

BENDIGO MINING LIMITED - CORPORATE GOVERNANCE POLICY

APPOINTMENT OF DIRECTORS

This policy outlines the requirements and procedures for appointing a Director to the Board. This policy does not apply to the appointment of Executive Directors.

Skills required on the Board

The Board shall contain the relevant blend of expertise in;

- finance;
- business;
- the mineral resources industry; and
- CEO-level experience.

Appointment of Directors

Directors are appointed under the terms of the Company's Constitution. Subject to the number of Directors allowed under the Constitution, being a minimum of 3 and a maximum of 12, a Director may be appointed by an ordinary resolution of the Company in general meeting.

In the situation of a vacancy occurring between general meetings, the Board can appoint a replacement Director. Under ASX Listing Rule 14.4 and Rule 55 of the Company's Constitution, a Director who is newly appointed must stand for election at the next General Meeting following their appointment.

Rotation of Directors

In accordance with ASX Listing Rule 14.4 and Rule 57 of the Company's Constitution, a Director must retire after the third Annual General Meeting at which they were last elected. Further, in accordance with the Company's Constitution, at the close of each Annual General Meeting one-third of the Directors, or if their number is not a multiple of three, then the number nearest to but not more than one-third of the Directors, must retire. The Directors to retire by rotation at the Annual General Meeting are those Directors who have been longest in office since their last election. The Managing Director is not subject to retirement by rotation and is, together with any Directors appointed during the year, not taken into account in determining the rotation of retirement of Directors.

Vacation of Office

Directors shall remain on the Board until required to vacate the office either through termination, resignation or retirement, as detailed in the Constitution. The terms and conditions for Directors are contained in their letter of appointment (attached).

If it is necessary to appoint a Director for shorter periods of time to reflect necessary expertise or skills on the Board, it is anticipated that this situation will be clearly identified in the relevant Director's letter of appointment.

Director Development

In order to continually improve Board performance, all Directors are encouraged to undergo continual professional development.

Specifically, where gaps are identified, Directors will be provided with resources and training to address them.

Directors are also encouraged to undertake self-development where appropriate.

Directors who wish to undertake a development activity at Company expense should consult with the Chairman, prior to undertaking such activities at Company expense.

Procedure to Appoint a Director

1. Board requests Remuneration & Nomination Committee to nominate candidates for the position of Director.
2. The Remuneration & Nomination Committee determines the required skilled set and experience, giving consideration to the current Board composition and size and shareholder structure of the Company.
3. The Remuneration & Nomination Committee identifies potential candidates, possibly with assistance from external agencies and/or advisers.
4. The Remuneration & Nomination Committee presents the Board with a short list of candidates.
5. Board agrees on the preferred candidate.
6. Chairman of the Board approaches preferred candidate to canvass interest, availability and terms of appointment.
7. Chairman and Company Secretary finalise Letter of Appointment.

Letter of Appointment of Director

The following is a pro-forma letter of appointment:

On behalf of Bendigo Mining Limited ACN 005 674 073 (**Company**), I am pleased to invite you to serve on the Board of Directors of the Company (**Board**) as a Non-Executive Director (**Director**).

This letter and the terms of your appointment should be read subject to the Company's constitution (**Constitution**) and all applicable laws with which you are required to comply. You have been provided with a 'Consent to Act' form, which you must sign prior to your appointment as a Director. Appendix A details all the enclosed forms to this letter and the action required from you.

1. Term of appointment and vacation of office

Subject to your acceptance of this Letter of Appointment and confirmation of your appointment by the Board you will hold office until the Company's next Annual General Meeting (AGM). At that meeting, your appointment must be confirmed by resolution, and if elected, you will be subject to retirement by rotation under the Company's constitution.

Your appointment may be terminated at any time in accordance with the provisions of the Constitution or the provisions of any applicable law.

You must give the Company written notice of your intention to terminate this agreement or resign from office. On termination, resignation, retirement or removal from office for any reason, this agreement shall immediately terminate and you shall not be entitled to any damages for, nor make any claim against the Company or its officers in relation to loss of office or the termination of this agreement (other than for any accrued but unpaid fees or expenses), and you indemnify and hold the Company harmless in respect of this and any action taken or claim made by or on your behalf in respect of your loss of office or the termination of this agreement. In these circumstances, no fee will be payable to you in respect of any unexpired portion of the term of your appointment.

2. Role and appraisal

The Board acts on behalf of its shareholders and is accountable to its shareholders for the overall direction, management and corporate governance of the Company. Responsibility for the day-to-day management of the Company and its operations is delegated to senior executive management. The Board Charter defines the framework of rules, systems and processes by which authority is exercised and controlled within the Company.

As a Non-Executive Director, you will be expected to participate in constructively challenging and helping to develop proposals on strategy and setting values and standards for the Company. Other important focus areas, such as monitoring performance and assessing the integrity of financial and other reports, are detailed in the Board Charter.

You agree that you will participate in processes of internal and external review of Director, Board and Committee performance as may be determined to be appropriate by the Board from time to time. You acknowledge that such processes may result in positive or negative recommendations in relation to your candidacy for reappointment to the Board. If there are any issues which cause you concern about the Board or your individual performance, or the performance of any Committee, you should feel free to raise it with me as Chairman at any time.

