

# **Remuneration Policy**

**Astro Diamond Mines NL**  
ACN 007 090 904

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## 1 Introduction

Astro Diamond Mines NL (**Astro** or the **Company**) chooses to remunerate and reward its directors, officers and employees in accordance with the following policy.

Emoluments of Directors and senior executives are set by reference to payments made by other companies of similar size and industry, and by reference to the skills and experience of the Directors and executives. Details of the nature and amount of emoluments of each Director of the Company are disclosed annually in the Company's annual report.

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## 2 Non Executive Directors

The Company's policy is to remunerate non executive directors at a fixed fee for time, commitment and responsibilities. Remuneration for non-executive directors is not linked to individual performance. Given the Company is at its early stage of development and the financial restrictions placed on it, the Company may consider it appropriate to issue unlisted options to non executive directors, subject to obtaining the relevant approvals. This Policy is subject to annual review. All of the directors' option holdings are fully disclosed.

The maximum aggregate amount of fees (including superannuation payments) that can be paid to non executive directors is subject to approval by shareholders at General Meeting.

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## 3 Executive Directors and Senior Executives

Executive pay and reward consists of a base salary and performance incentives. Long term performance incentives may include options granted at the discretion of the Board and subject to obtaining the relevant approvals. The grant of options is designed to recognise and reward efforts as well as to provide additional incentive and may be subject to the successful completion of performance hurdles.

Executives are offered a competitive level of base pay at market rates (for comparable companies) and are reviewed annually to ensure market competitiveness.

Executives are prohibited from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements.

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## 4 Employee Share Option Plan

As an incentive, the Company may adopt from time to time an employee incentive scheme. The purpose of such a scheme is to give employees, directors and officers of the Company an opportunity, in the form of options, to subscribe for shares. The Directors consider the scheme will enable the Company to retain and attract skilled and experienced employees, board members and officers, and provide them with the motivation to make the Company more successful. Any issue of options to Directors under an employee incentive scheme will be subject to relevant approvals.