

GENERAL

The Board consists of seven Directors, four of whom are independent non-executive Directors.

Ivo Polovineo has been appointed as the authorised representative of the Company under Rules 3.05 and 19.36(6) of the Listing Rules. The authorised representative will act as the principal communication channel with the Stock Exchange and will easily make himself available in Hong Kong whenever necessary to deal with inquiries from the Stock Exchange. When the Stock Exchange contacts the authorised representative, he will be able to contact all members of the Board (including the independent non-executive Directors) immediately, ensuring an effective communications channel with the Stock Exchange.

In addition, the Company has appointed Dennis Chi Ho Ng, a Hong Kong resident, as an alternate authorised representative to fulfill the requirements of Listing Rule 3.06(2).

In addition to appointing the authorised representative and alternate authorised representative, the Company has also retained the services of a compliance advisor which, in addition to the authorised representatives of the Company, will act as the principal channel of communication with the Stock Exchange from the date of listing until the date on which the Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year following listing on the Stock Exchange.

The Company's independent non-executive Directors do not have any unique or separate rights, privileges or duties, and each of them performs a role similar to that of an independent director of a public company in Hong Kong. Certain of its Directors also serve on one or more Board committees. The Company's independent non-executive Directors have not been involved in daily management functions of the Company since they joined the Board.

DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS AND EXECUTIVE OFFICERS

The table below sets out the information regarding the Directors and senior management of the Company. The Company's executive officers are appointed by, and serve at the discretion of, the Board.

Name	Age	Date of Joining the Group*	Position
<i>Executive Directors</i>			
Jacob Klein	41	June 28, 2000	President and Chief Executive Officer
Hanjing Xu	53	June 28, 2000	Head of Business Development
<i>Non-Executive Directors</i>			
Jianguo Zhong	49	March 19, 2004	Member of the Audit Committee
<i>Independent Non-Executive Directors</i>			
James Askew	58	October 10, 2002	Chairman of the Board, Member of the Risk Management Committee and the Nomination and Remuneration Committee
Peter Cassidy	60	October 10, 2002	Chairman of the Risk Management Committee, Member of the Nomination and Remuneration Committee
Brian Davidson	72	August 28, 2002	Chairman of the Audit Committee and the Nomination and Remuneration Committee, Member of the Risk Management Committee
Peter Housden	59	June 22, 2006	Member of the Audit Committee
<i>Senior Management</i>			
Colin (Cobb) Johnstone	50	March 7, 2006	Chief Operating Officer — Member of the Executive Committee
Ivo Polovineo	56	June 28, 2000	Chief Financial Officer and Company Secretary in Australia — Member of the Executive Committee Authorised representative
Phillip Uttley	56	April 15, 2004	Chief Geologist — Member of the Executive Committee

DIRECTORS AND SENIOR MANAGEMENT

Name	Age	Date of Joining the Group*	Position
Shu Zhang	50	April 1, 1999	General Manager, Human Resources & Administration — Member of the Executive Committee
Stuart Gula	41	August 21, 2006	General Manager — the Jinfeng CJV
Ross Jenkins	61	October 13, 1997	General Manager — Project Development
Long Long	48	August 31, 1998	General Manager — Shandong Business Unit
Ping Su	45	February 23, 1998	General Manager — Golden Triangle Business Unit
Yumin Qiu	44	November 25, 1999	General Manager — Project Generation and Acquisition
Aidong Yang	43	September 19, 1996	Executive Manager, Underground Development — the Jinfeng CJV

* or its predecessor

EXECUTIVE DIRECTORS

Jacob Klein, President and Chief Executive Officer

BCom (Hons), ACA

Mr. Klein has been involved in the mining industry in the PRC since 1995. He was appointed President and Chief Executive Officer of the Company at the time of its formation in June 2000. In this time he has overseen the development of the Group from a single project company into one that holds interests in a number of projects in the PRC, including the Jinfeng Project.