3. Obligations and responsibilities

3.1 Independence and conflicts

You confirm that you consider that you are free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of your judgment. You agree to keep the Board advised, on an ongoing basis, of any material personal interest in a matter that relates, or could relate, to the affairs, either directly or indirectly, of the Company. You acknowledge that your classification of independence is a decision of the Board and subject to ongoing review.

3.2 Time commitment

You are expected to attend all Board meetings and that you will be able to allocate sufficient time to meet the expectations of the role. The Board is currently scheduled to meet 6 to 10 times each year at the Kangaroo Flat Mine office for typically half to one day meetings. If required, special Board meetings will be called at short notice to consider items of particular urgency. You will be notified of all dates and details of meetings and you will receive Board papers in advance of meetings to provide sufficient time for review.

3.3 Committees

You may be appointed by the Board to act as a member or chairperson of one or more of the Board's Committees (Committees). The current Committees are the Audit & Risk Committee, the Remuneration & Nomination Committee and the Health, Safety, Environment & Security Committee as defined in the Corporate Governance Policies. Your participation in Committees will be discussed with the Chairman and in any event you are entitled to attend all meetings by standing invitation.

3.4 Code of Conduct

You will be required to fully understand and commit to the Company's Values and Code of Conduct.

3.5 Share Trading Policy

The Company's Share Trading Policy and Insider Trading Provisions of the Corporations Act restrict the ability for a Director to freely trade securities.

As a general guide and given that you do not possess inside information, the most appropriate times to deal in securities in the Company are in the period commencing two days after and ending four weeks after the AGM and the release of the annual accounts, half yearly results and quarterly results. Notwithstanding this general guidance, you will at all times discuss your intention to trade in Company securities with the Chairman and seek the approval of the Chairman prior to trading.

4. Remuneration

4.1 Fees

The total fee, inclusive of any superannuation contribution, payable to you for the services of Director is A\$XX,XXX per annum, payable monthly, or such other annual fee as the Company and you may agree upon from time to time. The Company will withhold PAYG tax in accordance with taxation laws. There are no equity compensation plans currently in place for Non-Executive Directors.

If consulting work is undertaken for the Company and this work is outside the normal expectations of your duties as a Non-Executive Director, you will be paid under a separate consultancy fee to be decided and agreed by the Chairman.

You will not be entitled to any retirement or other termination benefits for having served as a Director.

4.2 Expenses

You will be reimbursed for all reasonable out of pocket expenses incurred in carrying out the duties of a Director of the Company, such as travel, accommodation and meals. These expenses will be reimbursed in accordance with normal Company procedures.

5. Notification of Directors' Interests

The Company is required under ASX Listing Rules to disclose to ASX details of Directors' interests in securities of the Company and in contracts relevant to securities of the Company. Accordingly, you accept that you are obliged to provide the necessary information to the Company which relates to any change in ownership of the Company's securities by you directly or by a related party, where you have a relevant interest. This information is required no later than three business days after the change in circumstance. Notification should be provided to the Chairman and Company Secretary. You authorise the Company to give information provided by you to ASX on your behalf and as your agent.

6. Director's Deed of access, insurance and indemnity (D&O Deed)

The D&O Deed sets out the terms on which the Company provides you with rights of access to information and indemnification against certain liabilities that you may incur as a Director. To the extent of any inconsistency with this letter, the D&O Deed and the Constitution prevails. The current level of Directors' and Officers' insurance cover is A\$XX million.

7. Professional advice

Circumstances may arise in which you may need professional advice in the furtherance of your duties as a Director. You are permitted to consult with external advisers at the Company's expense to enable you to perform your duties, provided that prior consultation with the Chairman is made before consulting with outside advisers.

8. Confidentiality & Privacy

You must keep confidential and not disclose to any person (whether during the course of your appointment or at any time before or after) any confidential information, matters, affairs, or concerns concerning the Company or its subsidiaries, other than to discharge your Director's legal duties.

You acknowledge that any personal information that you have provided to the Company may be used or disclosed by the Company to comply with the Corporations Act, ASX listing rules or any other lawful purpose.

You agree that all of the information that you have disclosed to the Company is accurate, up to date, and all the information which the Company reasonably needs to know in order to make an informed decision to appoint you to the position of Non-Executive Director.

With your acceptance of this agreement, I welcome you to the Board of Bendigo Mining and look forward to your contribution.

Yours sincerely,

Chairman of the Board
Bendigo Mining Limited

I, XXXXXX XXXX XXXXXXXXXXXX, hereby accept the terms of appointment set out in this letter.

Signature
Signed in the presence of,

Date

Name (print)

Signature

Date

Appendix A

Action Required

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| 1. Copy of Constitution of Bendigo Mining Limited | Note |
| 2. Copy of Deed of access, insurance and indemnity | Sign and return |
| 3. Values and Code of Conduct form | Sign and return |
| 4. Notice of Directors' Interests | Complete form and return |
| 5. Corporate governance policies | Note |
| 6. Timetable of Director meetings | Note |
| 7. Corporate contact directory | Note |
| 8. Organisation flowchart | Note |