

Anglo Pacific Group PLC

Terms of Reference of the Nomination Committee

Membership and Appointment

- The Committee shall consist of not less than three directors appointed by the Board, the majority of whom shall be non-executive directors.
- Appointments to the Committee shall be for a period of up to three years, which may be extended for further three-year periods, provided the director still meets the membership criteria.
- Only members of the Committee shall have the right to attend Committee meetings. However, other individuals may be invited to attend for all or part of any meeting as and when appropriate.
- The Chairman of the Committee shall be appointed by the Board. In the absence of the Chairman or an appointed deputy, the Committee shall elect one of the members present to chair the meeting.
- The Company Secretary or its nominee shall be Secretary of the Committee.

Proceedings of the Committee

- The Committee shall meet at least once a year and at such times as the Chairman may require.
- Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of the Chairman.
- Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed and any supporting papers, shall be circulated to each member of the Committee no later than one week before the date of the meeting. Notice shall also be provided to any other person required to attend the meeting and the other non-executive directors.
- The quorum necessary for the transaction of business of the Committee shall be two.
- The Secretary of the Committee shall minute the proceedings and, once agreed, shall circulate the minutes to all members of the Board, unless it would be inappropriate to do so.
- All or any of the members of the Committee may participate in a meeting of the Committee by means of any communication equipment that allows all persons participating in the meeting to speak to and hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly.

- A resolution in writing signed by all the members of the Committee shall be as valid and effectual as a resolution passed at a meeting of the Committee properly called and constituted. The resolution may be in any form and may be consented to via electronic mail. Following the passing of a resolution in such a way, the Company Secretary shall circulate confirmation that consents have been received from all members of the Committee and the resolution shall be noted at the next meeting of the Committee.
- Except as outlined above, meetings of the Committee shall be conducted in accordance with the provisions of the company's Articles of Association governing the proceedings of directors.

Duties

The Committee shall:

- Regularly review the structure, size and composition (including the skills, knowledge and experience) required of the Board in light of its future strategy and any evolution in best practice guidance compared to its current position and make recommendations to the Board on the need for any changes.
- Give timely consideration to succession planning for directors and the company secretary in the course of its work, taking into account the challenges and opportunities facing the company, and what skills and expertise are therefore needed on the Board in the future.
- Be responsible for identifying and nominating suitable candidates for the approval of the Board.
- Before any appointment is made by the Board, evaluate the balance of skills, knowledge and experience on the Board, and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment, including time commitment.
- Keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace.
- Review and approve the service contracts of any new executive directors and the letters of appointment of any new non-executive directors, considering especially what is expected of them in terms of time commitment, their duration of appointment and any potential conflicts of interest.
- Annually review the performance of the Chairman and, with the Chairman, the performance of the Chief Executive Officer.
- Periodically review the respective roles of the Chairman and the Chief Executive Officer and make recommendations to the Board on any changes to their respective responsibilities.
- Periodically review the role and performance of the Senior Independent Director.

The Committee shall also make recommendations to the Board concerning:

- Formulating timely plans for succession for both executive and non-executive directors and in particular for the key roles of chairman and chief executive.
- Suitable candidates for the role of senior independent director.
- Membership of the audit and remuneration committees.
- The re-appointment of any non-executive director at the conclusion of their specified term of office, having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required.
- The re-election by shareholders of any director under the 'retirement by rotation' provisions in the company's articles of association having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required.
- Any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the company subject to the provisions of the law and their service contract.
- The appointment of any director to executive or other office.

In carrying out its duties, the Committee shall:

- Consider candidates on merit, irrespective of background, against objective criteria and with due regard for the benefits of diversity on the Board, ensuring that appointees have enough time available to devote to the position.
- Give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code and the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure and Transparency Rules and any other applicable Rules, as appropriate.
- Use open advertising or the services of external advisers as required, at the company's expense, in order to better perform its duties.
- Be authorised to seek any information it requires, in order to perform its duties, from any employee of the company.

Reporting

- The Chairman of the Committee shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- The Chairman of the Committee should attend the Annual General Meeting to answer any shareholder questions on the activities of the Committee.

- The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- The Committee shall produce a report to be included in the company's annual report about its activities, the process used to make appointments and explaining whether or not external advice or open advertising have been used.

Other Matters

- The Committee shall arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.