He has over 15 years experience in senior finance and managerial positions in both South Africa and Australia. Prior to emigrating to Australia he worked for PricewaterhouseCoopers in South Africa. He joined Macquarie Bank in 1991 and in 1995, as an associate director at Macquarie, he participated in the formation of Asia Resource Capital Limited, a CJV between Macquarie Bank and China National Non-Ferrous Metals Industry Corporation. From 1996 to June 2000 he worked for Sino Mining International Limited. During this time he served as a member of Sino Mining International Limited's executive committee and was its executive vice president for the period 1999 to June 2000. Mr. Klein is a non-executive director of Lynas Corporation Ltd (a company listed on the ASX, stock code: LYC) and president of the Australia China Business Council NSW Branch.

Hanjing Xu

Mr. Xu has been involved in the non-ferrous metal industry for more than 17 years and has extensive experience in trading, commercial negotiations and management.

DIRECTORS AND SENIOR MANAGEMENT

He co-founded Sino Mining International Limited while president of China National Import & Export Company (“CNIEC”). Prior to his three-year presidency of CNIEC, he was a vice president from 1994 to 1996 and its Australian representative from 1989 to 1994. From 1984 to 1989 he was with the Foreign Affairs Bureau of China National Non-Ferrous Metal Industry Corporation.

His understanding of the impact of the economic changes taking place in the PRC, and his communication and negotiating skills, have been instrumental in achieving agreements which work for both Chinese owners and Western investors and developers; as well as in orienting Chinese staff and managers towards the requirements of the market economy.

Mr. Xu heads up the Group’s Business Development unit, which has been instrumental in securing all of the Group’s CJV agreements and positioning the Group for the acquisition of new projects.

INDEPENDENT NON-EXECUTIVE DIRECTORS

James Askew — Chairman

B.E.(Mining), M.Eng.Sci, FAusIMM, MCIMM, MSME (AIME)

Mr. Askew has been a Director of the Company since 2002 was elected Chairman of the Company in November 2006.

Mr. Askew is a mining engineer with broad international experience as chief executive officer for a wide range of Australian and international publicly listed mining, mining finance and other mining-related companies. In a 25-year tenure as chief executive officer (of which 15 has been in the gold sector), he has been instrumental in founding and growing several companies and overseeing subsequent mergers and acquisitions.

Mr. Askew’s most recent full-time roles have been as president and chief executive officer of North American-listed Golden Star Resources Inc. (1999) and Rayrock Resources (1998–1999), which merged with Glamis Gold in 1999 and president and managing director of Golden Shamrock Mines Ltd (1986–1996), which merged with Ashanti Goldfields in 1996.

He is currently chairman of International Mining and Finance Corporation, his Denver-based venture capital company targeting gold and base metal opportunities.

Mr. Askew is currently a non-executive director of Ausdrill Ltd (a company listed on the ASX, stock code: ASL) and Golden Star Resources Inc. and the non-executive chairman of Asian Mineral Resources and Oceana Gold Limited (a company listed on the ASX, stock code: OGD). Mr. Askew is a member of the Nomination and Remuneration Committee and the Risk Management Committee.

In addition to the companies referred to above, Mr. Askew has been a director of the following listed companies during the past 3 years: Climax Mining Limited (a company formerly listed on the ASX, stock code: CMX), Yamana Gold Inc (until March 2006) (a company listed on the New York Stock Exchange, stock code: AUJ and on the Toronto Stock Exchange, stock code: YRI) and AGD Mining Limited (until August 2003) (a company formerly listed on the ASX, stock code: AGZ).

Peter William Cassidy

BSc(Eng), Ph.D., ARSM, DIC, FIMM, FAusIMM, FAICD

Dr. Cassidy has been a Director of the Company since December 2002 and was Chairman of the Company from November 2005 until November 2006.

DIRECTORS AND SENIOR MANAGEMENT

He has over 35 years experience in the mining industry in South East Asia, Australia and the US.

He is also a non-executive director of Zinifex Limited, Oxiana Limited, Energy Developments Limited and Lihir Gold Limited (each of which is a company listed on the ASX, stock codes: ZFX, OXR, ENE and LHG, respectively). Dr. Cassidy is chairman of the Company's Risk Management Committee and a member of the Nomination and Remuneration Committee.

Dr. Cassidy's most recent executive role was as chief executive officer of Goldfields Limited from 1995–2002. Following the merger of Goldfields and Delta Gold Limited to form AurionGold Limited in 2002, he stepped down as chief executive officer and following completion of its acquisition by Placer Dome he resigned as a director of the company.

