



MALABAR COAL LIMITED ABN 29 151 691 468 (COMPANY)

Standing Rules of Committees

DATE: Wednesday, 17 April 2019

G. Standing Rules of Committees

G. 1 Application

These Standing Rules apply to and are deemed to be incorporated into the Charter of each Committee, except where the terms of these Standing Rules conflict with those of the relevant Charter.

G. 2 Composition

- (a) So far as is practicable given the size of the Company, the composition of each Committee will be determined in accordance with the following principles:
 - (1) each Committee will aim to have membership which comprises only non-executive Directors, save where the Board considers that to do so for a particular Committee or Committees would be unnecessary or undesirable;
 - (2) of the members of the Committee, the Committee will aim to have a majority of the members being Independent Directors (where appropriate, given the size of the Company and the Board);
 - (3) provided the Committee can contain at least one Independent Director, the Chairperson of the Committee shall be Independent; and
 - (4) the Committee shall comprise three members. Where there is not three or more non-executive Directors of the Company, the Board may, despite this requirement, appoint one or more executive Directors to the Committee.
- (b) Membership of each Committee will be disclosed in the Annual Report of the Company.
- (c) Committee members are appointed by the Board.
- (d) The term of appointment as a member is for a period of no more than one year, with Committee members generally being eligible for re-appointments for so long as they remain Directors of the Board. The effect of ceasing to be a Director of the Board is the automatic termination of appointment as a member of each Committee.
- (e) Membership of each Committee should be confirmed annually by the Board.
- (f) Each Director may attend meetings but will have no voting rights unless he/she is a member of the relevant Committee.

G. 3 Chairperson

- (a) The Chairperson of each Committee is selected by the Board.
- (b) Should the Chairperson be absent from a meeting and no Acting Chairperson been appointed, the members of the relevant Committee present at the meeting have authority to choose one of their number to be Chairperson for that particular meeting.

G. 4 Meetings

- (a) Each Committee will meet at such intervals as required to fulfil its obligations but must be at least three (3) times annually;
- (b) In addition, the Chairperson is required to call a meeting of each Committee if requested to do so by any Committee member, the external auditors, the internal auditors (if any), the Chairperson of the Board or other Board member.
- (c) The Chairperson will appoint an executive to act as Secretary to each relevant Committee who shall be responsible:
 - (1) in conjunction with the Chairperson, for drawing up the agenda, supported by explanatory documentation, and circulating it to the relevant Committee members prior to each meeting; and
 - (2) for keeping the minutes of meeting of each Committee and circulating them to

Committee members and to the other members of the Board.

- (d) The Chief Executive Officer shall attend each Committee meeting as an observer.
- (e) The Chief Executive Officer or Managing Director (if any) will attend or be present at each Committee meeting, as applicable, and assist each Committee by reporting to every meeting.
- (f) Reporting to a Committee meeting will include the Chief Executive Officer or Managing Director (if any) being responsible for the preparation of Committee meeting notes and reports, to assist each Committee member's understanding of the matters being considered.
- (g) A quorum shall consist of two members.
- (h) The Chairperson shall report to the Board following each meeting.

G. 5 Fees

Committee members are entitled to receive remuneration as determined from time to time by the Nominations and Remuneration Committee.

G. 6 Review of Charter

- (a) Each Charter is to be reviewed annually by each relevant Committee to ensure it remains consistent with the Committee's authority, objectives and responsibilities.
- (b) Significant changes to the Charter must be recommended by the relevant Committee and approved by the Board.

G. 7 Duties and Responsibilities

- (a) The duties and responsibilities of a member of each Committee are in addition to those duties set out for a Director of the Board.
- (b) The duties and responsibilities of a member of each Committee are set out in each Charter.