



CENTAMIN EGYPT LIMITED

NOMINATION AND REMUNERATION COMMITTEE CHARTER

AUSTRALIA

57 Kishorn Road, Mt Pleasant, Western Australia 6153
Telephone 618 9316 2640 **Facsimile** 618 9316 2650

Email centamin@centamin.com.au

Website www.centamin.com.au ABN 86 007 700 352

EGYPT

361 El-Horreya Road, Sedi Gaber, Alexandria, Egypt
Telephone 203 541 1259 **Facsimile** 203 522 6350

1 PURPOSE

- 1.1 The Nomination and Remuneration Committee ("the Committee") is a committee of the Centamin Egypt Limited ("Centamin") Board ("the Board"). The Committee's primary functions are to:-
- (a) make recommendations to the Board on:-
 - i) The Company's remuneration, recruitment, retention, termination, superannuation and incentive policies and procedures for Directors and Senior Executives;
 - ii) The Employee Option Plan;
 - iii) The development of a process for evaluation of the performance of the Board, its Committees and Directors.
 - (b) Review the necessary and desirable competencies, skills, knowledge and experience of Directors;
 - (c) Review the Board succession plans; and
 - (d) Make recommendations for the appointment, re-election and removal of Directors to the Board.

2 MEMBERSHIP AND VOTING

- 2.1 The members of the Committee shall be appointed by the Board from amongst the Non-Executive Directors of the Company and shall consist of not fewer than three members, a majority of whom must be independent Directors as per the definition of independence contained within the Company's Directors' Test of Independence Policy. A quorum shall be two members.
- 2.2 The duties and responsibilities of a member of the Committee shall be in addition to those duties set out for a Director of the Board.
- 2.3 The Chairman of the Committee shall be an Independent Non-Executive Director, as per the definition of independence contained within the Company's Directors' Test of Independence Policy, who shall be appointed by the Board.
- 2.4 Matters arising for determination at Committee meetings shall be decided by a majority of votes of directors present and voting, and any such decision shall for all purposes be deemed a decision of the Committee.
- 2.5 In the case of equality votes, the Chairman of the Meeting, in addition to his deliberative vote, has a casting vote.

3 SECRETARY AND MINUTES

- 3.1 The Company Secretary shall be the Secretary of the Committee and the minutes of meetings of the Committee shall be made available to all members of the Board.
- 3.2 For the avoidance of doubt, if the Company Secretary is also an executive director of the Company, he or she shall not be entitled to vote or be counted in the quorum in respect of any resolution of the Committee.

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4 ATTENDANCE AND FREQUENCY OF MEETINGS

- 4.1 The Chairman will call a meeting of the Committee if so requested by any member of the Committee.
- 4.2 Meetings shall be held when required, but in any event shall be held not less than once per calendar year. The Chairman of the Company may request a meeting if he reasonably considers that one is necessary.
- 4.3 Other Directors have a right of attendance at meetings. However, no Board Director is entitled to attend that part of a meeting at which the performance or remuneration of that Director is being discussed.
- 4.4 Notwithstanding the above, if in the opinion of the Committee, their investigation or discussion will be assisted by hearing from the interested Board Director, the Committee may invite that Board Director to address the Committee. The Committee shall give fair consideration to that address. The Board Director will not, however, be invited to take part in the deliberations following that address.
- 4.5 The Managing Director/Chief Executive Officer and Chief Financial Officer may be invited to attend each meeting of the Committee. Other Company executives and/or parties external to the Company may be invited to attend any meeting of the Committee at the Committee's discretion.

5 AUTHORITY

- 5.1 The Committee is authorised by the Board to investigate any matter within its terms of reference and to make recommendations to the Board on any such matter. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any reasonable requests made by the Committee.
- 5.2 The Committee is authorised by the Board to obtain, at the Company's expense, outside professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. It is envisaged that in obtaining outside advice the Committee will act in conjunction with the Chairman of the Company.
- 5.3 The Committee will consult the Chairman and/or Managing Director/Chief Executive Officer of the Company in connection with any proposals and those persons may be invited to attend relevant meetings (or parts thereof) of the Committee.

