



Remuneration & Nomination Committee Charter

1. Purpose of the Charter

- 1.1. The Remuneration & Nomination Committee ('Committee') is a committee of the Toro Energy Limited ('Toro') board of directors ('Toro Board').
- 1.2. This Charter sets out the role and responsibilities, composition and structure of the Committee.
- 1.3. The Toro Board has delegated certain responsibilities to the Committee which will require formal reporting back to the Toro Board. The ultimate responsibility of remuneration & nomination policy matters rests with the Toro Board.

2. Role and Responsibilities

- 2.1. The Committee has the delegated responsibility from the Toro Board to conduct detailed examination of certain matters set out in this Charter below which will require the Toro Board's approval.
- 2.2. The Committee is responsible for reviewing the following remuneration matters:
 - a) remuneration and incentive framework for the Managing Director and CFO;
 - b) incentive framework for all staff; and
 - c) remuneration of Toro non-executive directors and Key Management Personnel..
- 2.3. The Committee will review the following matters and in doing so, shall consider whether any significant matters should be brought to the attention of the Toro Board:
 - a) superannuation arrangements;
 - b) recruitment, retention and termination strategies including to establish and regularly review; a remuneration and benefits policy;
 - c) the Remuneration Report;
 - d) criteria and process for board, director and committee performance evaluation;
 - e) prepare, review and update as required executive employment contracts for the Managing Director and key management personnel;
 - f) prepare, review and update (i) a letter of engagement for non-executive directors and (ii) deed of indemnity, insurance and access;
 - g) review as required any relevant employee or Toro Board code of conduct adopted by Toro;
 - h) review and report to the Toro Board on Toro's insurance policy for professional indemnity of directors and officers; and
 - i) other relevant matters identified from time to time, or requested by the Toro Board.
- 2.4. The Committee will be responsible for reviewing and making recommendations to the Toro Board on the following nomination matters:
 - a) reviewing and implementing internal induction procedures for directors of Toro on a regular basis;
 - b) Toro's succession plans with a view to maintaining an appropriate balance of skills, diversity and experience on the Board and its key management personnel with regard to Toro's strategic direction, collective risks and risk appetite;
 - c) guidance to the Toro Board on proposed significant shareholder nominee appointments;
 - d) the appropriate size, composition and skill set of the Toro Board; and

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e) the terms and conditions of appointment to, and removal and retirement from, the Toro Board.

3. Composition & Structure

- 3.1. The Committee members are appointed, removed and/or replaced by the Toro Board. Appointments are for indefinite term (i.e. until the member ceases to be a director of Toro) or as otherwise determined by the Toro Board.
- 3.2. The Committee, where practicable, will consist of at least three members and include an independent director of the Toro Board as Committee Chair.
- 3.3. A quorum shall be at least two members or any greater number determined by the Toro Board.
- 3.4. The duties and responsibilities of a member of the Committee shall be in addition to those duties set out for a director of Toro.
- 3.5. Proceedings of the Committee are governed by the constitution of Toro to the extent that they are applicable and not inconsistent with this Charter.
- 3.6. The Toro Board will determine the manner including frequency (not being more frequent than annually) for appointing or re-appointing (as the case may be) the Chairman of the Committee.
- 3.7. If a member of the Committee retires, is removed or resigns from the Toro Board, the member immediately ceases to be a member of the Committee.

4. Frequency of Meetings

- 4.1. The Committee shall meet at least two times per annum and more frequently as required.
- 4.2. The Chairman of the Committee or Toro's auditor must call a meeting of the Committee if requested to do so in writing by a Committee member [.

5. Attendance at Meetings

- 5.1. Toro non-executive directors who are not Committee members may attend Committee meetings.
- 5.2. Toro executive directors or senior management who are not members of the Committee may be invited to attend meetings of the Committee.
- 5.3. The Managing Director is not to be present when the Committee discusses issues relating to the Managing Director.
- 5.4. If the Chairman of the Committee is not present at a Committee meeting, the Committee may elect a chairman for that meeting.
- 5.5. The Company Secretary of Toro or another person approved by the Toro Board is the secretary of the Committee.

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6. Access and Advisors

- 6.1. The Committee shall have direct access to Toro senior management.
- 6.2. The Committee Chairman shall have the authority to directly seek independent, professional or other advisers as required for the Committee to carry out its responsibilities.
- 6.3. If the Committee engages expert advisers on matters pertaining to the remuneration of Toro directors and Key Management Personnel, those advisers are to provide advice directly to the Committee, independent of management and free from undue influence from any member of the director or key management personnel to whom the recommendation relates.

7. Reporting

- 7.1. The Committee reports to the Toro Board and Committee meeting minutes will be provided to the Toro Board for noting.
- 7.2. The Committee will ensure that the Toro Board is provided with sufficient information to ensure informed decision making.

8. Review

- 8.1. The Committee will review its Charter annually to keep it up to date and consistent with the Committee's authority, objectives and responsibilities.
- 8.2. Amendments to the Charter, other than updates for Toro branding or position titles, are to be approved by the Toro Board.

9. Publication

- 9.1. A copy of this Charter is available at www.toroenergy.com.au

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