

Boart Longyear Limited

Remuneration, Nominations and Governance Committee Charter

1. General

- 1.1 The purpose of the Committee is to assist the Board in the effective discharge of its responsibilities in relation to:
- (a) remuneration of executives and non-executive Directors;
 - (b) recruitment and retention of management;
 - (c) Board composition including with respect to Board selection, succession planning and diversity;
 - (d) Ensure that the Company and all board members have the proper tools to carry out their duties responsibly
 - (e) Ensure appropriate governance practices are in place and being followed by management as well as the Board.
- 1.2 The Committee has authority from the Board to review and investigate any matter within the scope of its charter and make recommendations to the Board in relation to the outcomes. The Committee has no delegated authority from the Board to determine the outcomes of its reviews and investigations and the Board retains its authority over such matters.
- 1.3 The Committee has unrestricted access to employees and records and is authorised to take advice from external parties as appropriate at Boart Longyear's expense.
- 1.4 In this charter the following terms have the following meanings:
- “Board”** means the Board of Boart Longyear.
- “Chief Executive Officer”** means the Chief Executive Officer of Boart Longyear.
- “Director”** means a member of the Board of Boart Longyear.
- “independent Director”** means a Director who has been determined by the Board to be independent in accordance with clause 6 of the Board Charter.
- “non-executive Director”** means a Director who is not employed in an executive capacity by Boart Longyear.
- “Boart Longyear”** means Boart Longyear Limited.

2. Composition

- 2.1 The Committee will consist of at least three Directors, the majority of which will be independent Directors and all of which will be non-executive Directors.

- 2.2 The Chairman of the Committee should be an independent Director.
- 2.3 The Company Secretary or their nominee will act as the Secretary to the Committee.

3. Meetings

- 3.1 The Committee must meet as often as required and at least four times each year.
- 3.2 Meetings will be called by the Secretary at the direction of the Board or at the request of the Committee Chairman.
- 3.3 Subject to paragraph 3.6, members of the Board or management may attend all or part of a meeting of the Committee, and the Chief Executive Officer will attend meetings ex officio.
- 3.4 The Secretary will keep minutes of proceedings and resolutions of the Committee together with copies of supporting papers. These records will be available to any Board member upon request.
- 3.5 The Committee will develop an annual program to meet its responsibilities.
- 3.6 The Committee will meet without members of management being present if the Committee Chairman or the Committee considers it appropriate that members of management not be in attendance. The Chief Executive Officer will not attend while any matter relating to the remuneration or performance of the Chief Executive Officer is under discussion.
- 3.7 The Committee Chairman, or their nominee, will report to the Board after each meeting of the Committee and copies of the minutes of each Committee meeting will be provided to members of the Board. All minutes of the Committee must be entered into a minute book maintained for that purpose and will be open at all times for inspection by any Director.
- 3.8 A quorum will comprise two members of the Committee. In the absence of the Committee Chairman, Committee members will elect an independent Director to act as Chairman for that meeting.
- 3.9 Each member of the Committee will have one vote and questions will be decided by a majority of votes. In the case of an equality of votes, the Chairman of the Committee will have a second or casting vote, provided more than two of the members present are entitled to vote.

4. Duties

Remuneration

- 4.1 In meeting its purpose set out in paragraph 1.1 of this charter, the Committee has the following duties in relation to the remuneration and performance evaluation of executives and non-executive Directors:
- (a) regularly review the executive remuneration policy of Boart Longyear to ensure that it motivates management to pursue the long-term growth and success of Boart Longyear and is clearly linked to performance.
 - (b) monitor compliance with Boart Longyear's executive remuneration policy, oversee the implementation of the policy and consider whether to seek shareholder approval of any aspect of the policy.
 - (c) review all aspects of the remuneration and any proposed change to the terms of employment of the Chief Executive Officer and any executive Director of Boart Longyear.
 - (d) review the proposed remuneration and any proposed change to the terms of employment of the Key Management Personnel, as defined by the Australian Accounting Standard AASB 124 *Related Party Disclosures* and/or Executive Committee members of the Company (collectively "Key Executives").
 - (e) review and approve any proposed termination payment to the Chief Executive Officer or any Key Executive.
 - (f) regularly review all executive incentive plans, including equity-based plans, including a consideration of performance thresholds, regulatory and market requirements and whether to seek shareholder approval of any aspect of such plans.
 - (g) develop performance hurdles for the Chief Executive Officer and review the proposed performance hurdles for the Key Executives.
 - (h) review the performance of the Chief Executive Officer and Key Executives against their pre-determined performance hurdles.
 - (i) assist with the development of appropriate succession plans for Key Executives as directed by the Board.
 - (j) review the recruitment, retention and termination policies and procedures for senior management.
 - (k) review and approve the policy for retirement and superannuation arrangements for Boart Longyear employees and monitor plan funding, investment policies and investment performance.
 - (l) review the policy and any proposed change for the remuneration of non-executive Director including the process for allocating the fee pool approved by shareholders.
 - (m) review and make recommendations on the annual remuneration report.

