
1. Composition

The Nomination Committee should to the extent practicable given the size and composition of the Board and/or nature and scope of the operations of the Company from time to time, comprise of:

- a. at least three members;
- b. non-executive directors; and
- c. a majority of directors who are independent (and must satisfy this description to the extent required by statute or regulation).

From time to time, non-Nomination Committee members may be invited to attend Nomination Committee meetings, if it is considered appropriate.

The chair of the Nomination Committee (**Chair**) must:

- a. be nominated by the Board; and
- b. be an independent director (and must satisfy this description if required by statute or regulation).

2. Role

The function of the Nomination Committee is to examine the selection and appointment practices of the Company, address Board succession issues and ensure that the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.

3. Operations

The Nomination Committee shall meet at least once a year and 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.

4. Responsibilities

4.1 Size and composition of the Board

The Nomination Committee's key responsibilities and functions are to assist the Board in discharging its responsibilities in relation to ensuring it has the appropriate mix of directors with the necessary skills, expertise, relevant industry experience and diversity. In doing so, the Nomination Committee shall:

- a. annually review the size and composition of the Board and consider any appropriate changes;

- b. identify and assess necessary and desirable director skills and competencies using a Board skills matrix and provide advice on the skills and competency levels of directors with a view to enhancing the Board, including considering what training or development could be undertaken to fill any gaps identified;
- c. make recommendations on the appointment and removal of directors;
- d. make recommendations on whether any directors whose term of office is due to expire should be nominated for re-election;
- e. annually review the time required from non-executive directors and whether non-executive directors are meeting that requirement;
- f. develop and approve the board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership for inclusion in the Company's corporate governance statement;
- g. review the Company's *Diversity Policy* at least annually and make decisions as to any strategies required to address Board diversity; and
- h. annually review and consider and note at least annually on the relative proportion of women and men at all levels of the economic group controlled by the Company.

4.2 Selection process for new directors

The Nomination Committee shall review the Company's *Policy and Procedure for Selection and (Re)Appointment of Directors (as contained in Appendix A)*, and carry out its role in the process as outlined in that policy. The procedure should be transparent to promote investor understanding and confidence in the process.

The Nomination Committee is responsible for evaluating the balance of skills, knowledge, experience, independence and diversity on the Board and, in the light of this evaluation, preparing a description of the role and capabilities required for a particular appointment.

The Nomination Committee is empowered to engage external consultants in its search for a new director, particularly as a means to increase the presentation of candidates which meet the requirements and objectives set pursuant to the Company's *Diversity Policy*.

4.3 Performance evaluation

The Nomination Committee shall:

- a. develop a process for evaluation of the performance of the Board, Board committees (if any) and individual Board members in accordance with the Company's *Process for Performance Evaluations*;
- b. consider and articulate the time required by Board members in discharging their duties efficiently;
- c. undertake continual assessment of directors as to whether they have devoted sufficient time in fulfilling their duties as directors; and
- d. develop a process for and carry out an evaluation of the performance of the Managing Director in accordance with the Company's *Process for Performance Evaluations*.



4.4 Induction and continuing professional development

The Nomination Committee shall:

- a. regularly assess whether the directors as a group have the skills, knowledge and experience to deal with new and emerging business and governance issues;
- b. implement ways of enhancing the competency levels of directors;
- c. review and implement the Company's *Induction Program*;
- d. ensure new directors participate in the *Induction Program*;
- e. ensure that any director who does not have specialist accounting skills or knowledge has a sufficient understanding of accounting matters to fulfil his or her responsibilities in relation to the Company's financial statements;
- f. ensure that any director who is not familiar with the legal framework that governs the Company is provided with training on their legal duties and responsibilities as a director under the key legislation governing the Company and the listing rules (including ASX's continuous and periodic reporting requirements).
- g. provide all directors with access to ongoing education relevant to their position in the Company, including education concerning key developments in the Company and in the industry and environment within which it operates; and
- h. ensure that directors receive ongoing education on developments in accounting standards.