Dr. Cassidy's previous major board positions include Goldfields Kalgoorlie Limited (previously Pancontinental Mining Limited) from 1995 to 1999 and RGC Limited from 1990 to 1995.

Brian Davidson

LLB, FAICD

Mr. Davidson was a senior partner of Deacons, a major Australian law firm, with over 35 years experience in corporate and commercial law, particularly in the natural resources industry. During this time, his work included acting for many companies involved in public market takeovers and advising on numerous capital raisings and project financing transactions. Mr. Davidson commenced work with Deacons (previously known as Sly & Russell) in July 1964. Mr. Davidson became a partner on January 1, 1967, and he retired as a partner on June 30, 2004.

Over the last 30 years, Mr. Davidson has served on the board of directors of numerous publicly listed companies, including five as chairman. Most of these companies were involved in the natural resources industries, including gold mining. He is currently a director of the Pain Management Research Institute Ltd, Royal North Shore Hospital, Sydney. Mr. Davidson is chairman of the Audit Committee and the Nomination and Remuneration Committee and a member of the Risk Management Committee. In the past 3 years, Mr. Davidson has also been a director of the following companies listed on the ASX: Lynas Corporation Limited (until November 2004) (stock code: LYC), Southern Pacific Petroleum NL (until April 2006) (stock code: SPP) and Central Pacific Minerals NL (until February 2005).

Mr. Davidson was appointed a director of Southern Pacific Petroleum NL ("SPP") and Central Pacific Minerals NL ("CPM") on October 3, 2000. SPP and CPM were public companies incorporated in Australia whose shares were listed on the ASX. SPP and CPM were engaged in the development of a shale oil processing operation in Queensland, Australia.

In December 2003, the creditor of SPP and CPM under a secured note facility appointed Scott Angus Blackwood and David John Winterbottom as joint receivers and managers. The receivers and managers then sold the assets of the companies, leaving insufficient assets to satisfy the unsecured creditors. Accordingly, both companies then went into insolvency administration.

Mr. Davidson retired as a director of CPM on February 7, 2005, and SPP on April 5, 2006.

No claim has been made against Mr. Davidson arising from his position as a director of SPP or CPM.

Peter Housden

B.Comm (Hons), FCPA, CFTP, FAICD

Mr. Housden has over 35 years experience in the accounting/finance/commercial fields crossing a number of industries, including manufacturing, resources, chemicals and professional services. During his 14 years as an executive in the resources sector, he was involved with petroleum, gold, coal, base metals, tin and mineral sands.

Mr. Housden's experience is wider than accounting and finance. He has led strategy reviews, managed business units and had responsibility for human resources and information technology. In addition, he has a continuing interest in corporate reporting and governance through membership of the Australian Institute of Company Directors' ("AICD") Reporting Committee.

Mr. Housden is currently a non-executive director of Advanced Surgical Design and Manufacture Limited, a member of the Audit Committee for the NSW Department of Housing and Chairman of Speed Surf Pty Ltd. In addition, during the past 3 years, Mr. Housden has been a director of the following companies listed on the ASX: KAZ Group Limited (formerly listed in the ASX) and DataDot Technology Limited (stock code: DDT).

Mr. Housden joined the Board in June 2006 and is a member of the Audit Committee. Mr. Housden is the independent non-executive Director of the Company with appropriate professional qualifications or accounting or related financial management expertise pursuant to Rule 3.10 of the Listing Rules.

NON-EXECUTIVE DIRECTOR

Jianguo Zhong

Mr. Zhong has a teaching and professional background in accounting and finance, with detailed knowledge of the Chinese sector, coupled with extensive international experience.

He has been involved with the Chinese accounting and finance sectors for more than 22 years and has held a number of senior management positions with China Minmetals Corporation and its subsidiaries during the past 16 years. Since March 2004, Mr. Zhong has been vice-president and chief financial officer of Sino Mining International Limited, a wholly-owned subsidiary of China Minmetals Corporation and a significant Shareholder in Sino Gold. Sino Mining International Limited's main business is alumina and nickel concentrate trading between Australia and the PRC.

