 2001* (Cth) to termination payments by companies incorporated in Australia (and their associates) to those who hold a managerial or executive office in the company or in a related body corporate.

Fixed remuneration: levels of fixed remuneration for non-executive directors should reflect the time commitment and responsibilities of the role.

Performance-based remuneration: non-executive directors should not receive performance-based remuneration as it may lead to bias in their decision-making and compromise their objectivity.

Equity-based remuneration: it is generally acceptable for non-executive directors to receive securities as part of the remuneration to align their interests with the interests of other security holders.² However, non-executive directors generally should not receive options with performance hurdles attached or performance rights as part of their remuneration as it may lead to bias in their decision-making and compromise their objectivity.

Termination payments: non-executive directors should not be provided with retirement benefits other than superannuation.

To the extent that the Company adopts an approach to non-executive director remuneration that is not in accordance with the guidelines outlined above, the Remuneration Committee shall document its reasons for the purpose of disclosure to stakeholders.

3.4 Incentive plans and benefits programs

The Remuneration Committee is to:

- (a) review and make recommendations to the Board to determine short-term and long-term incentive compensation plans, including equity-based plans. Except as otherwise delegated, the Remuneration Committee will administer equity-based and employee benefit plans, and as such will discharge any responsibilities under those plans, including making and authorising issues of equity, in accordance with the terms of those plans;
- (b) ensure that incentive plans are designed around appropriate and realistic performance targets that measure relative performance and provide rewards when they are achieved; and
- (c) continually review and if necessary improve any existing benefit programs established for employees.

3.5 Remuneration reporting and engagement with shareholders

The Remuneration Committee is to:

- (a) recommend to the Board the approval of the remuneration report for inclusion in the Company's annual report and oversee the process supporting its preparation;
- (b) agree who should engage with shareholders, governance advisers, proxy advisory firms and other relevant external parties on the *Remuneration Policy*;
- (c) ensure that shareholder approval is sought for remuneration matters which require it;

² Note that an issue of securities to a director will require security holder approval under ASX Listing Rule 10.11 unless it falls within the exceptions set out in ASX Listing Rule 10.12.

- (d) consider if interaction with the Audit Committee (or equivalent) is required to fulfil reporting obligations;
- (e) consider if the Chair of the Audit Committee rather than the Chair of the Board will take questions from shareholders on the remuneration report at the Company's annual general meeting.

3.6 Monitoring

The Remuneration Committee is to monitor the following:

- (a) compliance with applicable legal and regulatory requirements associated with remuneration matters;
- (b) changes in the legal and regulatory framework in relation to remuneration.

4 Reporting to the Board

To assist the Board to carry out its Remuneration Committee function, the Board should compile a report, at least annually or otherwise as required on the following matters:

- (a) all matters relevant to the Remuneration Committee's role and responsibilities as set out in this Remuneration Committee Charter;
- (b) the results of the Board's review of this Remuneration Committee Charter; and
- (c) comment on the Remuneration Committee's operation and composition.

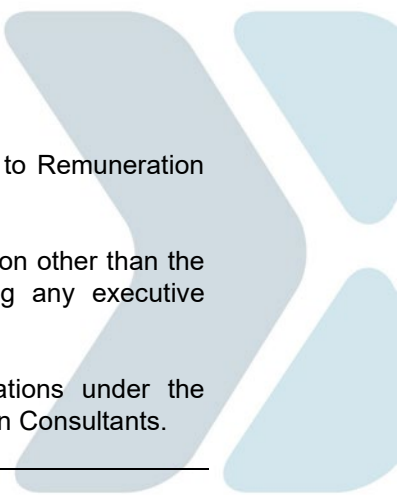
5 Engaging Remuneration Consultants

The Remuneration Committee is responsible for engaging Remuneration Consultants. A **Remuneration Consultant** is a person: (a) who makes a Remuneration Recommendation under a contract for services with the Company to whose Key Management Personnel the recommendation relates: and (b) who is not an officer or employee of the Company.

Key Management Personnel are persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any directors (whether executive or otherwise) of the Company. A **Remuneration Recommendation** is defined in section 9B of the Corporations Act.

The Remuneration Committee will, in accordance with any policies or guidelines set by the Remuneration Committee from time to time:

- (a) ensure that the requirements of Part 2D.8 of the Corporations Act are complied with including:
 - (i) reviewing and approving all remuneration consultancy contracts (as defined in section 206K(1) of the Corporations Act) before they are entered into by the Company; and
 - (ii) ensuring that any Remuneration Recommendation is provided directly to the Remuneration Committee (excluding any executive directors on the Remuneration Committee) and that the Remuneration Recommendation is not provided to a person who is neither a director of the Company or a member of the Remuneration Committee;
- (b) put in place arrangements to ensure that a Remuneration Consultant is not unduly influenced by a member or members of Key Management Personnel to whom a Remuneration Recommendation relates;

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- (c) ensure that the Company's remuneration report includes the details relating to Remuneration Consultants as required by section 300A(1)(h) of the Corporations Act;
 - (d) authorise the distribution of any Remuneration Recommendation by any person other than the Remuneration Consultant beyond the Remuneration Committee (excluding any executive directors on the Remuneration Committee); and
 - (e) set policies or guidelines to ensure that the Company meets its obligations under the Corporations Act, including its reporting obligations, in relation to Remuneration Consultants.
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6 Authority and Resources

The Company is to provide the Remuneration Committee with sufficient resources to undertake its duties. The Remuneration Committee may seek input from individuals on remuneration policies, but no individual should be directly involved in deciding their own remuneration.

The Remuneration Committee has the authority, as it deems necessary or appropriate, to obtain advice from external consultants or specialists in relation to remuneration related matters.

7 Review of Charter

The Remuneration Committee will review this Remuneration Committee Charter at least annually, and update it as required.

In addition, the Board may undertake an annual performance evaluation that reviews the performance of the Committee against this Charter if deemed required.