



GALE PACIFIC LIMITED

ACN 082 263 778

REMUNERATION COMMITTEE CHARTER

Approved by the Board on 10 November 2005

GENERAL SCOPE AND AUTHORITY

The Gale Remuneration Committee is a Committee of the Board of Gale Pacific Limited. Proceedings and meetings of the Committee will be governed by the provisions of the Company's Constitution regulating the meetings and proceedings of the Board in so far as they are applicable and not inconsistent with this Charter.

ROLE OF THE REMUNERATION COMMITTEE

The primary purpose of the Remuneration Committee is to support and advise the Board in fulfilling its corporate governance and oversight responsibilities in ensuring that the Company:

- has coherent remuneration policies and practices which are observed and which enable it to attract and retain executives and Directors who will create value for shareholders;
- fairly and responsibly rewards executives having regard to the performance of the Group, the performance of the executive and the general pay environment; and
- complies with the ASX Listing Rules and Corporations Law of Australia.

1. Authority

In executing its responsibilities, the Committee has unlimited access to senior management. It also has the Board's authority to:

- seek information it requires from employees and external parties;
- obtain outside legal or other professional advice; and
- ensure Company officers attend Committee meetings as appropriate.

2. Composition

- 2.1 The Committee will consist of at least three directors, a majority of whom must be independent. The Board will appoint the Chair of the Committee, who will be independent and formally approve all changes to members and their remuneration.
- 2.2 Management shall make available to the Committee a person to act as secretary of the Committee and to take minutes of Committee meetings.

3. Meetings

- 3.1 The Committee shall meet as frequently as required but not less than once a year.
- 3.2 Any Committee member or the Secretary may call a meeting of the Committee.

- 3.3 A notice of each meeting confirming the date, time, venue and agenda shall be forwarded to each member of the Committee (with a copy to all Board Members) at least one week prior to the date of the meeting. The notice for members will include relevant supporting papers for the agenda items to be discussed.
- 3.4 The Chair of the Committee, or delegate, shall report to the Board following each meeting.

4. Duties & Responsibilities

The Committee will provide advice and make recommendations to the Board in relation to:

- the remuneration and benefits of directors, CEO and executives reporting to the CEO, including their share plans, options or other similar benefit or bonus plans;
- targets and budgets for the Company's financial performance as they relate to incentive plans, and the performance-based (at risk) components of remuneration; and
- remuneration policy and any changes to the remuneration policy and practices for all employees; and
- allocations and terms of offer under all equity-based incentive or remuneration plans.

5. Reporting Requirements

The Committee will:

- update the Board about Committee activities and make appropriate recommendations in a timely manner; and
 - ensure the Board is aware of matters that may significantly impact the affairs of the business in relation to its mandate.
-