Mr. Zhong joined the Board in March 2004 and is a member of the Audit Committee.

SENIOR MANAGEMENT

Colin (Cobb) Johnstone — Chief Operating Officer

BEng

Mr. Johnstone is a mining engineer with over 25 years experience in the gold and metalliferous mining industry, covering both underground and open-pit operations. He has significant international experience, including Canada, Argentina and Australia.

Prior to joining the Company as chief operating officer in early 2006, Mr. Johnstone was the general manager for Kalgoorlie Consolidated Gold Mines, the operator of the super pit in Kalgoorlie-Boulder, the largest gold mine in Australia.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Johnstone's industry experience includes the following: North Limited — Engineer and Superintendent (1981 to 1988); Denehurst Limited — Manager: Underground Mining (1988 to 1991); Vince Gauci Mining Consultants/Pancontinental Mining Limited — General Manager, Operations — Base Metals (1991 to 1996); Rio Tinto/North Limited — Senior Vice President and Chief Operating Officer, IOC, Joint Venture General Manager — Alumbrera; North Parkes — General Manager (1996 to 2001); Western Mining Corporation — General Manager Operations — Olympic Dam (2001 to 2004); Kalgoorlie Consolidated Gold Mines — General Manager (June 2004–March 2006); Sino Gold Mining Limited — Chief Operating Officer (2006 to present).

Ivo Polovineo — Chief Financial Officer and Company Secretary in Australia

PNA

Mr. Polovineo blends the experience of six years with a “Big Four” accounting firm with 25 years in corporate accounting, finance and company secretarial work for a diverse range of companies. He has spent the past 15 years in senior management roles in the resources sector including 10 years as financial controller and company secretary of a number of public listed companies.

Mr. Polovineo joined Sino Mining International Limited in 1997 and was the general manager finance and company secretary of that company prior to the formation of the Company in June 2000. Mr. Polovineo is also the authorised representative of the Company.

Mr. Polovineo's relevant experience includes the following: Golden Valley Mines NL (now known as GVM Metals Limited and listed on the ASX, stock code: GVM) and CPC Petroleum Corporation NL (a company formerly listed on the ASX) — Financial Controller (1985–1997), Sino Mining International Limited — General Manager Finance and Company Secretary (1997 to 2000), Sino Gold Mining Limited — Chief Financial Officer and Company Secretary (2000 to present).

Phillip Uttley — Chief Geologist

BSc Hons (Geology), FAusIMM

Mr. Uttley has over 30 years extensive exploration experience in gold and base metals, both from an operating and consulting perspective, including assignments around the world for major mining corporations. He has previously held positions with companies such as RGC Exploration Pty Ltd and Gold Fields Exploration Pty Ltd.

Most recently, Mr. Uttley completed 10 years employment with SRK Consulting where he was involved in developing measures for the management of exploration risk and value. Mr. Uttley left SRK Consulting and joined the Company on April 15, 2004. He has no ongoing business relationship with SRK Consulting.

Mr. Uttley is a Fellow of The Australasian Institute of Mining and Metallurgy (FAusIMM) and also Fellow of the Society of Economic Geologists (SEG) and Member of the Society for Mining, Metallurgical, and Petroleum Engineers (SME-AIME).

Mr. Uttley's relevant experience includes the following: Aquitaine Australia Minerals — Project Geologist (1973 to 1979), Gold Fields Asia Limited — Resident Manager, Manila (1980 to 1985), RGC Exploration Pty Ltd — Exploration Manager (Eastern Australia), Regional Manager (South Eastern Australia), Senior Regional Geologist (South Eastern Australia), Senior Regional Geologist (South West Pacific) (1985 to 1993), SRK Consulting — Principal Geologist (1994 to 2004), Sino Gold Mining Limited — Chief Geologist (2004 to present).

Stuart Gula — General Manager — the Jinfeng CJV

Dip. Eng (Mining), B. Eng (Mining), MBA (Technology Management), MAusIMM

Mr. Gula is a mining engineer who brings more than 20 years of international experience in developing and operating mines.

