

Director Independence Policy

1 Background

CI Resources Limited is committed to meeting the standards of corporate governance expected of an Australian listed public company. Those standards currently recommend that a majority of the members of the Board (including the Chairman) are independent and that a majority of Board committee members are similarly independent.

This policy has been developed with reference to the commentary on independence in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (the Fourth Edition) (ASX Principles).

The independence of Directors of CI Resources Limited will be assessed by the Board pursuant to this policy and, as described below, the Board will have discretion to determine if a Director is independent.

2 Purpose

The purpose of this Policy Statement is to:

- (a) describe how the Board will assess the independence of each Director;
- (b) identify the information that will be collected from each Director to make the assessment of independence; and
- (c) outline the disclosure to shareholders of the assessment of independence of Directors, including the disclosure of any relationships and associations that may be perceived to affect the independence or objectivity of a Director.

3 Assessment of Independence

The Board will assess the independence of Directors with reference to the definition of an independent director contained in the ASX Principles.

4 Relationships to be considered by the board when assessing independence

Generally, all available facts and circumstances will be considered in determining the independence of a Director. It is not possible to provide explicitly for all circumstances that will indicate a conflict of interest or a material relationship, nor is it possible to pre-determine whether such circumstances will be assessed for certain as likely to affect Directors' independent exercise of judgement.

In assessing independence, the Board will take into consideration those relationships that the ASX Principles consider may affect the independent status of a Director.

The test of whether a relationship or business is material will be based on the nature of the relationship or business and on the circumstances and activities of the Director having regard to the relationships referred to above. Materiality will be considered from the perspective of the Company and its group members, the persons or organisations with which the Director has an affiliation and from the perspective of the Director.

If one or more of these thresholds is exceeded, the Board then focuses on whether or not in their view that impacts materially on the Director's independent exercise of judgement.

Directors will update the Board with any new information in relation to interests or relationships relevant to independence. The Board will assess the independence of Directors annually and will reassess determinations of independence when any new interests or relationships are disclosed by a Director.

A Director may be assessed by the Board to be independent even though one or more of the relationships referred to in the ASX Principles exists. The Board reserves its right to make such an assessment and disclose it as described in paragraph 5.

5 Disclosure

The Board will make the following disclosure to shareholders in the CI Resources Annual Report:

- (a) independent and non-independent Directors will be identified and the basis of the assessment of independence will be stated;
- (b) material relationships, associations and other business of each Director will be described; and
- (c) Independent and non-independent directors standing for re-election will also be identified in the Notice of Annual General Meeting.

If the Board's assessment of a Director's independence changes, that change will be disclosed immediately through an ASX announcement.

6 Additional Information

Any questions arising from the Company's policy on Independence of Directors may be directed to the Company Secretary.