

MACMIN SILVER LTD

REMUNERATION COMMITTEE CHARTER

Membership

- All members will be Non Executive Directors or qualified consultants.
- The Chairman of the Committee shall be a Director of the company.
- A quorum will be two.

Secretarial and Meetings

The company secretary shall be appointed secretary of the Committee. The secretary, in conjunction with the Chairman, shall draw up an agenda which shall be circulated at least one week prior to each meeting to the members of the Committee.

Meetings shall be held as required.

Remuneration Committee

The Remuneration Committee is responsible for reviewing recommendations by management in relation to Directors and executives before submission to the Board.

Remuneration Guidelines

The broad remuneration policy is to ensure that remuneration properly reflects the relevant person's duties and responsibilities, and that the remuneration is competitive in attracting, retaining and motivating people of the highest quality. The Board believes that the best way to achieve this objective is to provide Executive Directors and executives with a remuneration package consisting of fixed components and incentives that reflect the person's responsibilities, duties and personal performance.

The remuneration of Non-Executive Directors is to be determined by the Board as a whole having regard to the level of fees paid to Non-Executive Directors by other companies of similar size in the industry.

The aggregate amount payable to the Company's Non-Executive Directors must not exceed the maximum annual amount approved by the Company's shareholders (currently \$150,000).

The Board is of the view that all Directors have the potential to influence strategic direction and achievements of the Company for the benefit of shareholders and believe that the granting of options to Non-Executives is an appropriate method to potentially supplement Non-Executive Directors' cash remuneration, which is kept relatively low (currently \$20,000 p.a.) and provide incentive without further use of cash while the Company is reliant upon shareholder funds to operate.