

## **Anglesey Mining plc**

### **NOMINATION COMMITTEE**

TERMS OF REFERENCE as approved by the board of directors of the Company on 17 January 2008.

Definitions:

“Committee” the Nomination Committee

“Company” Anglesey Mining plc

#### **1 CONSTITUTION**

The Committee shall be a committee of the board of directors of the Company whose members shall be approved by a majority of the board of directors.

#### **2 MEMBERSHIP**

2.1 The Committee shall comprise of a chairman and at least two other members.

2.2 The Committee chairman shall be the chairman of the Company or an independent nonexecutive director. In the absence of the Committee chairman, and/or an appointed deputy, the remaining members present shall elect one of their number to chair the meeting. The chairman of the board shall not chair the Committee when it is dealing with the matter of succession to the chairmanship.

2.3 Only members of the Committee have the right to attend Committee meetings.

However, other individuals, such as the chief executive, the head of human resources and external advisers may be invited to attend as and when appropriate. The Chief Executive will be invited to attend when the Committee is discussing matters pertaining to executive management and from time to time for other agenda items as the Chairman deems appropriate.

2.4 The company secretary or a nominee shall act as the secretary of the Committee.

#### **3 MEETINGS**

3.1 The Committee shall meet as appropriate but not less than once a year.

3.2 A meeting of the Committee may be called by the secretary at the request of any member of the Committee.

3.3 Meetings of the Committee shall be called by five working days' written notice unless all members of the Committee agree to shorter notice. Notice will be given to all members and attendees, and will confirm the venue, time and date of the proposed meeting and provide the agenda and supporting papers.

3.4 Members may participate in a meeting by means of a conference telephone, video conferencing facility or other similar communicating equipment.

3.5 The quorum for meetings shall be two, who must include an independent non executive director.

3.6 The secretary shall minute the proceedings and resolutions of all meetings as well as keep appropriate records. Minutes of the meetings shall be circulated promptly to all members of the Committee and, once agreed, to all members of the board, unless a conflict of interest arises.

#### **4 ANNUAL GENERAL MEETING**

The chairman of the Committee shall attend the Annual General Meeting and be prepared to respond to any shareholder questions on the Committee's activities.

#### **5 TERMS OF REFERENCE**

The duties of the Committee shall be to lead the process for board appointments and, in particular:

5.1 to identify and nominate for the approval of the board, candidates to fill board vacancies as and when they arise;

5.2 to ensure that there is a formal, rigorous and transparent procedure for appointment of new directors to the board and, in particular:

5.2.1 to consider candidates from a wide range of backgrounds;

5.2.2 to use open advertising or the services of external advisers to facilitate the search; and

5.2.3 to consider candidates on merit against objective criteria, taking care that appointees have enough time available to devote to the position;

5.3 before making an appointment, to 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;

5.4 to review annually the time required from a nonexecutive director. Performance evaluation will be used to assess whether the nonexecutive director is spending enough time to fulfil their duties;

5.5 to give full consideration to succession planning 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;

5.6 to regularly review the structure, size and composition (including the skills, knowledge and experience) of the board and make recommendations to the board with regard to any changes;

5.7 to keep under review the leadership needs of the Company, both executive and non executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;

5.8 to make a separate statement in the annual report about its activities; setting out the process used for appointments and providing an explanation where external advice or open advertising has not been used; and detailing the membership of the Committee, number of Committee meetings and attendance over the course of the year;

5.9 to ensure that on appointment to the board, nonexecutive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, Committee service and involvement outside board meetings; and

5.10 to make its terms of reference available publicly.

## **6 RECOMMENDATIONS**

6.1 The Committee will, where appropriate, make recommendations to the board:

- as regards planning for succession for both executive and nonexecutive directors;
- as regards the reappointment of any nonexecutive director at the conclusion of their specified term of office;
- concerning the re-election by shareholders of any director under the retirement by rotation provisions in the Company's articles of association;
- concerning membership of the Audit and Remuneration Committees;
- concerning any matters relating to the continuation in office of any director at any time; and
- concerning the appointment of any director to executive or other office other than to the positions of chairman and chief executive, the recommendation for which would be considered at a meeting of the board.

However, where a new Chairman of the board is to be appointed, the Committee will prepare a job specification, including an assessment of the time commitment expected, recognising the need for availability in the event of a crisis.

## **7 AUTHORITY**

7.1 The Committee is empowered by the articles of association of the Company to discharge its functions on behalf of the board of directors and is entitled to have access, at the Company's expense, to such internal or external professional advice as it sees fit in furtherance of its duties.

7.2 The Committee is authorised to seek any information it requires from any employee of the Company in order to perform its duties.

## **8 DECISIONS OF THE COMMITTEE**

Any decisions of the Committee shall be taken on a simple majority basis. The chairman shall have a casting vote in the event of equality of voting.