

EXPLANATORY MEMORANDUM TO NOTICE OF ANNUAL GENERAL MEETING 2014

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be considered at the Meeting for the purposes set out in the accompanying Notice of Meeting. This Explanatory Memorandum should be read in conjunction with, and forms part of, the accompanying Notice of Meeting (collectively the “**Meeting Materials**”). Any information contained in this Explanatory Memorandum is current as at 15 April 2014 (“**Notice Date**”).

The Company is listed on both the Australian Securities Exchange (“**ASX**”) and the Toronto Stock Exchange (“**TSX**”) under the symbol ‘IAU’. The applicable securities rules and regulations in Australia and Canada, including the respective listing rules and regulating instruments in those jurisdictions require differing levels and forms of disclosure. This Notice of Meeting provides all of the information required in accordance with ASX, TSX, Australian and Canadian Securities Law requirements.

The full details of the resolutions to be considered at the Meeting are set out below. All references to Shareholders in the Meeting Materials are to Shareholders of record of ordinary shares, unless specifically stated otherwise.

Resolutions 2 to 12 are ordinary resolutions. This means that, to be passed, the resolution needs the approval of a simple majority of votes cast by Shareholders entitled to vote on the resolution. Resolution 1 is a special resolution and requires at least 75% of the votes cast by members entitled to vote to be in favour for it to be passed.

MEETING BUSINESS

SPECIAL BUSINESS

Item 1 – Return of Capital to Shareholders

Regulation 30 of the Company’s Constitution requires the approval by the Company in general meeting by special resolution for a return of capital to occur. A special resolution requires at least 75% of the votes cast by members entitled to vote to be in favour of the resolution for it to be passed.

Resolution 1 - Return of Capital to Shareholders

Introduction

On 19 March 2014 the Company announced that following discussions with a number of shareholders it became apparent that there was a range of perspectives on the utilisation of the Company’s cash reserves following the completion of the settlement of the Company’s Indonesian disputes.

Your Board indicated that it was their duty to present to Shareholders various options and to seek their views by way of a Shareholder resolution

The options include:

- Returning all surplus cash to shareholders by way of a Return of Capital and then winding up the Company.
- Investing the cash in a resources business, in accordance with the Company Vision statement, by way of an Acquisition.
- A partial capital return coupled with a smaller Acquisition.

Accordingly, the Board concluded that the issue of redeployment of Shareholders’ funds should properly be resolved by way of shareholder vote and in this regard announced the following on 19 March 2014:

- At the next available opportunity, and no later than at the Company’s Annual General Meeting, it would put forward a resolution for a Shareholder vote that provided for a cash return to Shareholders of net excess capital.
- The Company would not make any project acquisition or investment prior to the AGM without shareholder approval. However should an outstanding investment opportunity arise in the interim, the Board may decide to put such an opportunity to a Shareholder vote as an alternative to the proposed cash return.

In accordance with the Board’s undertaking, the resolution to return net excess capital of US\$0.258 per share (approximately \$A0.28 based on the exchange rate at 31 March 2014 - \$US0.9221 to \$A1.00) is being put to Shareholders at this meeting. The Board notes that the share price has ranged from \$A0.27 to \$A0.28 post the settlement of the Indonesian disputes and post receipt of the cash consideration.

The Board notes however that a Return of Capital is a finite outcome whereas an Acquisition provides Shareholders with the potential for capital appreciation.

Acquisition Opportunities

The Board has been assessing investment options for some time, and believes there are some attractive investment opportunities in the resources sector, one of which the Board has a reasonable expectation of being able to announce in the near future. As at the date of this Notice of Meeting no Agreements have been entered into and no negotiations have reached a position where the Board is able to make any announcement.

Entitlement to Participate in the Return of Capital

All Shareholders who hold Shares at 7pm Brisbane time on the Record Date will be entitled to participate in the return of capital.

Return of Capital to Shareholders

Each Shareholder who is entitled to participate in the return of capital will receive US\$0.258 for each Share held by the Shareholder as at the Record Date.

As the majority of the Company's funds are held in US\$ the amount of the return of capital will be calculated in US\$ to remove uncertainty resulting from movements in the exchange rate. The payment to Shareholders will be converted to Australian \$ using the rate applicable at the time of payment.

