



**NOMINATION AND
REMUNERATION COMMITTEE
CHARTER**

Metgasco Nomination and Remuneration Committee Charter

1 Purpose

The Nomination and Remuneration Committee (**Committee**) is established by the Board of Directors of Metgasco Limited (**Metgasco** or the **Company**).

This Charter governs the operations of the Committee and sets out the membership, operation and responsibilities of the Committee.

The purpose of the Nomination and Remuneration Committee is to provide advice and recommendations to the Board regarding the composition of the Board and the remuneration of Executives and Directors with the objectives that the Company:

- a) establishes procedures for the selection and recommendation of candidates suitable for appointment to the Board;
- b) has an appropriate mix of skills, experience and expertise on the Board;
- c) has coherent remuneration policies and practices which are observed and which enable it to attract and retain Executives and Directors who will create value for shareholders;
- d) fairly and responsibly rewards Executives having regard to the performance of the Company, the performance of the executive and the general pay environment; and
- e) complies with all relevant legal and regulatory provisions.

2 Membership of the Committee

2.1 Membership

The Committee will consist of:

- (a) only non-executive directors;
- (b) a chair who may also be the Chairman of the Board; and
- (c) at least three members.

2.2 Appointment and term

The members of the Committee will be determined by the Board having regard to section 2.1 of this Charter. There is no prescribed term for membership. Membership of the Committee ceases when a member ceases to be a director of the Company.

The Board may appoint additional non-executive 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.

3 Administrative matters

3.1 Meetings

The Committee will meet as often as necessary to undertake its role effectively. The quorum necessary for a meeting of the Committee will be two members.

The Company Secretary must on request from any Committee member, convene a meeting of the Committee. Notice must be given to every Committee member of every Committee meeting but there is no minimum notice period. Acknowledgment of receipt of notice by all members is not required before the meeting may be validly held.

Members of management and/or external consultants may attend meetings of the Committee at the invitation of the Committee Chairman, but must not be appointed members of the Committee. All directors are able to attend any Committee meetings as invitees.

3.2 Access and external engagement

The Committee has rights of access to management and/or external consultants and the right to seek explanations and additional information.

The Committee may, upon notifying the Chairman of the Board, approve the appointment, and seek the advice of, Metgasco's advisors (at the cost of the Company) as to any matter pertaining to the powers or duties of the Committee.

3.3 Agenda and minutes

The Company Secretary, or delegate, will:

- (a) attend all Committee meetings as minute secretary;
- (b) in conjunction with the Chairman of the Committee, prepare an agenda or notification of meeting purpose to be circulated by text message or email to each Committee member before each meeting of the Committee; and
- (c) prepare minutes of each Committee meeting to be circulated within 48 hours to the Committee, CEO, CFO and the Board.

4 Reporting

The minutes of the previous Committee meeting will be included in the Board papers for the Board meeting following a meeting of the Committee.

The matters before the Committee will be incorporated into the respective Board reports of the CEO and/or CFO or from the Committee Chairman. The Committee Chairman will recommend to the Board any matters for approval and provide a report at the Board meeting as to any other material matters arising out of Committee meetings. All directors will be permitted, within the Board meeting, to request information of the Committee Chairman or members of the Committee.

5 Responsibilities

5.1 Board Nomination Role

The Committee shall assist the Board of Directors to ensure it is comprised of Directors with the appropriate mix of skills, experience and expertise to discharge its mandate effectively. In this regard the Committee is responsible for the following matters:

5.1.1 Director competencies

- a) Periodically reviewing the size and composition of the Board to ensure that it is structured to make appropriate decisions with a variety of perspectives and skills in the best interests of the Company as a whole;

- b) Assessing and advising the Board of the time necessary for Non-executive Directors to effectively discharge their responsibilities and reviewing the other commitments of Non- Executive Directors that impact on this; and
- c) Reviewing induction procedures for newly appointed Directors.

5.1.2 Evaluation of Board Performance

Undertaking an annual assessment of the effectiveness of the Board (prior to 30 September each year) including:

- a) an assessment of the range of skills, experience and expertise on the Board;
- b) identifying whether there are any areas where the skill set requires supplementing;
- c) recommending to the Board how the skill set of existing Non-Executive Directors can be enhanced; and
- d) an assessment of the effectiveness of the various Committees established by the Board.

5.1.3 Recommendations for Appointment and Removal of Directors

- a) Selecting and recommending candidates for the Board when circumstances warrant the appointment of a new Director;
- b) Advising the Board of the names of the Non-executive Directors to retire in accordance with the Company's Constitution and recommending whether the Board should support the re-nomination of those retiring Directors.

5.1.4 Board Succession Planning

Establish and review Board succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board.

5.1.5 Compliance

Review of processes in place to ensure compliance with laws, regulations and internal codes of conduct.

5.2 Remuneration Role

5.2.1 Executive Remuneration

- a) Review and make recommendations to the Board on the Company's policy for determining executive remuneration and any amendments to that policy proposed from time to time by management.
- b) Review the ongoing appropriateness and competitiveness of the executive remuneration policy and other executive benefits programs.
- c) With regard to external advice on remuneration-related matters, as necessary, engage remuneration consultants and receive any advice and/or recommendations from them with respect to the setting of executive remuneration and where appropriate, communicate the recommendation of any remuneration consultant to persons within the Company.
- d) Oversee the implementation of this remuneration policy within the Company's Executive Directors and senior management.
- e) Consider and make recommendations to the Board on the entire specific

remuneration for each Executive Director (including base pay, incentive payments, performance rights, equity awards, retirement rights, and service contracts) having regard to the executive remuneration policy.

5.2.2 Executive Incentive Plans

- a) Review and make recommendations to the Board on the design of all executive incentive plans.
- b) Review and make recommendations to the Board on the total proposed payments under each executive incentive plan.

5.2.3 Equity Based Plans

- a) Review and make recommendations to the Board on the design of all equity based plans. Keep all plans under review in the light of legislative, regulatory and market developments.
- b) For each equity based plan, determine each year whether awards will be made under that plan.
- c) Review and make recommendations to the Board on total proposed awards under each plan.
- d) In addition to considering awards to Executive Directors review, approve and report to the Board on proposed awards under each plan on an individual basis for executives as required under the rules governing each plan or as determined by the Committee.
- e) Review and make recommendations to the Board on performance hurdles for each equity based plan not less than once per year.

5.2.4 Non-Executive Director Remuneration

Review and provide recommendations to the Board regarding remuneration of non-executive Directors.

6 Review of performance

The Committee will periodically undertake an evaluation of its performance. The Board may evaluate the performance of the Committee as appropriate.

7 Review of this charter

The Board will periodically review this Charter to determine its adequacy.

Approved by the Board of Directors of Metgasco Limited on 13 December 2016.