

[Company Letterhead]

[date]

[Name]

[Address]

[Address]

[Address]

Dear [Christian Name],

On behalf of the Board of [Company] Limited (“the Company”) we are pleased to confirm your appointment as a non-executive director of the Company on the terms and conditions set out herein. Your appointment commences on [date].

1. Duties

As a non-executive director you are expected to contribute towards the long-term success of the Company through your attendance at Board Meetings and meetings of any committees of the Board to which you have been appointed.

The primary role of the Board is to ensure the long-term success of the Company which is accomplished by:

- setting objectives, goals and the strategic direction for management, with a view to maximising shareholder value;
- adopting an annual budget and monitoring financial performance
- ensuring adequate internal controls exist and are appropriately monitored for compliance;
- ensuring significant business risks are identified and appropriately managed;
- reviewing the performance of the Executive Director(s);
- determining the remuneration for senior executives;
- selecting and appointing new directors;
- setting the highest business standards and code for ethical behaviour.

The board papers will make directors aware of current and forthcoming issues relevant to the company’s operations and performance. Senior management and appointed consultants will be invited to present and discuss relevant issues with the Board.

Our principles of corporate governance are as follows:

- The Board will contain a majority of non-executive directors.
- When a vacancy exists, or where it is considered that the Board would benefit from the services of a new director with particular skills, the Board selects a candidate with the appropriate experience and expertise. The Board then appoints the most suitable candidate who must stand for election at the general meeting of shareholders.

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- Non-executive directors must retire every three years and they are eligible for re-election at the Annual General Meeting. The Chairman reviews the performance of all directors each year.
- Each director has the right to seek independent advice at the Company's expense. However, prior approval of the Chairman is required, which will not be unreasonably withheld.
- The Board is to be supplied in a timely manner with information in a form and quality appropriate to enable the Board to discharge its duties.
- The Company will enter into regular dialogue with current and potential institutional shareholders.
- The AGM should be used to openly communicate with private investors and encourage their participation.
- In order to encourage long term commitment and more closely align the interest of the Board with shareholders, non-executive directors are encouraged to hold shares in the Company.
- The ASX Corporate Governance Council has articulated 10 core principles (and recommendations) which promote good corporate governance. Whilst the Council's recommendations are not mandatory, the Board will continually review the recommendations and implement them where appropriate.

These core principles are:

1. Lay solid foundations: Recognise and publish the respective roles and responsibilities of the board and management.
2. Board structure: Have a board of an effective composition, size and commitment to adequately discharge its responsibilities and duties.
3. Ethical and responsible decision making: Actively promote ethical and responsible decision making.
4. Financial reporting integrity: Have a structure in place to independently verify and safeguard the integrity of the company's financial reporting.
5. Timely and balanced disclosure: Promote timely and balanced disclosure of all material matters concerning the company.
6. Shareholder rights: Respect the rights of shareholders and facilitate the effective exercise of those rights.
7. Risk management: Establish a sound system of risk oversight and management and internal control.
8. Enhanced performance: Fairly review and actively encourage enhanced Board and management effectiveness.

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9. Remunerate fairly: Ensure that the level and composition of remuneration is sufficient and reasonable and its relationship to corporate and individual performance is defined.
10. Interest of shareholders: Recognise the legal and other obligations of all legitimate stakeholders.

The Board is to be supported by a number of specialist committees that ensure key controls are in place. These committees are:

Remuneration Committee
Audit and Risk Committee

2. Remuneration Committee

- The Board is responsible for determining the remuneration of executive directors. The remuneration of non-executive directors is determined by the Board, based upon the Chairman's recommendation, but it is limited to a maximum amount payable as determined by the Company at the Annual General Meeting.
- The Remuneration Committee is responsible for ensuring remuneration packages are set at levels that attract and retain executives capable of managing and growing the company's business.
- Executive remuneration and other terms of employment are reviewed annually by the Remuneration Committee having regard to performance, relevant comparative information and independent expert advice. As well as base salary, remuneration packages can include superannuation, options and performance related bonuses. Executives are also eligible to participate in the Company's Employee Share Scheme.
- Remuneration of non-executive directors is determined by the Board within the maximum amount approved by the shareholders from time to time.
- The Remuneration Committee's terms of reference include responsibility for reviewing any transactions between the organisation and the directors, or any interests associated with the directors, to ensure the structure and terms of the transaction are in compliance with the Corporations Act and are appropriately disclosed. No executive director is to be involved in deciding their own remuneration.

3. Audit and Risk Committee

The main responsibilities of the Audit and Risk Committee are to:

- Review and report to the Board on the annual report [and the half-year financial report] and all other financial information published by the Company or released to the market.
- Assist the Board in reviewing the effectiveness of the organisation's internal control environment covering:

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- effectiveness and efficiency of operations;
 - reliability of financial reporting;
 - compliance with applicable laws and regulations; and
 - recommend to the Board the appointment, removal and remuneration of the external auditors, and review the terms of their engagement, and the scope and quality of the audit.
- The external auditors have a direct line of communication at any time to either the Chairman of the Audit Committee or the Chairman of the Board.
 - The Audit Committee has authority within the scope of its responsibilities, to seek any information it requires from any employee or external party.

All directors and executives are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

A Code of Conduct has been developed to set out the standards by which directors and employees of the organisation should conduct themselves.

[The Company has a Share Trading Policy which was adopted by the Company and applies to both employees and directors. The Policy requires the following:

- A register of holdings to be maintained by the Company Secretary. Any trading must be notified must be notified to the Company Secretary within two days of the transaction taking place.
- Substantial shareholding and directors interests are to be monitored to ensure that shareholders and the Company comply with ASX Listing Rules and ASIC regulatory requirements.]

4. Period of Appointment

Your appointment as a director is until the next Annual General Meeting at which you are subject to re-election by the shareholders.

5. Remuneration

You will be paid an annual fee, inclusive of superannuation of A\$xxx per annum, paid monthly. Payment of remuneration can be made directly to you or to a company nominated by you on presentation of a monthly tax invoice.

6. Consultancy

You may at times be called upon to undertake activities that fall outside your normal responsibilities and duties as a director of the Company. At these times you will be remunerated separately and be paid on issue of an appropriate invoice. The agreed rate is A\$xxx per hour + GST to undertake these activities. These activities will be approved by the Chairman before commencement as well as agreeing an estimate of the time expected to undertake these activities.

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7. Expenses

All reasonable expenses associated with Company business (e.g. travel, telephone) will be reimbursed by the Company upon submitting appropriate invoices for such expenses.

8. Directors & Officers Liability Insurance

The Company has appropriate cover for directors and officers liability insurance and will enter into a Deed of Indemnity and Access with you as a director.

9. Confidentiality

Any information acquired by you in the course of your appointment regarding the policies, processes, secrets of finances of the Company, it's associated companies or any of the Company's clients, shall be treated in the strictest confidence.

The information shall not be disclosed during or after your appointment, to any other party, without authorisation by a director of the Company, nor used for any purpose other than the business of the Company or the client concerned.

You may not publish or make any statement, which may tend to harm the reputation of the Company or its employees.

You must return to the Company at the conclusion of your term all confidential information and all documents which may include customer lists, reports, contracts, processes, specifications etc.

Failure in this regard will be treated as a breach of your contract of appointment.

I am very pleased to welcome you to the Board of [Company] Limited where I am confident you will make a meaningful contribution.

Yours sincerely,

Chairman

I, [name], accept the appointment with [Company] Limited upon the terms and conditions contained above.

Signed..... Dated.....