

AMERISUR RESOURCES PLC

REMUNERATION COMMITTEE

TERMS OF REFERENCE

(Adopted by the Board on 28 February 2017)

1. STRUCTURE

- 1.1 There shall be a Committee of the Board to be known as "The Remuneration Committee". The Committee is responsible for ensuring that the remuneration practices of the Company move towards best practice and are linked with the interests of shareholders.
- 1.2 The Committee shall comprise of Non-Executive Directors and may include the Chairman. The Company Chairman may be a member of, but not chair, the committee in addition to the independent non-executive directors, provided he or she was considered independent on appointment as chairman. Executive Directors may be invited to meetings at the discretion of the Chairman of the Committee.
- 1.3 The Board will nominate one of the members of the Committee to act as Chairman of the Committee's meetings.

2. SECRETARY

The Company Secretary shall be the secretary of the Committee and shall keep appropriate minutes of its proceedings.

3. QUORUM

A quorum shall be two members.

4. FREQUENCY OF MEETINGS

Committee meetings shall be held not less than twice a year.

5. NOTICE OF MEETINGS

- 5.1 Meetings of the Committee shall be called by the secretary of the Committee at the request of any of its members.
- 5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other non-executive directors, no later than five days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

6. MINUTES OF MEETINGS

- 6.1 The secretary shall minute the proceedings and decisions of all meetings of the Committee, including recording the names of those present and in attendance.
- 6.2 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board unless it would be inappropriate to do so.

7. DUTIES

- 7.1 The Committee will review its own performance annually and will seek to ensure that all members of the Committee obtain appropriate training to ensure that they are able to perform their role as Committee members effectively.

7.2 The Committee shall have regard to and shall comply with the UK Corporate Governance Code ('Code') and the Listing Rules relating to remuneration committees or remuneration of directors, and shall also have regard to any authoritative best practice guidelines for remuneration committees published from time to time.

7.3 The duties of the Remuneration Committee shall be:

7.3.1 To determine the Company's remuneration policy for all Executive Directors and the Company Secretary, including pension rights and any compensation payments;

- a) To recommend and monitor the level and structure of remuneration for Senior Executives;
- b) In determining the Company's remuneration policy, to take into account:
 - i. All factors which the Committee deems necessary, including the Code and all relevant legal and regulatory requirements and associated guidance;
 - ii. The need to ensure that the Executive Directors and Senior Executives are rewarded in a fair and responsible manner for their individual contributions to the Company's overall performance;
 - iii. The need to attract, retain and motivate the Executive Directors and Senior Executives of the Group of the quality required but to avoid paying more than is necessary for this purpose;
 - iv. Where to position the Company relative to other companies; the Committee should be aware of what comparable companies are paying and should take account of relative performance so as to ensure the incentive packages are appropriate in the context of the requirement to attract, motivate and retain the Executive Directors and the Company Secretary. However, the Committee should use such comparisons with caution, in view of the risk that they can result in an upward ratchet of remuneration levels with no corresponding improvement in performance;
 - v. The risk appetite of the Company, alignment with the Company's long term strategic goals, and the views of shareholders and other stakeholders;
 - vi. The need to be sensitive to the wider scene, including pay and employment conditions elsewhere in the Group especially when determining annual salary increases; and
 - vii. Include performance-related elements of remuneration as a significant proportion of the total remuneration packages and those elements should be designed to align the interests of the Executive Directors and Senior Executives of the Group with those of shareholders and to promote the long term success of the Company and encourage enhanced performance at the highest levels;
- c) Within the terms of the agreed policy and in consultation with the Chairman and/or the Chief Executive, as appropriate, to determine the total individual remuneration package of each Executive Director, other designated Senior Executives and the Company Secretary including bonuses, incentive payments, share options or other share awards;
- d) To review and approve Directors' expenses (and/or to determine the policy for authorising claims for expenses) on an annual basis;
- e) To be responsible, in each case in accordance with the Code, the Listing Rules, the Companies Act 2006 and any other accounting standards and law or regulation, for preparing a report for the Board to the Company's shareholders on behalf of the Board, in relation to remuneration policies applicable to the Executive Directors and the Company Secretary, drawing attention to factors specific to the Company, and ensuring each year that it is put to shareholders for approval at the AGM. Where the Committee has appointed remuneration consultants, they shall be identified in the annual report and a statement made as to whether they have any connection with the Company;

- f) To determine the basis on which the employment of the Company's Executive Directors, Senior Executives and the Company Secretary of the Group is terminated; where a service contract does not explicitly provide for compensation commitments or liquidated damages for termination without cause by the Company, the Committee should, within legal constraints, tailor its approach in individual early termination cases to the particular circumstances surrounding the termination; the broad aim should be to avoid rewarding failure or poor performance while dealing fairly with cases where departure is not due to failure or poor performance and to take a robust line on reducing compensation to reflect any obligation to mitigate loss on the part of the departing Executive Director, Senior Executive or the Company Secretary of the Group;
- g) To recommend to the Board the design of the Company's share option, share incentive schemes and performance related pay schemes for the Executive Directors, Senior Executives and the Company Secretary and to operate and administer such schemes in accordance with the respective rules thereof; the Committee shall make recommendations to the Board as to any adjustments to the terms of such schemes and as to proposals intended for submission to shareholders in relation to such schemes;
- h) To determine whether awards made under performance related and share incentive schemes should be made, the overall amount of the awards, the individual awards to the Executive Directors, Senior Management and the Company Secretary of the Group and the performance targets to be used;
- i) To ensure that no director or manager shall be involved in any decisions as to their own remuneration;
- j) To review regularly the ongoing appropriateness and relevance of the remuneration policy;
- k) To oversee any material changes in employee benefits throughout the Group;
- l) To determine the policy of the Group in relation to pension arrangements for the Executive Directors, Senior Executives and the Company Secretary of the Group; and
- m) To establish the selection criteria and to select, appoint and determine the terms of reference for any remuneration consultants who advise the Remuneration Committee.

8. REPORTING RESPONSIBILITIES

8.1 The Committee Chairman shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

8.2 Through the Committee Chairman, the Committee shall ensure that the Company maintains contact as required with its principal shareholders about remuneration.

9. OTHER MATTERS

The Committee shall:

9.1 Have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required.

10. AUTHORITY

The Committee is authorised to:

10.1 Obtain outside independent professional advice relevant to its duties. To take such external advice as it shall consider appropriate to determine the remuneration, terms of service and incentives of the Executive Directors and Senior Executives and to commission such external reports or surveys as deems appropriate. Where the Committee is seeking advice from external remuneration consultants or other professional advisers, it shall have sole responsibility for selecting, appointing and setting the terms of reference of any the consultants; and

10.2 The Committee shall have no authority in relation to the remuneration of the Non-Executive Directors which shall be determined by the Board.