



# MACMIN SILVER LTD

## POLICY AND PROCEDURE FOR NOMINATION AND APPOINTMENT OF DIRECTORS

### POLICY

The Board should comprise directors with a broad range of expertise both nationally and internationally.

The criteria for determining the identification and appointment of a suitable candidate for the Board shall include quality of the individual, background of experience and achievement, compatibility with other Board members, credibility within the Company's scope of activities, intellectual ability to contribute to Board duties and physical ability to undertake Board duties and responsibilities.

### PROCEDURE

Following the annual review of Board performance, if the Board believes that new Directors should be appointed, the Chairman, personally or with an ad hoc committee, will source suitable candidates through industry contacts and/or professional bodies for evaluation by the Board as a whole.

When new Directors are appointed the Board will normally appoint the Director and seek his re-election by shareholders at the next Annual General Meeting by providing information on the Director's suitability for the role.

Shareholders may nominate directors and in that regard the Constitution states:-

#### “16.7 Nomination of Directors for office

No person other than a retiring Director is eligible for election to the office of Director at any general meeting unless the case of a person whose nomination is recommended by the Directors, at least 10 Business Days, and in any other case, at least 30 Business Days before the meeting there has been left at the office:

- (a) a notice in writing signed by a Member duly entitled to attend and vote at the meeting for which such notice is given of that Member's intention to propose the person for election; and
- (b) a written consent of the nominee to act as a Director.

Members duly entitled to attend and vote at the meeting may also in this way propose themselves for election. Notice of each and every candidature will be given to all Members at least 10 Business Days before the meeting at which the election is to be held.”

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R.D. McNeil  
Chief Executive Officer

23 July 2008