

**Brockman Mining Limited**  
**(formerly Wah Nam International Holdings Limited)**  
**(the "Company")**

**REMUNERATION AND PERFORMANCE COMMITTEE - TERMS OF REFERENCE**

**1. Constitution**

The Remuneration and Performance Committee ("Committee") is a committee of the board of Directors ("Board").

This Terms of Reference is, except where disclosed otherwise, made in compliance with Appendix 14 of the HKEx Listing Rules and the Australian Corporate Governance Principles and Recommendations as established by the ASX Corporate Governance Council.

**2. Membership**

A majority of the Committee members should be independent non-executive Directors. The Committee members shall be appointed by the Board from amongst the Company's Directors.

The chairman of the Committee shall be an independent Director to be appointed by the Board.

**3. Secretary of Committee**

The Company Secretary shall be the secretary of the Committee.

**4. Attendance at meetings**

A quorum shall be 3 members.

Other Board members, apart from the Committee members, have the right to attend any Committee meetings, though they shall not be counted in the quorum.

**5. Frequency of meetings**

The Committee shall meet at least once every year; and the Committee members may call any meetings at any time when necessary.

**6. Authority**

The Committee is authorised by the Board to seek any necessary information, which is within the Committee's scope of duties, from the employees.

The Committee is authorised by the Board to obtain outside independent professional advice, and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary.

## **7. Remuneration**

### **7.1 Duties and Responsibilities**

The duties of the Committee in relation remuneration matters shall be:

- (a) to make recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration;
- (b) to review and make recommendations to the Board in respect of the specific remuneration packages of all executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of non-executive Directors. The Committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors, employment conditions elsewhere in the group and the desirability of performance-based remuneration. A significant proportion of executive Directors' remuneration should be structured so as to link rewards to corporate and individual performance;
- (c) to review and make recommendations to the Board in respect of performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time;
- (d) to review and make recommendations to the Board in respect of the compensation payable to executive Directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms, and that such compensation is otherwise fair and not excessive for the Company;
- (e) to review and make recommendations to the Board in respect of compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms, and that any compensation payment is otherwise reasonable and appropriate;
- (f) to ensure that no Director or any of his or her associates is involved in deciding his own remuneration; and
- (g) to advise shareholders on how to vote with respect to any service contracts of Directors that require shareholders' approval under Rule 13.68 of the HKEx "Listing Rules".

### **7.2 Non-executive Directors**

The Board's focus is on the long term strategic direction and overall performance of the Company. As a consequence, non-executive Director remuneration is primarily related to long term performance of the Company.

Non-executive Directors will generally be remunerated by way of fees and/or options, but will generally not receive bonus payments nor retirement benefits other than superannuation. The maximum total annual amount of fees to be paid to non-executive Directors is determined by shareholders. The structure of the non-executive Directors' remuneration is not in compliance with the Australian Corporate Governance Principles and Recommendations as established by the ASX Corporate Governance Council.

The Committee may from time to time seek independent advice in relation to the remuneration of non-executive Directors and may make recommendations to the Board in relation to any total fee increase. The Board annually reviews non-executive Director remuneration.

### **7.3 Executive Directors and senior management remuneration**

The performance and remuneration of the Chief Executive Officer will be considered and determined by the Board.

Remuneration for senior management and executive Directors may incorporate fixed and variable pay performance elements with both a short term and long term focus.

Remuneration packages may contain any or all of the following:

- (a) annual base salary - with provision to recognise the value of the individual's personal performance and their ability and experience;
- (b) rewards, bonuses, special payments and other measures available to reward individuals and teams following a particular outstanding business contribution;
- (c) share participation via employee share schemes;
- (d) other benefits such as holidays, sickness benefits, superannuation payments and long service benefits; and
- (e) reimbursement for any expenses incurred in the course of the individual's duties.

The executive Directors and senior management, as well as other employees, may also be able to participate in the Company's Share Option Plan.

## **8. Performance**

### **8.1 Duties and responsibilities**

The duties of the Committee in relation to performance matters shall be:

- (a) to co-ordinate and review the results of the annual performance review of the Board, Board Committees and individual Director's performance;
- (b) to review and approve procedures for the oversight and evaluation of the performance of the Board and the Board Committees (with the exception of the Committee which will be reviewed by the Board); and
- (c) to review and approve the process for evaluation of the performance of each Director.

## **8.2 Board and individual Director performance**

Board performance, Board Committee performance and individual Director performance is evaluated annually. The evaluation is undertaken by each Director completing a questionnaire on Board governance and performance issues or each Director having one-on-one interviews with the chairman of the Committee. Individual Directors may meet with the chairman of the Committee to discuss their responses.

The objective of this assessment is to identify and calibrate the Directors' views of those areas of governance and performance that may require an increased level of attention by the Board. The process for reviewing performance of the Board, the Board Committees and individual Directors comprises the following steps:

- (a) The Company Secretary, with the assistance of the Committee and its chairman, prepares the relevant questionnaires and/or the chairman of the Committee arranges one-on-one interviews with each Board member.
- (b) If questionnaires are used, they are distributed to individual Directors by the Company Secretary. Directors are asked to complete the questionnaires and return them to the chairman of the Committee.
- (c) After collation of responses, one-on-one discussions may be conducted with each Director in order to gain a greater depth of understanding of how the Board perceives performance issues.
- (d) The Committee identifies those areas of governance and performance that may require an increased level of attention by the Board.
- (e) The Committee recommends improvements to the Board's processes and procedures.
- (f) The chairman of the Committee reports to the Board on the outcome of all Board, Board Committee and individual Director reviews, although the details of the individual reviews are treated confidentially, and any recommendations in relation to items (d) and (e) above.

## **8.3 Senior management performance**

The Chief Executive Officer annually conducts performance reviews of members of senior management against measures appropriate to the Company's operations and activities.

The Chief Executive Officer may conduct one-on-one discussions with each member of senior management in relation to those performances.

The Chief Executive Officer may report to the Board on the outcome of senior management reviews, although the details of the individual reviews are treated confidentially.

## **9. Access to information**

In the performance of its duties and responsibilities, the Committee will have access to all information and records held by the Company.

**10. Reporting procedures**

The secretary shall circulate the minutes of meetings and reports of the Committee to all members of the Board of any material matters arising out of the previous meeting of the Committee.

**11. No rights created**

This Terms of Reference is a statement of broad policies and is intended as a component of the flexible governance framework within which the committees of the Board assist the Board in directing the affairs of the Company. Whilst it should be interpreted in the context of all applicable laws, regulations, the ASX Listing Rules and the HKEx Listing Rules, as well as in the context of the Company's By-laws, it is not intended to establish any legally binding obligations.

**12. Review**

The Board annually reviews the membership and Terms of Reference of the Committee to determine its adequacy and effectiveness for current circumstances. The Committee may make recommendations to the Board in relation to the Committee's membership, purpose and responsibilities.