The terms of the proposed return of capital are as follows:

Item	Details
Payment per Share	\$US0.258 per share (approximately \$A0.28*) held on the Record Date. The payment to Shareholders will be converted to Australian \$ using the rate applicable at the time of payment.
Record Date	Thursday 5 June 2014
Entitlement	The return of capital will be an equal return of capital. Accordingly, all Shareholders registered on the Record Date will be entitled to participate. Eligible Shareholders will participate on the same terms.
Total amount payable under the return of capital	Based on the total number of Shares currently on issue and assuming no further Shares are issued prior to the Record Date, the total amount to be paid to the Shareholders under the return of capital will be US\$143,625,953 (\$A155,759,628)*
Dilutionary effect	There will be no dilutionary effect on Shareholders as a result of the return of capital as the number of shares held by each Shareholder will be the same before and after the return of capital.
Impact of return of capital	The return of capital will result in the majority of the Company's cash reserves being paid to Shareholders. The Company is withholding only those amounts required to meet current and future existing and contingent obligations.

* \$A equivalents are based on the exchange rate at 31 March 2014 - \$US0.9221 to \$A1.00.

Why Shareholders' approval is required

Regulation 30 of the Company's Constitution requires the approval by the Company in general meeting by special resolution for a return of capital to occur. A special resolution requires at least 75% of the votes cast by members entitled to vote to be in favour of the resolution for it to be passed.

Under Section 256B of the Corporations Act, the Company may only reduce its capital if:

- It is fair and reasonable to Shareholders as a whole;
- It does not materially prejudice the Company's ability to pay its creditors; and
- It is approved by Shareholders in accordance with Section 256C of the Corporations Act.

In relation to these requirements:

- the Board considers the return of capital to Shareholders is fair to all Shareholders as it applies to all Shareholders equally and compares favourably with the Company's recent trading price on the ASX.
- the amount of the payment has been determined after taking into account all current and future existing and contingent obligations. Accordingly, the Board considers that the return of capital will not have a material impact on the Company's ability to meet its creditor obligations; and
- Shareholders are being asked to approve the proposal at the Annual General Meeting of the Company.

Timetable for Return of Capital

The indicative timetable for the return of capital is set out below. These indicative dates are subject to change:

Event	Date
Meeting of Shareholders	Friday 30 May 2014
Trading in Shares on an "ex return of capital" basis	Tuesday 3 June 2014
Record date	Thursday 5 June 2014
Anticipated date of distribution	Monday 16 June 2014

Trading in Shares

Shares will trade on an "ex return of capital" basis on Tuesday 3 June 2014 which is the second business day after the Company's Shareholders may approve the return of capital at the Annual General Meeting.

Effect of Return of Capital

• Effect on Creditors

The return of capital involves a reduction in the Company's paid-up share capital (contributed equity). However, in the opinion of the Board, this will not materially prejudice the Company's ability to pay its creditors, as the Company will have sufficient cash reserves to pay its creditors post the return of capital.

• Effect on Shareholders

The return of capital will have no effect on the number of Shares held by Shareholders or on their proportionate interests in the share capital of the Company. The Company has no partly paid shares on issue and no convertible securities (other than options) on issue.

For example, where the return of capital is approved, a Shareholder who holds 100,000 Shares on the Record Date will receive the Australian dollar equivalent of US\$25,800 on completion of the return of capital and will retain their 100,000 Shares.

• **Effect on the Options on Issue**

Listing Rule 7.22.3 provides that in a return of capital, the number of options must remain the same, and the exercise price of each option must be reduced by the same amount as the amount returned in relation to each ordinary security.

The Company currently has the following options on issue (**Existing Options**):

Number of unlisted Options	Exercise Price	Expiry Date
24,258	\$A0.4536	31/01/2015
187,797	\$A1.72	17/07/2016
1,009,976	\$A1.181	01/01/2017
623,741	\$A0.5565	31/05/2017
3,122,487	\$A0.2938	01/09/2017
4,320,276*	\$A0.3038	1/11/ 2018

* subject to Shareholder approval

In accordance with Listing Rule 7.22.3, the exercise price for each of the Existing Options on issue on the Record Date will be reduced by the same amount as the amount returned in relation to each ordinary security (Return per Share). Accordingly, each of the Existing Options on issue on the Record Date will be reduced by the Return per Share on the assumption that no Existing Options are exercised.

