

## REMUNERATION POLICY

Document User:	All Jindalee Personnel
Person responsible for keeping document current:	Company Secretary

Revision	Prepared	Reviewed	Approved	Date	Comments
01/2019	TF	Board	14/03/2019	14/03/2019	
02/2020	TF	Board	05/06/2020	05/06/2020	

# JINDALEE RESOURCES LIMITED

## REMUNERATION POLICY

### INTRODUCTION

Jindalee Resources Limited (**Company**) recognises the importance of ensuring that directors, officers and employees are remunerated fairly and transparently and in a manner which, to the extent practicable, aligns their interests and incentives with growth in long term shareholder value, having regard to the size of the Company and its stage of development.

This Remuneration Policy (**Policy**) sets out the general principles which the board of directors (**Board**) will adopt in setting the remuneration of directors, officers and employees.

### Policy Principles

The main principles underpinning the Policy are as follows:

- the remuneration paid by the Company is clearly aligned with Jindalee's values, culture and corporate strategy;
- supports the attraction, engagement and retention of high quality personnel;
- be equitable and flexible and ensure quality of pay between genders for comparable roles;
- appropriately reflects market conditions and organisational context;
- recognise individual performance and competency, rewarding individuals for achieving high performance;
- having regard to the size and stage of development of the Company, the remuneration of senior executives should be weighted more towards incentive amounts which achieve a high degree of alignment with shareholder value creation; and
- an appropriate portion of individual remuneration for senior executives should be linked to specific financial and non-financial performance criteria if appropriate.

### Non-Executive Director Remuneration

Non-Executive Directors are normally remunerated by way of fees at commercial market rates for comparable companies for their time, commitment and responsibilities. Remuneration may be in the form of cash, non-cash benefits, superannuation contributions or salary sacrifice into equity, or a combination of these.

Notwithstanding the ASX's Corporate Governance Councils Principles and Recommendations to the contrary, given the size of the Company and its stage of development, it is considered appropriate for Non-Executive Directors to participate in the Company's option incentive schemes, subject to approval by Shareholders.

Shareholder approval must be obtained in relation to the overall limit set for Non-Executive Directors' fees.

The maximum aggregate remuneration approved by shareholders for Non-Executive Directors is currently \$200,000 per annum. The Directors set the individual Non-Executive Directors fees within the limit approved by shareholders.

Non-Executive Directors are not provided with retirement benefits.

## **Executive Directors and Senior Executives**

Executive Directors and Senior Executives receive a base remuneration which is market related and may be entitled to performance based remuneration which is determined on an annual basis.

Overall remuneration levels are subject to the discretion of the Board and can be changed to reflect competitive and business conditions where it is in the interests of the Company and shareholders to do so.

Executive remuneration and other terms of employment are reviewed annually by the Board having regard to the performance, relevant comparative information and may include independent expert advice.

The total remuneration of executives consists of the following:

- (a) salary – executives receive a fixed sum payable monthly in cash;
- (b) option component – executives may participate in share and option schemes generally made in accordance with thresholds set in plans approved by shareholders if deemed appropriate. However, the Board considers it appropriate to retain the flexibility to issue shares and options to executives outside of approved schemes in exceptional circumstances; and
- (d) other benefits – executives may, if deemed appropriate by the Board, be provided with a fully expensed mobile phone and other forms of remuneration.

## **Employee Share Option Plan**

The Company has an Employee Share Option Plan (**Plan**) which was last approved by Shareholders at the 2017 Annual General meeting. The purpose of the Plan is to give employees, directors and officers of the Company an opportunity, in the form of options, to subscribe for shares in the Company. The directors consider the Plan will enable the Company to retain and attract skilled and experienced employees, board members and officers, and provide them with the motivation to make the Company more successful. Where appropriate, performance hurdles will be set for options that align the short term and long term interests of the Company with those of the individual employee, senior executive or director.

Participation in the plan and any vesting criteria is at the Board's discretion and no individual has a contractual right to participate in the Plan or to receive any guaranteed benefits. Any options issued to directors of the Company are subject to Shareholder approval.

## **Policy review**

This policy is reviewed **annually**.