4.5 Succession plans

The Nomination Committee shall review the Company's succession plans. Succession plans are used to assist in maintaining the appropriate mix of skills, knowledge, experience, independence and diversity on the Board to enable it to discharge its duties and responsibilities effectively.

5. Authority and resources

The Nomination Committee may, when it considers it necessary or appropriate, seek advice from external consultants or specialists.

6. Reporting to the Board

To assist the Board to carry out its nomination function, the Nomination Committee should compile a report, at least annually, on the following matters:

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

7. Review of Charter

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



Policy and Procedure for Selection and (Re)Appointment of Directors

Chalice Mining Limited ACN 116 648 956 (Company)

New directors

It is the policy of the Board that in determining candidates for the Board, the following process shall occur:

- a. The Nomination Committee (or equivalent) evaluates the mix of skills, experience, expertise and diversity of the existing Board. In particular, the Nomination Committee (or equivalent) is to identify the particular skills and diversity that will best increase the Board's effectiveness. Consideration is also given to the balance of independent directors on the Board. Regard shall also be had to the Company's *Diversity Policy* in identifying appropriate candidates.
- b. The Nomination Committee (or equivalent) will identify potential candidates by seeking applications from suitably qualified individuals; and/or placing advertisements in appropriate media; and/or engaging external consultants that will present diverse candidates.
- c. The Nomination Committee (or equivalent) interviews selected candidates.
- d. A potential candidate is considered with reference to their skills and expertise in relation to other Board members. The Nomination Committee (or equivalent) will also have regard to the other matters identified in this *Policy and Procedure for Selection and Re(Appointment) of Directors* as relevant when identifying and considering candidates for the Board.
- e. If relevant, the Nomination Committee (or equivalent) recommends an appropriate candidate for appointment to the Board. The Nomination Committee (or equivalent) must undertake appropriate checks before recommending an appropriate candidate for appointment to the Board. These should include checks as to the person's character, experience, education, criminal record and bankruptcy history.
- f. Any appointment made by the Board is subject to ratification by shareholders at the Company's next annual general meeting.
- g. The Company must enter into a written agreement with each director appointed to the Board setting out the terms of their appointment.

Board renewal

The Board recognises that Board renewal is critical to performance and the impact of Board tenure on succession planning. Re-appointment of directors is not automatic. The Company must hold an election of directors each year. Under the Company's Constitution, a director of the Company must not hold office (without re-election) past the third annual general meeting following the director's appointment or three years, whichever is longer. However, a director appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting of the entity. This rule does not apply to the Managing Director.



Size and composition of the Board

The Board should be structured in such a way that it has a proper understanding of, and competence to deal with, the current and emerging issues of the business and encourages enhanced performance of the Company.

Reference is made to the Company's size and operations as they evolve from time to time.

Commitment to the Board

Non-executive directors must provide to the Nomination Committee (or equivalent), prior to their appointment or re-election, details of their other commitments and an indication of the time involved in carrying out those other commitments.

All directors should consider the number and nature of their directorships and calls on their time from other commitments. Prior to appointment or being submitted for re-election non-executive directors are required to specifically acknowledge to the Company that they will have sufficient time to fulfil their responsibilities as a director.

Informing shareholders

Shareholders will be informed of the names of candidates submitted for election as directors. So that shareholders can make an informed decision on whether or not to elect or re-elect a candidate as a director, the following information will be supplied to shareholders:

- a. biographical details, including their relevant qualifications and experience and the skills they bring to the Board;
- b. details of any other material directorships currently held by the candidate;
- c. if the candidate is standing for election as a director for the first time:
 - i. confirmation that the entity has conducted appropriate checks into the candidate's background and experience;
 - ii. if those checks have revealed any information of concern;
 - iii. details of any interest, position, or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual security holder or other party; and
 - iv. if the Board considers that the candidate will, if elected, qualify as an independent director, a statement to that effect;
- d. if the candidate is standing for re-election as a director:
 - i. the term of office currently served by the director; and
 - ii. if the Board considers the director to be an independent director; a statement to that effect; and
- e. a statement by the Board as to whether it supports the election or re-election of the proposed candidate.