• **Effect on the Share Rights on Issue**

The return of capital will have no effect on the number of Share Rights held by Senior Executives or on their ultimate proportionate interests in the share capital of the Company.

• **Effect on Company's Capital Structure**

The return of capital will have no effect on the total number of Shares or Existing Options on issue.

• **Effect on Company's Contributed Equity**

On completion of the return of capital, the contributed equity of the Company will be reduced by the Capital Reduction Amount.

• **Effect on the Company's Financial Position**

The Company has cash reserves which are sufficient to fully fund the return of capital and to retain sufficient cash reserves to meet current and future existing and contingent obligations. The Company does not believe that it will fully utilise the existing surplus cash reserves in the short term.

To illustrate the effect of the return of capital on the financial position of the Company, the Pro Forma Statement of Financial Position (unaudited) set out below has been based on the Company's unaudited financial statements at 31 March 2014 and after taking into account the (net) receipt of the \$US80 million settlement from the sale of the interests in the Tujuh Bukit project.

	31 Mar 2014	Receipt of \$US80m net of costs	Return of Capital	Pro-forma as at 31 Mar 2014
	US\$000	US\$000	US\$000	US\$000
Assets				
Current assets				
Cash and cash equivalents	7,880	77,500 ⁽¹⁾	(63,670) ⁽³⁾	21,710
Other financial assets	79,956	-	(79,956) ⁽³⁾	-
Trade and other receivables	948	-	-	948
Total current assets	88,784	77,500	(143,626)	22,658
Non-current assets				
Other financial assets	568	-	-	568
Total non-current assets	568	-	-	568
Total assets	89,352	77,500	(143,626)	23,226
Liabilities				
Current liabilities				
Trade and other payables	1,725	-	-	1,725
Current tax payable	119	-	-	119
Provisions	124	--	-	124
Total current liabilities	1,968	-	-	1,968
Non-current liabilities				
Provisions	12,714	(12,633) ⁽²⁾	-	81
Total non-current liabilities	12,714	(12,633)	-	81
Total liabilities	14,682	(12,633)	-	2,049
Net assets	74,670	90,133	(143,626)	21,177
Equity				
Contributed equity	317,463	-	(143,626)	173,837
Reserves	8,703	-	-	8,703
Accumulated losses	(251,496)	90,133	-	(161,363)
Total equity	74,670	90,133	(143,626)	21,177

Notes:

- (1) Net proceeds of the Tujuh Bukit settlement include payment of all associated legal, advisory and success fees.
- (2) At 31 December 2013 the Company recognised a provision for the possible settlement of legal action taken against it in Indonesia. With the Tujuh Bukit settlement, the legal action against the Company has ceased and as a consequence, the provision of US\$12,633,000 is reversed.
- (3) The return of capital would be funded from cash at hand and the redemption of financial assets held by the Company.

Taxation Consequences

The tax consequences for a Shareholder in respect to the return of capital may vary depending upon a shareholder's specific circumstances. The information set out below is provided as a general guide only and does not constitute tax advice. Shareholders should consult their own tax adviser as to the potential tax consequences for them with respect to the return of capital. Neither the Company nor any of its officers, employees or advisors assumes any liability or responsibility for advising shareholders about the tax consequences of the return of capital.

Australian income tax considerations for Shareholders

The Company is seeking a Class Ruling from the Australian Taxation Office (ATO) in relation to the tax treatment of the return of capital for certain Shareholders. Once the Class Ruling has been issued by the ATO, a Shareholder may rely on that Class Ruling in preparing their income tax return.

The following is a general outline of the Australian income tax consequences that should arise for Shareholders with respect to the return of capital provided that the Class Ruling is issued in accordance with the Company's Class Ruling application.

The following outline will only apply to those Shareholders who hold their Shares on capital account and who continue to hold their Shares at the time the return of capital is paid. The Class Ruling (and the outline below) does not apply to those Shareholders who hold their Shares as "revenue assets" or as "trading stock". The return of capital received by these Shareholders will be taxed under the general provisions of the income tax laws.

