



POLICY ON ASSESSING THE INDEPENDENCE OF DIRECTORS

An independent Director is a Non-Executive Director who is not a member of management and who is 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 their judgement.

It is the Board's policy that in determining a Director's independence the Board considers the relationships which may affect independence as set out in Box 2.3 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations (3rd Edition)* as follows:

When determining the independent status of a Director the Board should consider whether the Director:

1. Is a substantial shareholder¹ of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company: or
2. Is employed, or has previously been employed in an executive capacity by the Company or another group member and there has not been a period of at least 3 years between ceasing such employment and serving on the Board; or
3. Has within the last 3 years been a principal of a material professional adviser or a material consultant to the Company or another group member, or an employee materially associated with the service provider; or
4. Is a material supplier or customer of the Company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer; or
5. Has a material contractual relationship with the Company or another group member other than as a Director; or
6. Has been a director of the entity for such a period that his or her independence may have been compromised.

The Board notes that the mere fact that a Director has served on a Board for a substantial period does not mean that he or she has become too close to management to be considered non-independent. The Board will assess the independence of all and any Director who serves on the Board.

For the purposes of determining materiality, the Company discloses its Materiality Thresholds in its Board Charter.

Prepared by:	Company Secretary
Approved by:	Board of Directors
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Review Date:	30 June 2015
Review Frequency	Annually or as required

¹ For this purpose a "substantial holder" is a person with a substantial holding as defined in section 9 of the Corporations Act. (as at 30 June 2015 equals 5%)