

Executive Appointments & Remuneration Committee Charter

Role

It is the role of the Executive Appointments and Remuneration Committee (the Committee) to support the Board by:

- Contributing to ensuring that there is a strong and effective management team;
- Ensuring that employees are appropriately compensated for their services to the Company and motivated to perform to the best of their abilities;
- Ensuring that the Board is appropriately structured with a mix of skills provided by suitably qualified persons and is remunerated in accordance with industry norms as appropriate for the Company.

Chief Executive

- Approving the performance criteria, remuneration and employment terms and conditions of the Chief Executive;
- Regularly reviewing the Chief Executive's performance against the criteria.

Senior Executives Appointments and the Management Team

- Reviewing with the Chief Executive proposed appointments of senior executive members of staff;
- Reviewing with the Chief Executive the structure, composition and performance of the management team and, where appropriate, making recommendations to the Board.

Staff Performance and Remuneration

- Reviewing submissions from the Chief Executive on staff conditions of employment, performance and remuneration.

ESOP

- Approving share allocations to NZOG staff pursuant to the NZOG employee share ownership plan and advising the Company accordingly;
- Recommending to the Board any amendments to the NZOG employee share ownership plan.

Board of Directors

- Reviewing the remuneration framework for directors and when appropriate making recommendations on directors' remuneration to shareholders at general meetings.

Membership

The Committee shall be comprised of three non-executive directors who are appointed by the Board from time to time.

Administration & Procedures

The quorum shall be two.

The Committee may take independent advice if thought necessary to adequately perform its role.

The Committee will appoint a suitable person as Secretary of the Committee.

The Secretary of the Committee will call a meeting of the Committee if so requested by any member of the Committee.

The Secretary will prepare agendas for each meeting of the Committee in consultation with the Committee Chairman and will record the proceedings of the Committee in minutes to be approved by the Committee.

The Committee shall meet as required but shall meet formally at least twice a year in June and December. The Committee may invite executive directors or management to participate in the whole or part of meetings.

The Committee will report to the Board on its activities including its recommendations.

Review of Charter

The Board and Committee shall review the Charter annually in May to time to ensure its relevance and the effectiveness of the Committee.

25 May 2010