He was most recently the general manager of the Mupane Gold Mine in Botswana for Iamgold Corporation and Gallery Gold Ltd. Stuart has also consulted and managed a number of operations in Australia, Bulgaria and Canada for companies including Aberfoyle Resources Limited, Cominco and WMC Resources.

Mr. Gula's relevant experience includes the following: Aberfoyle Resources Limited — Mining Engineer (1986 to 1989), Cominco Limited — Senior Mine Engineer (1989 to 1993), Mancala Holdings Pty Ltd — General Manager (1993 to 2000), WMC Resources Limited — Mining Manager (2000 to 2001), Navan Resources Limited — Operations Manager/Executive Director (2002 to 2003), AMC Consultants — Principal Consultant (2003), IAM Gold Corporation — General Manager/Managing Director (2004 to 2006), Sino Gold Mining Limited — General Manager — Jinfeng CJV (2006 to present).

Ross Jenkins — General Manager — Project Development

MSc, MBA and FAus IMM

Mr. Jenkins brings extensive experience in engineering, metallurgy and operations having directed large-scale engineering and construction efforts and serving manager or lead engineer on acquisition studies.

His career includes employment positions with Queensland Nickel, President Brand Gold Mining Company, Olympic Dam Project, Cyprus Amax, Selwyn Mine, and BHP Engineering. At the Company, Mr. Jenkins is responsible for overseeing project development. Mr. Jenkins joined Sino Mining International Limited in 1997 and moved across to the Company upon its formation.

Long Long — General Manager — Shandong Business Unit

BSc, MBA, MPhil.

Prior to joining Sino Mining International Limited in 1998, Dr. Long's experience included management and business development roles with China National Nonferrous Metals Industry Corp.

Dr. Long has held various responsibilities with the Company, including deputy general manager of China Business Development.

In early 2006, he commenced his current role of General Manager — Shandong Business Unit, responsible for regional exploration and project acquisition/generation in central and eastern China.

Ping Su — General Manager — Golden Triangle Business Unit

BEng (Metallurgy), MEng

Prior to joining Sino Mining International Limited in 1998, Mr. Su's experience included four years at an engineering institute and seven years in a management role at the Resource Department of Development and Reform Commission of China.

In 2004, Mr. Su was appointed the deputy general manager of the Jinfeng Project.

In early 2006, he commenced his current role of general manager — Golden Triangle Business Unit, responsible for regional exploration and project acquisition in south-western China.

Yumin Qiu — General Manager — Project Generation and Acquisition

BSc Hons, MSc, PhD, MAIG

Dr. Qiu's extensive experience in Australia and the PRC includes both geology and business development. He worked for 11 years in the PRC's mining industry prior to his study for a doctorate in Economic Geology from the University of Western Australia in 1994. Dr. Qiu has published geological papers in Australia, the PRC, Japan, France, Netherland, UK and USA.

Dr. Qiu joined the Company in 1999 with responsibility for the China Review Project database. In 2003, he became deputy general manager — Business Development and led the Project Generation and Acquisition Group where he was integral to the identification and acquisition of the White Mountain, Sanjianfang and North Mountain Project.

In early 2006, he was appointed general manager — Project Generation and Acquisition, responsible for regional exploration and project acquisition in northern China, including the management of the White Mountain CJV, the Sanjianfang CJV and the North Mountain CJV.

Aidong Yang — Executive Manager, Underground Development — the Jinfeng CJV

BSc (Mining Engineering)

Mr. Yang is a mining engineer with more than 20 years experience in the PRC's mining industry. Prior to joining Sino Mining International Limited in 1996, his experience included operational and research roles with Jinchuan Non-Ferrous Metals Corporation.

At the Jianchaling CJV, he managed the mining side and processing side of the operation prior to being appointed deputy general manager in 2002 and general manager in 2004.

Jane Chan Yuen Bik — Company Secretary in Hong Kong

BA (Hons), FCIS, FCS (PE)

Ms. Chan has almost 20 years experience in the corporate secretarial field. She started her career at the international accounting firm formerly known as Price Waterhouse, then later joined BNP International Financial Services (Hong Kong) Limited and is currently a director of HLB BMS Corporate Services Limited. Ms Chan holds a Honours Degree in Accountancy and a Certificate in Commercial Law & Regulations in the PRC. She is a Fellow of the Institute of Chartered Secretaries and Administrators in United Kingdom and a Fellow of the Hong Kong Institute of Chartered Secretaries. She is also a holder of Practitioner's Endorsement granted by the Hong Kong Institute of Chartered Secretaries. Ms. Chan has extensive experience in corporate governance, company management and administration, group restructuring exercises, winding up and insolvency practices.

