

**PRESTAR RESOURCES BERHAD**

(Company No. 123066-A)

(Incorporated in Malaysia)

**TERMS OF REFERENCE OF REMUNERATION COMMITTEE**

**(Adopted on 20 February 2014)**

**1. Objectives**

To assist the Board of Directors in their responsibilities in assessing the remuneration packages of the executive Directors.

**2. Composition of members**

The Board of Directors shall elect the Remuneration Committee members from amongst themselves, composed wholly of non-executive Directors.

**3. Chairman**

The Chairman of the Remuneration Committee shall be elected from amongst the Remuneration Committee members. The Chairman of the Committee shall be approved by the Board of Directors.

**4. Secretary**

The Secretary of the Remuneration Committee shall be the Company Secretary of the Company.

**5. Meetings**

The Remuneration Committee may meet together for the despatch of business, adjourn and otherwise regulate their Meetings, at least once a year or more frequently as deemed necessary. The Chairman may call for additional Meetings at any time at the Chairman's discretion.

The Secretary shall on the requisition of the members of the Remuneration Committee summon a Meeting of the Remuneration Committee except in the case of an emergency, reasonable notice of every Remuneration Committee Meeting shall be given in writing.

In the absence of the Chairman, the members can elect from amongst themselves the Chairman for the Meeting.

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**6. Quorum**

A quorum shall consist of two (2) members.

**7. Circular Resolutions**

A resolution in writing signed or approved by letter, telegram, telex or telefax by all the Remuneration Committee Members and who are sufficient to form a quorum, shall be as valid and effectual as if it had been passed at a Meeting of the Remuneration Committee duly called and constituted. All such resolutions shall be described as "Remuneration Committee Members' Resolutions in Writing" and shall be forwarded or otherwise delivered to the Secretary without delay, and shall be recorded by him in the Company's Minutes Book. Any such resolution may consist of several documents in like form, each signed by one (1) or more Remuneration Committee Members.

**8. Authority**

The Remuneration Committee shall, in accordance with a formal and transparent procedure or process or policy on executive Directors' remuneration packages to be determined and established by the Board of Directors and at the expense of the Company,

- (a) shall review, assess and recommend to the Board of Directors the remuneration packages of the executive Directors in all forms, with other independent professional advice or outside advice as necessary.
- (b) shall be entitled to the services of a Company Secretary who must ensure that all decisions made on the remuneration packages of the executive Directors be properly recorded and minuted in the minutes book.

**9. Duties and Responsibilities**

The duties and responsibilities of the Remuneration Committee are as follows: -

- To review and assess the remuneration packages of the executive Directors in all forms, with or without other independent professional advice or other outside advice;
- To ensure the levels of remuneration be sufficiently attractive and be able to retain Directors needed to run the Company successfully;

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(Terms of Reference of Remuneration Committee - cont'd)

- To structure the component parts of remuneration so as to link rewards to corporate and individual performance and to assess the needs of the Company for talent at Board level at a particular time;
- To recommend to the Board of Directors the remuneration packages of the executive Directors;
- To act in line with the directions of the Board of Directors; and
- To consider and examine such other matters as the Remuneration Committee considers appropriate.