Australian Resident Shareholders

- No part of the proposed return of capital should be treated as a "dividend" for Australian income tax purposes.
- The cost base for each Share acquired after 19 September 1985 should be reduced by the return of capital amount (on a cents per share basis) for the purpose of calculating any capital gain or loss on the ultimate disposal of that share.
- If the cost base (after any adjustment, as may be relevant, for any indexation or any previous return of capital) of Shares acquired after 19 September 1985 is less than the return of capital amount (on a cents per share basis), then a capital gain may arise for the difference.
- For certain Shareholders that have held the Shares for greater than 12 months prior to the payment of the return of capital, the amount of the capital gain may be reduced by 50% (individuals, trusts) or 33 1/3% (complying superannuation funds).
- No capital gain or loss should arise in respect to Shares acquired on or before 19 September 1985.

Non-resident Shareholders

- No Australian income tax implications should arise as a consequence of the return of capital.
- Shareholders who are not residents of Australia for tax purposes should seek specific advice in relation to the taxation consequences arising from the return of capital under the laws of their country of residence.

The final version of the Class Ruling will be published on the ATO website and a notice included in the Gazette. The Company will make an announcement when the final Class Ruling is published and display the final Class Ruling on its website as soon as it becomes available. It is anticipated that the final Class Ruling will be published on the ATO website before the date of the Meeting although this is not certain.

Canadian income tax considerations for Shareholders

The following is a general outline of the Canadian federal income tax considerations generally applicable to Shareholders who receive payment of the return of capital from the Company pursuant to the resolution passed at the Extraordinary General Meeting of the Company on 30 May 2014 and who, for the purposes of the Income Tax Act (Canada) (the "Canadian Tax Act"), are resident in Canada, deal at arm's length with the Company and hold their Shares as capital property (referred to as a "Canadian Shareholder"). As a matter of Australian corporate law, the Company is of the view that the payment to be made constitutes a return of capital (as opposed to a dividend, a return of share premium or contributed surplus, or any other type of distribution).

This summary is not applicable to a Canadian Shareholder:

- (i) that is a "financial institution" for purposes of the mark-to-market rules;
- (ii) that is a "specified financial institution";
- (iii) in respect of which the Company is a "foreign affiliate",
- (iv) that has elected to determine its Canadian tax results in accordance with a "functional currency"; or
- (v) an interest in which is a "tax shelter investment", as each term is defined in the Canadian Tax Act.

Such Canadian Shareholders should consult their own tax advisors to determine the tax consequences.

This summary is based upon the provisions of the Canadian Tax Act and an understanding of the current administrative practices and assessing policies published in writing by the Canada Revenue Agency (CRA), all in effect as of the date hereof. This summary takes into account all specific proposals to amend the Canadian Tax

Act that have been publicly announced prior to the date hereof. No advance income tax ruling has been sought from the CRA as to the tax treatment to the Canadian Shareholders of the return of capital from the Company.

Return of Capital

Generally, a Canadian-resident person is not required to include any amount in computing income under the Canadian Tax Act on the receipt of an amount as a return of capital on the shares of a non-resident corporation. The CRA's administrative practice is that where a distribution from a non-resident corporation is a return of legal capital under the foreign corporate law, that characterisation will generally not be challenged by the CRA. Accordingly, based on the characterisation of the payment under Australian corporate law described above, Canadian Shareholders who receive payment of the return of capital from the Company should not be required to include the amount of such payment in computing income for the purposes of the Canadian Tax Act.

The aggregate amount (expressed in Canadian dollars) received on the return of capital will be deducted in computing the adjusted cost base to the Canadian Shareholder of their Shares. To the extent that the amount required to be deducted exceeds the adjusted cost base to the Canadian Shareholder of their Shares as otherwise determined, the holder will be deemed to have realised a capital gain equal to such excess, and the adjusted cost base of the Shares to such Canadian Shareholder will be considered to be nil.

