



## REMUNERATION POLICY

Washington Resources Limited (“Washington” or the “Company”) does not have a separately established remuneration committee. Given the number of directors on the Board and the size of the Company, the Board considers that this function can efficiently be performed with full Board participation.

The Board must meet at least once a year and otherwise as required to consider the following:

### 1. Executive Remuneration and Incentive Policies:

The Board is to make decisions with respect to appropriate remuneration and incentive policies for executive directors and senior executives which:

- a) motivate executive directors and senior executives to pursue long term growth and success of Washington within an appropriate control framework;
- b) demonstrate a clear correlation between key performance and remuneration; and
- c) align the interests of key leadership with the long-term interests of Washington's shareholders.

### 2. Executive Remuneration Packages

The Board is to ensure that:

- a) executive remuneration packages involve a balance between fixed and incentive pay, reflecting short and long term performance objectives appropriate to Washington's circumstances and objectives;
- b) a proportion of executives' remuneration is structured in a manner designed to link reward to corporate and individual performances; and
- c) the appropriate quantum of bonuses to be paid to executives.

### 3. Non-Executive Directors

The Board is to ensure that:

- a) fees paid to non-executive directors are within the aggregate amount approved by shareholders and make recommendations to the Board with respect to the need for increases to this aggregate amount at the Company's annual general meeting;
- b) non-executive directors are remunerated by way of fees (in the form of cash and/or superannuation benefits);

- c) non-executive directors are not provided with retirement benefits other than statutory superannuation entitlements; and
- d) non-executive directors are not entitled to participate in equity-based remuneration schemes designed for executives without due consideration and appropriate disclosure to the Company's shareholders.

#### 4. Incentive Plans and Benefits Programs

The Board is to:

- a) review and make determinations concerning long-term incentive compensation plans, including the use of share options and other equity-based plans. The Board will administer equity-based and employee benefit plans, and as such will discharge any responsibilities under those plans, including making and authorizing grants, in accordance with the terms of those plans; and
- b) ensure that incentive plans are designed around appropriate and realistic performance targets that measure relative performance and provide rewards when they are achieved; and
- c) continually review and if necessary improve any existing benefit programs established for employees.