Shu Zhang — General Manager — Human Resources & Administration

Ph.D, BE, MAusIMM

Dr. Zhang's career in the mining industry started 32 years ago as an underground miner and has since worked for various companies in the PRC and in Australia. His experience includes underground mining, research, mining engineering, university lecturing, engineering consulting, general management of mine site operations, management of project development and human resources management.

DIRECTORS AND SENIOR MANAGEMENT

Dr. Zhang joined Sino Mining International Limited in April 1999 as the deputy general manager of SG Jianchaling.

COMPANY SECRETARY

Ivo Polovineo is the company secretary in Australia. Jane Chan is the company secretary in Hong Kong pursuant to Rule 8.17 of the Listing Rules. For details of Mr. Polovineo's and Ms. Chan's background, see the section headed "Directors and Senior Management — Senior Management" in this prospectus.

QUALIFIED ACCOUNTANT

Jacob Klein is the qualified accountant for the purposes of Rule 3.24 of the Listing Rules and works for the Company on a full-time basis. Mr. Klein obtained a Bachelor Degree in Commerce (with Honours in accounting) and a Graduate Diploma in Accounting from the University of Cape Town and started his career with Price Waterhouse (South Africa) in 1988 as a chartered accountant. Mr. Klein is an Associate of the Institute of Chartered Accountants Australia. This organization is recognized by the Hong Kong Society of Accountants for the purpose of granting exemptions from the examination requirement for membership of that society. For further details of Mr. Klein's background, see the section headed "Directors and Senior Management — Executive Directors" in this prospectus.

BOARD PRACTICES

In the absence of extraordinary events, it is the practice of the Board to meet at least six times a year. At each meeting, the Directors conduct, among other things, an operational review of the Group's business.

BOARD COMMITTEES

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board is responsible for determining and reviewing compensation arrangements for the Directors, the chief executive officer and the senior management and for making recommendations to the Board regarding candidates to fill vacancies on the Board. The Nomination and Remuneration Committee assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and executive team.

To assist in achieving these objectives, the Nomination and Remuneration Committee considers the nature and amount of executive Directors' and senior executives' emoluments to the Company's financial and operational performance. All senior executives have the opportunity to qualify for participation in the EOP, which currently provides incentives where specified criteria are met including criteria relating to profitability, cash flow, share price growth and environmental performance.

Audit Committee

The Board has established an Audit Committee, which operates under a charter approved by the Board. It is the Board's responsibility to ensure that an effective internal control framework exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations such as the benchmarking of

DIRECTORS AND SENIOR MANAGEMENT

operational key performance indicators. The Board has delegated the responsibility for the initial establishment and the maintenance of a framework of internal controls and ethical standards for the management of the Group to the Audit Committee.

The committee also provides the Board with additional assurance regarding the reliability of financial information for inclusion in the financial reports.

Risk Management Committee

The Risk Management Committee is responsible for ensuring that risks are identified on a timely basis and that the Group's objectives and activities are aligned with the risks and opportunities identified by the Board.

Areas of risk that are considered by the Risk Management Committee include safety, the environment, the community in which the Group operates and minimisation of business risk.

DIRECTORS' REMUNERATION

For the years ended December 31, 2004, 2005 and 2006, the total remuneration paid to Directors was A\$2,064,000, A\$2,461,000 and A\$2,334,000, respectively.

The following table provides details of the various components of total remuneration paid to the Directors:

	Year ended 31 December		
	2004	2005	2006
	A\$000s	A\$000s	A\$000s
Fees	268	324	389
Other emoluments:			
Salaries, allowances and benefits in kind	1,272	1,256	983
Performance related bonuses	80	135	275
Retirement benefits	—	360	—
Employee share option benefits	314	285	535
Pension scheme contributions	130	101	152
	<u>2,064</u>	<u>2,461</u>	<u>2,334</u>

There is no scheme to provide retirement benefits, other than statutory superannuation, to any of the Directors or other employees of the Company.

