

REY RESOURCES LIMITED

ACN 108 003 890

BOARD NOMINATION POLICY**Skills required on the Board**

The Board shall contain the relevant blend of expertise in:

- the mineral resources industry;
- finance;
- business; and
- CEO-level experience.

Appointment of Non-executive Directors

Directors are appointed under the terms of the Company's Constitution.

Subject to the number of directors allowed under the Constitution, being a minimum of three, the Board must determine the number of directors provided that the directors cannot reduce the number of directors below the number in office at the time that determination takes effect. A director may be elected by an ordinary resolution of the Company in general meeting. In the situation of a vacancy occurring between such election, the Board will appoint a replacement director. Such a director will only hold office until the next general meeting of the Company.

Rotation of Non-executive Directors

To ensure a gradual and controlled movement of directors, the longest serving one-third of all directors (rounded down to the nearest whole number) will retire at each AGM, but shall be eligible for re-election.

Vacation of Office

It is envisaged that directors shall remain on the Board until required to vacate the office, as provided by the Constitution.

Director Nomination Procedure

In the event that the Board recognises the need for an additional non-executive director:

- the Board determines the required skilled set, relevant expertise and experience, having consideration of the current Board composition and size and shareholder structure of the Company;
- the Board identifies potential candidates, possibly with assistance from external agencies and/or advisers;
- the Board develops a short list of candidates;
- the Board agrees on preferred candidate;
- the Chairman of the Board approaches preferred candidate to canvass interest, availability and terms of appointment; and
- the Chairman finalises a letter of appointment for Board approval.

Independent Advice

A director of the Company is entitled to seek independent professional advice (including but not limited to legal, accounting and financial advice) at the Company's expense on any matter connected with the discharge of his or her responsibilities, in accordance with the procedures and subject to the conditions set out below:

- a director must confer in advance with the Chairman (in the Chairman's case, they must confer with the Chairman of the Audit Committee);
- in seeking the prior approval of the Chairman, the director must provide the Chairman with details of:
 - (i) the nature of the independent professional advice;
 - (ii) the likely cost of seeking the independent professional advice; and
 - (iii) details of the independent adviser he or she proposes to instruct.
- the Chairman may prescribe a reasonable limit on the amount that the Company will contribute towards the cost of obtaining such advice;
- all documentation containing or seeking independent professional advice must clearly state that the advice is sought both in relation to the Company and to the director in his or her personal capacity. However, the right to advice does not extend to advice concerning matters of a personal or private nature, including for example, matters

relating to the director's contract of employment with the Company (in the case of an executive director) or any dispute between the director and the Company; and

- the Chairman may determine that any advice received by an individual director will be circulated to the remainder of the Board.