- (n) approve the appointment of, and engage with, remuneration consultants in accordance with the Boart Longyear Protocol for the engagement and utilisation of external remuneration consultants.

Nomination

- 4.2 In meeting its purpose set out in paragraph 1.1 of this charter, the Committee has the following duties in relation to the composition and performance of the Board (which duties will be carried out in consultation with the Chairman of the Board):
- (a) At least once each year assess the skills required for the Board to competently discharge its responsibilities and meet its objectives.
 - (b) Develop and implement a plan to identify, assess and enhance Director competencies and at least once each year, assess the skills and diversity of the existing non-executive Directors and consider whether the composition and mix are sufficient for the Board to competently discharge its responsibilities and meet its objectives.
 - (c) Review Board succession plans, including with respect to the succession of the Chair, and recommend them to the Board.
 - (d) Upon the retirement or resignation of a non-executive Director or upon it being determined that the skills of the non-executive Directors should be enhanced, consider the best means by which this may be achieved, in order to maintain an appropriate balance of skills, experience, diversity and expertise on the Board.
 - (e) Make recommendations to the Board in relation to the appointment and re-election of Directors.
 - (f) Review the time commitment required from non-executive Directors and consider whether each non-executive Director is meeting this requirement.
 - (g) Prior to election, ensure that all individuals nominated for appointment to the Board as a non-executive Director expressly acknowledge that they will have sufficient time to fulfil the responsibilities and duties expected of them.
 - (h) Develop and implement an induction procedure for new Directors to ensure their understanding of:
 - (i) Boart Longyear's financial, strategic, operational and risk management position;
 - (ii) their rights, duties and responsibilities; and
 - (iii) the role of Board committees.
 - (i) Regularly review the effectiveness of the induction procedure for new Directors.
 - (j) Develop and implement a continuing professional development program for Directors.

Diversity

- 4.3 In meeting its purpose set out in paragraph 1.1 of this charter, the Committee has the following duties in relation to diversity:
- (a) Regularly review the diversity policy of Boart Longyear;
 - (b) Set measurable objectives in accordance with that policy, monitor compliance with Boart Longyear's diversity policy, oversee the implementation of the policy, at least annually review progress in achieving the objectives of the policy and make recommendations to the Board regarding changes to the objectives or the way in which they are implemented;
 - (c) Promote a corporate culture which embraces diversity when performing its duties;
 - (d) Review and make recommendations to the Board on the disclosures in the annual report concerning diversity, including reviewing and reporting on the relative proportion of women and men on the Board, in senior executive positions and across Boart Longyear (including how "senior executive" has been defined for this purpose) or, if applicable, providing the Board with Boart Longyear's most recent indicators as required by the Australian Workplace Gender Equality Act 2012; and
 - (e) Review and report to the Board in relation to whether there is any gender or other inappropriate bias in remuneration for Directors, senior executives or other employees.

4.4 Governance

- (a) Oversee the Company's compliance and ethics program, including compliance with legal and regulatory requirements other than those related to accounting or financial reporting (which are the responsibility of the Audit Committee), and from time to time, discuss with management, the Company's compliance and ethics program, as well as the status of pending litigation and/or investigations related to the compliance hotline as well as environmental issues and other areas of oversight, as may be appropriate.
- (b) Oversee the Company's policies and initiatives related to Corporate, Environmental and Social Responsibility and General Corporate Governance.
- (c) Oversee the Company's compliance with the Code of Conduct, including periodically reviewing and updating the Code of Conduct, and evaluating any actual or potential conflicts of interest of directors, and management's activities to monitor compliance with the Code of Conduct.
- (d) Identify the qualities and characteristics that boards need and draft a recruitment plan to draw qualified board director candidates to them.
- (e) Oversee the program for delivering board trainings and professional development.
- (f) Review and recommend to the Board for approval Board policies and procedures.

- 4.5 The Committee will report or make recommendations to the Board in relation to each of its duties set out above as required or appropriate.

5. Assessment

- 5.1 At least once each year the Committee and the Board will review the performance of the Committee, including the performance of individual Committee members. This review will incorporate the views of relevant stakeholders.
- 5.2 At least once each year the Committee will review this charter and make recommendations to the Board in relation to any proposed change to this charter.