ARGO INVESTMENTS LIMITED

BOARD COMPOSITION, SELECTION AND APPOINTMENT POLICY

The Board of Argo Investments Limited (Argo) manages its own succession planning, regularly reviewing the balance of skills, experience and diversity of the Board.

Skills

The Board regularly assesses the desirable competencies of current and prospective Board members including:

- personal attributes such as the highest ethical standards and interpersonal skills;
- professional skills, expertise and experience;
- availability to commit the required time to Board matters;
- geographical and diversity considerations; and
- consideration of possible conflicts.

The Board uses a skills matrix to assist it in determining its current mix of skills and diversity and that it is aiming to achieve.

Succession planning

The Board is responsible for succession planning for the Directors including the Managing Director and senior executives. The Board evaluates succession matters on an ongoing basis to ensure it has the appropriate balance of skills, knowledge, experience, diversity and independence to be a high performing and effective Board. From time to time the Board engages an external consultant to review the Board's composition and performance and to advise on any succession issues.

Review of candidates

Candidates may be identified from a number of sources, including professional recruitment consultants, Director or management contacts and shareholder nominations.

Before recommending a candidate, the Board reviews his or her competencies and undertakes checks as to a nominated person's character, experience, education, criminal record and bankruptcy history. Candidates are interviewed by Board members to ascertain their suitability and ability to enhance the composition and performance of the Board. Candidates are asked to provide details of their other commitments and an indication of the time involved.

Election and re-election

The Company's Constitution requires that the number of Directors will be a minimum of four and a maximum of eight and that at every Annual General Meeting of the Company, one-third of the Directors (or the nearest whole number of Directors not exceeding one-third) must retire, but are eligible for re-election by shareholders.

The following information will be supplied to shareholders to enable them to make an informed decision on whether to elect or re-elect a candidate:

In the case of candidates standing for election or re-election as a Director:

- biographical details including relevant qualifications, skills and experience;
- detail of any other material directorships currently held; and
- a statement by the Board as to whether it supports the election or re-election of the candidate and a summary of the reasons why.

In the case of candidates standing for election for the first time:

- confirmation that the Company has conducted appropriate checks and the outcome of those checks including any material adverse information revealed;
- details of any interest, position, affiliation or relationship that might cause doubts about the independence of the candidate; and
- a statement by the Board as to whether, if the candidate is elected, it considers he or she will qualify as an independent Director.

In the case of candidates standing for re-election:

- the term of office currently served by the Director; and
- a statement by the Board as to whether it considers the Director to be an independent Director.

The Board's normal practice is that non-executive Directors may serve a tenure of up to nine years from the date of first election by shareholders. However, the Board may support an extension where it considers it would benefit the Company.

Appointment and induction

Subject to receiving a signed Consent to Act, a new Director's appointment is formally approved by the Board and the new Director receives an appointment letter from the Chairman. The letter includes a broad range of appointment matters including the requirement to comply with key Company policies, indemnity, directors' and officers' liability insurance, the right to obtain independent advice, time commitment expectations and confidentiality obligations.

A new Director is provided with induction to the Company which includes the provision of information regarding its business operations, values and culture, governance policies including the Code of Conduct and the Board and Committee charters.