

Corporate Governance Practices (continued)

5. Nomination Committee Charter

The Nomination Committee shall consist of the full Board.

The main responsibilities of the Nomination Committee are to:

- Conduct an annual review of the membership of the Board having regard to present and future needs of the Company and to make recommendations on Board composition and appointments.
- Conduct an annual review of the independence of directors.
- Propose candidates for board vacancies.
- Oversee the annual performance assessment program.
- Oversee Board succession including the succession of the Chairman.
- Assess the effectiveness of the induction process for new directors and senior management.

When the need for a new director is identified, the Committee reviews the range of skills, experience and expertise on the Board, identifies its needs and prepares a short-list of candidates with appropriate skills and experience. Where necessary, advice is sought from independent research consultants.

The full Board then appoints the most suitable candidate who must stand for election at the next annual general meeting of the Company.

The Board ensures that notices of meeting for the election of directors comply with the ASX Corporate Governance Council's best practice recommendations.

New directors are provided with a deed of appointment setting out their responsibilities, rights and the terms and conditions of their employment. All new directors participate in a comprehensive, formal induction program which covers financial, strategic, operations and risk management issues as well as expectations for director behaviour.