



REMUNERATION AND NOMINATION COMMITTEE CHARTER AND POLICY

Charter

This charter governs the operations of the Remuneration and Nomination Committee. The committee shall review and reassess the charter at least annually and obtain the approval of the board of directors.

Membership

- The committee shall be members of, and appointed by, the board of directors and shall comprise at least three directors. Directors serving on this committee should have diverse, complementary backgrounds, the majority of which are independent of management and the company. The committee is to be chaired by an independent director who shall have leadership experience.

Members of the committee shall be considered independent so long as they do not have any relationship with the company that may interfere with the exercise of independent judgement. This means that they should meet the definition of what constitutes an 'independent director' in the Investment and Financial Services Association's, *Corporate Governance: A Guide for Fund Managers and Corporations* (December 2002).

- The only compensation shall be directors' fees for services provided to the Remuneration and Nomination Committee.
- The Company Secretary will be the Secretary of the committee.

Meetings

The committee shall meet at least once each year, with additional meetings when circumstances require, as determined by the committee Chairperson.

Convening and Notice of Meeting

Any member may (and the Secretary must act upon a request from any member) convene a meeting of the committee. Notice is to be given to every member of the committee with no minimum notice period required and no necessity for acknowledgement of notice before the meeting may be validly held.

Attendance

Members of the committee are expected to be present at all meetings. As necessary, the Chairperson of the committee may request that members of management, consultants or others, which it may deem appropriate, be present at committee meetings.

Quorum

Two members of the committee shall constitute a quorum. In the event where only two members are present, the unanimous vote of the two members shall constitute an act of the committee. Where the committee comprises more than two committee members, the act of a majority of the members present will constitute an act of the committee.

Minutes

Minutes of each meeting are to be prepared by or under the direction of the Company Secretary. The Secretary shall maintain a permanent record of the minutes, and shall distribute minutes to members of the committee and directors who are not members of the committee.

Purpose, Function and Responsibility

The Remuneration and Nomination Committee shall provide assistance to the board of directors in fulfilling its corporate governance and oversight responsibilities. The main functions and responsibilities of the Remuneration and Nomination Committee include the following:

Remuneration

- Responsible for determining the compensation arrangements for the directors themselves, the Chief Executive Officer, the executive committee and employees. From this, recommendations are made to the board.
- Responsible for determining the executive remuneration policy.
- Responsible for approving significant amendments to Executive's employment contracts and appointments.
- Responsible for reviewing and approving all equity based plans.
- Responsible for reviewing and approving annual remuneration adjustments for the group's key employees

Nomination

- Review the appropriateness of the size of the board relative to its various responsibilities and where necessary make recommendations to the board to change the composition of the board.
- Review the appropriateness of the size of the board committees relative to its various responsibilities and where necessary make recommendations to the board to change the composition of the committees.
- Review the overall composition of the board and board committees, taking into account factors such as:
 - expertise of each board member
 - business experience
 - integrity
 - skills
 - breadth of experience
 - knowledge about the company's business or industry
 - willingness to devote time and effort to the board

and make appropriate recommendations as necessary. As such, the committee shall determine the criteria, objectives and procedure for selecting new board members.

- Review and recommend to the board the criteria for board membership, including assessment of the necessary and desirable competencies of the board members.
- The committee shall review potential candidates for the board and report on the candidates and results to the board for consideration. As such the committee shall evaluate and conduct the appropriate inquiries into the backgrounds and qualifications of possible nominees.
- Recommend to the board, members of the board to be designated as chairperson of the board's committees.
- Approve the additions of new directors to Resolute Mining's operating subsidiaries
- Make recommendations to the board in relation to appropriate performance criteria, for both the individual directors and full board acting as a collective body. This may include such items as level of director attendance, preparedness, participation and candor.
- Review, develop and recommend to the board if necessary, the criteria for determining director independence.
- The committee shall monitor the orientation and continuing education programs for directors.
- The committee shall develop and review any relevant succession plans.
- The committee shall reassess the adequacy of this charter at least annually and submit any proposed changes to the board for review, discussion and approval.
- When appointing a new director the committee shall at all times act in accordance with the "Procedure for Selection and Appointment of New Directors".
- Responsible for overseeing the Gender Diversity Policy including relevant measuring and reporting

Delegated Responsibility

The committee may form and delegate authority to subcommittees when appropriate.

Other duties

The committee is responsible for organising, reviewing and reporting on any special reviews or investigations deemed necessary by the board.

Remuneration Policy

This policy governs the operations of the Remuneration and Nomination Committee. The committee shall review and reassess the policy at least annually and obtain the approval of the board of directors.

Overall Director Remuneration

Shareholder approval must be obtained in relation to the overall limit set for directors' fees. The directors must set individual board fees within the limit approved by shareholders.

Further, shareholders must approve the framework for any equity schemes, and if a director is recommended for being able to participate in an equity scheme, this participation must be approved by the shareholders.

Executive Director Remuneration

Main principles

The Remuneration and Nomination Committee's reward policy reflects its obligation to align executive directors' remuneration with shareholders' interests and to engage appropriately qualified executive talent for the benefit of the group. The main principles of the policy are:

- Reward reflects the competitive global market in which the company operates.
- Individual reward should be linked to performance criteria.
- Executives should be rewarded for both financial and non-financial performance.

Elements of Remuneration

The executive directors' total remuneration consists of the following:

- Salary - each executive director receives a fixed sum payable monthly in cash.
- Bonus - each executive director is eligible to participate in a bonus scheme if deemed appropriate.
- Long Term Incentives - each executive director may participate in share option schemes with the approval of shareholders. The committee's policy is that at each exercise date of the options, a review of the performance of a director holding options must be undertaken to ensure that it is appropriate that the options can vest. A recommendation must be forwarded to the board and the board must ratify the vesting of any options.
- Other benefits - executive directors are eligible to participate in superannuation schemes.

Non-Executive Remuneration

Main principles

Shareholders approve the maximum aggregate remuneration for non-executive directors. The Remuneration and Nomination Committee recommends the actual payments to directors and the board is responsible for ratifying any recommendations if appropriate. The maximum aggregate remuneration approved for directors will be \$600,000 if approved by shareholders at the AGM to be held on 30 November 2010.

Non-executive directors are not entitled to participate in equity based remuneration schemes. Further, non-executive directors are not permitted to be provided with retirement benefits other than statutory superannuation. Directors are entitled to have their indemnity insurance paid by the company.

Senior Management Remuneration

The main principles and elements of senior management remuneration are provided in Resolute Mining Limited's Remuneration Policy.