Superannuation contributions by the Group of up to 9% of Australian employees' wages and salaries are legally enforceable in Australia.

The fair value of options granted have been valued using an option pricing model which takes into account factors such as the option exercise price, the current level and volatility of the underlying share price and the time to maturity of the option. The fair value of these options has been recorded as an expense in the financial statements. The options granted have a three year vesting period and accordingly the benefits are allocated over that vesting period. These options were issued pursuant to the Company's EOP approved by the Board on August 28, 2002.

DIRECTORS AND SENIOR MANAGEMENT

Former chairman and Director, Nicholas Curtis, who was with the Company and its predecessor since 1996, who retired from the Board in 2005, was paid a termination benefit of A\$360,000 in the year ended December 31, 2005. There are no on-going benefits payable to Mr. Curtis. Save as disclosed in this paragraph, there were no amounts paid or receivable by the Directors as an inducement to join or upon joining the Company or for the loss of office as a Director and there were no arrangements under which a Director has waived or agreed to waive any emoluments.

The aggregate amount of remuneration paid by the Company to the five highest paid individuals for the years ended December 31, 2004, 2005 and 2006 was A\$2,313,000, A\$2,671,000 and A\$3,097,000, respectively.

The following table provides details of the various components of total remuneration paid to the five highest paid individuals:

	Salaries, allowances and benefits in kind A\$000	Performance related bonus A\$000	Retirement benefits A\$000	Employee share option benefits A\$000	Retirement benefits A\$000	Total A\$000
2004	1,803	95	—	264	151	2,313
2005	1,651	225	360	282	153	2,671
2006	1,665	510	—	608	314	3,097

Save as disclosed in this section in respect of Mr. Curtis, there were no amounts paid or receivable by these five individuals as an inducement to join or upon joining the Company or for the loss of any office in connection with the management of the affairs of the Company.

COMPLIANCE ADVISOR

The Company has appointed Somerley Limited as its compliance advisor pursuant to Rule 3A.19 of the Listing Rules to provide advisory services to the Company pursuant to the requirements thereunder. Somerley Limited will, *inter alia*, provide advice to the Company with due care and skill on a timely basis when consulted by the Company in the following circumstances:

- before the publication by the Company of any regulatory announcement (whether required by the Listing Rules or requested by the Stock Exchange or otherwise), circular or financial report;
- where a transaction, which might be a notifiable or connected transaction under Chapters 14 or 14A of the Listing Rules, is contemplated by the Company including share issues and share repurchases;
- where the Company proposes to use the proceeds of the Global Offering in a manner different from that detailed in this prospectus or where the business activities, developments or results of the Company deviate from any forecast, estimate, or other information in this prospectus; and
- where the Stock Exchange makes an inquiry of the Company under Rule 13.10 of the Listing Rules.

DIRECTORS AND SENIOR MANAGEMENT

In addition, Somerley Limited will also provide, *inter alia*, the following services to the Company:

- if required by the Stock Exchange, deal with the Stock Exchange in respect of any or all matters listed in the foregoing paragraph above;
- in relation to an application by the Company for a waiver from any of the requirements in Chapter 14A of the Listing Rules, advise the Company on its obligations and in particular the requirement to appoint an independent financial advisor; and
- assess the understanding of all new appointees to the Board regarding the nature of their responsibilities and fiduciary duties as a director of a listed issuer, and, to the extent the compliance advisor forms an opinion that the new appointees' understanding is inadequate, discuss the inadequacies with the Board and make recommendations to the Board regarding appropriate remedial steps such as training.

The term of the appointment will commence on the Listing Date and end on the date on which the Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year commencing after the Listing Date and such appointment may be subject to extension by mutual agreement.

EQUITY BASED PLANS

The Company has established the ESIS and EOP. On August 28, 2002 the Directors resolved that no further shares would be issued under the ESIS and all further employee incentives would be granted under the EOP.

Details of the ESIS and EOP are set out in the section headed "Share Capital — Equity Based Plans" and "Appendix VI — Statutory and General Information — EOP" of this prospectus.