6 REMUNERATION DUTIES

- 6.1 The duties of the Committee in relation to remuneration matters include:-
- (a) to review the Company's remuneration, recruitment, retention, incentive and termination policies and procedures for Senior Executives;
 - (b) to consider the basic salary paid to key Senior Executives and any recommendations made by the Chairman or Managing Director/CEO of the Company for changes to that basic salary;
 - (c) to consider any bonuses to be paid to the Executive Directors and/or Senior Executives and, in respect of any element of remuneration which is performance related, to formulate suitable performance related criteria and monitor their operation, and to consider any recommendations of the Chairman or Managing Director/CEO of the Company regarding bonuses or performance related remuneration. Performance conditions should be relevant, stretching and designed to enhance shareholder value;
 - (d) to consider the remuneration framework for Directors and determine all performance-related formulae relevant to the remuneration of the directors of the Company and to consider the eligibility of directors for annual bonuses under long term incentive schemes;

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- (e) to administer all aspects of any share option scheme operated by or to be established by the Company including but not limited to (subject always to the rules of that scheme and any applicable legal and stock exchange requirements):
 - (i) the selection of those eligible directors of the Company and its subsidiary companies to whom options should be granted;
 - (ii) the timing of any grant;
 - (iii) the numbers of shares over which options are to be granted;
 - (iv) the exercise price at which options are to be granted;
 - (v) the imposition of any objective condition which must be complied with before any option may be exercised;
 - (f) to have regard in the performance of the duties set out in this Clause to any published guidelines or recommendations regarding the remuneration of directors of listed companies and formation and operation of share option schemes which the Committee considers appropriate;
 - (g) to consider and make recommendations to the directors of the Company concerning disclosure of detail of remuneration packages and structures in addition to those required by law, by the Australian Securities Exchange, by the AIM Market of the London Stock Exchange or by the Toronto Stock Exchange;
 - (h) to determine and review superannuation arrangements of Centamin Egypt Limited.
 - (i) to review succession plans for Executive Directors and Senior Executives.
- 6.2 Notwithstanding the above, pursuant to the Australian Securities Exchange Listing Rules, Shareholders approval must be sought to:-
- (a) increase the amount the Company may pay its Non-Executive Directors collectively;
 - (b) approve Employee Option Plans (long term incentive schemes); and
 - (c) issue employee options to Directors of the Company.

7 NOMINATION DUTIES

7.1 The duties of the Committee in relation to nomination matters include:-

- (a) determining the appropriate size and composition of the Board;
- (b) setting a formal and transparent procedure for selecting new directors for appointment and re-election to the Board, in the form of a Selection, Appointment and Re-Appointment of Directors Policy;
- (c) developing criteria from time to time for selection of candidates for the Board in context of the Board's existing composition and structure;
- (d) making recommendations to the Board on the appointment and removal of directors;
- (e) identifying, assessing, and enhancing director competencies;
- (f) developing a succession plan for the Board and regularly reviewing the plan;
- (g) developing a process for evaluation of the performance of the Board, the various sub Committees and individual Directors;

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- (h) reviewing the time required from a non-executive director and whether directors of the Board are meeting this requirement; and
- (i) ensuring that there is an appropriate induction programme in place for new directors and members of senior management and reviewing its effectiveness.

7.2 For the appointment of a Chairman, the Committee will prepare a job specification, including an assessment of the time commitment expected, recognising the need for availability in the event of crises. The Committee will review the Chairman's other significant commitments before his/her appointment.

8 EXCLUSIONS

- 8.1 The terms of reference of the Committee do not encompass decisions to employ or dismiss Executives.
- 8.2 A member of the Committee is not entitled to be present when his or her own salary or fee is discussed at a meeting or when his/her performance is being evaluated.

9 REPORTING PROCEDURES

- 9.1 The Secretary of the Committee shall circulate the minutes of the meetings of the Committee to all members of the Board.
- 9.2 The Committee will ensure that the Board is provided with sufficient information to ensure informed decision-making.

10 REVIEW OF CHARTER

This Charter is to be reviewed annually by the Board to ensure it remains consistent with the Board's objectives and responsibilities.

11 PUBLICATION OF CHARTER

A copy of this Charter should be made available on the Company's website www.centamin.com on a page clearly marked "corporate governance", and should be made available to shareholders of Centamin Egypt Limited upon request.

12 DEFINITIONS

"Committees" – The Nomination and Remuneration Committee, the Audit Committee and the Compliance / Corporate Governance Committee, and any other Sub-Committee of the Board of Centamin Egypt Limited that may arise from time to time.

"Director" – Any Director of the Company whether Non-Executive or Executive.

"Senior Executive" – Executive Directors, the Chairman (irrespective of whether the Chairman is an Executive or not), the Chief Financial Officer and the Company Secretary. Any roles below these positions are the responsibility of the Managing Director/CEO.

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