



BARRA RESOURCES LIMITED

BOARD AND SENIOR EXECUTIVES EVALUATION POLICY

EVALUATION PROCESS

The Board of Barra Resources Limited considers the evaluation of its own and senior executive performance as fundamental to establishing a culture of performance and accountability.

BOARD EVALUATION

The Board considers the ongoing development and improvement of its own performance as critical input to effective governance. The Board undertakes an annual evaluation of its effectiveness as a whole. The Chairman reviews the individual performance of each Board member annually.

The basis of the review is on goals that have been set for Barra Resources based on corporate requirements and any areas for improvement identified in previous reviews. The Board does not endorse the reappointment of a director who is not satisfactorily performing the role.

SENIOR EXECUTIVES EVALUATIONS

All senior executives of Barra Resources are subject to an annual performance evaluation. Each year, senior executives establish a set of performance targets with her or his superior. These targets are aligned to overall business goals and requirements of the position. In the case of the Managing Director, these targets are established between the Managing Director and the Board.

An informal assessment of progress is carried out each half year. A full evaluation of the executive's performance against the agreed targets takes place once a year. This will normally occur in conjunction with goal setting for the coming year. Since Barra Resources is committed to continuous improvement and the development of its people, the results of the evaluation form the basis of the executive's development plan. Performance pay components of executives' packages are dependent on the outcome of the evaluation.

Barra Resources is committed to continuing development of its directors and executives. Any director wishing to undertake either specific directional training or personal development courses is expected to approach the Chairman for approval of the proposed course.