Taxation of Capital Gains

One-half of the capital gain, if any, realised by a Canadian Shareholder in connection with the receipt of the return of capital will be included in the Canadian Shareholder's income in the year of such payment as a taxable capital gain. A capital gain realised by a Canadian Shareholder who is an individual may give rise to a liability for alternative minimum tax. A holder that is throughout individual may give rise to a liability for alternative minimum tax. A holder that is throughout the year a "Canadian-controlled private corporation" (as defined in the Canadian Tax Act) may be liable to pay an additional refundable tax of 6 2/3% on certain investment income, including interest and taxable capital gains.

Relief from Australian Taxation

If a Canadian Shareholder is required to pay Australian income tax in connection with the receipt of the return of capital, such holder may be entitled to a foreign tax credit under the Canadian Tax Act. The foreign tax credit rules are complex and a Canadian Shareholder should consult with their own advisors with respect to their eligibility for a foreign tax credit and the amount of any such credit.

Directors' Interests

Directors will be entitled to participate in the return of capital in accordance with number of Shares they hold in the Company on the Record Date.

Intentions of the Board following the Return of Capital

Following the capital return the Company will have cash reserves of approximately \$25 million. Should shareholders vote to support the return of capital the Company would then move to conduct an orderly winding up of its affairs including:

- Realisation of remaining assets
- Orderly wind up of subsidiaries
- Reduction in the number of Directors
- Further reduction of staff numbers
- Rationalisation of operations.
- Winding up of parent company.

Recommendation

As noted above, the Board has been assessing investment options for some time, and believes there are attractive investment opportunities in the resources sector, one of which the Board has a reasonable expectation of being able to announce in the near future. As at the date of this Notice of Meeting no Agreements have been entered into and no negotiations have reached a position where the Board is able to make any announcement.

Accordingly the Board consider that the approving a return of capital at this time is premature and unanimously recommends that shareholders vote **AGAINST** the Resolution.

The Chairman of the Meeting intends to vote undirected Proxies AGAINST this resolution.

Item 2 - Financial Statements and Reports

The Company's 2013 Annual Report including the Directors' Report the Financial Statements and the Report of the Auditor has been despatched to those Shareholders who have requested a copy, released to the ASX and TSX and is available on the Company's website (www.intrepidmines.com). No vote is required on this item of business.

In accordance with the Corporations Act and the Company's corporate governance policies, Shareholders will be given a reasonable opportunity at the meeting to ask questions or make comments on Company matters.

The Company's auditor, KPMG, will be present and will answer written questions submitted to the Company no later than five business days before the meeting. The auditor will also be available to answer questions from Shareholders relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

Item 3 - Remuneration Report

Resolution 2 - Remuneration Report

The Company's Board of Directors ("**Board**") submits the Remuneration Report, included in the Directors' Report contained within the 2013 Annual Report, to Shareholders for their consideration and adoption by way of a non-binding advisory resolution as required by section 250R (2) of the Corporations Act. A reasonable opportunity will be provided for discussion of the Remuneration Report at the Meeting.

The Remuneration Report provides details of:

- (a) Response to first strike against the 2012 Remuneration Report;
- (b) Principles used to determine the nature and amount of executive remuneration;
- (c) Details of remuneration;
- (d) Service agreements; and
- (e) Share-based compensation.

Note: As noted in the Notice of Meeting, the result of the vote on this Resolution 2 is advisory only and does not bind the Company or its Directors. However, Shareholders should note that, if 25% or more of the votes cast on this Resolution 2 are voted "against" the adoption of the remuneration report at this Meeting, Shareholders will be required to vote on a resolution that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must be re-elected. The resolution on whether to hold a further meeting to spill the Board (called a "spill" resolution), if required is included in this Notice of Meeting at Item 6.

Recommendation

The Board unanimously recommends the Remuneration Report to Shareholders.

The Chairman of the Meeting intends to vote all undirected Proxies in favour of this resolution.

Item 4 - Election and Re-Election of Directors

Election of Directors of the Board (Resolutions 3 to 8)

At the 2013 Annual General Meeting, Shareholders passed a resolution to modify the Company's Constitution to reflect the TSX's requirements for all Directors including the Managing Director to retire from office at the conclusion of each Annual General Meeting but that such directors are eligible to stand for re-election. All Directors have agreed to offer themselves for re-election. The TSX also requires an issuer to indicate whether it has adopted a majority voting policy. The Company has not adopted a formal majority voting policy as under Australian law shareholders are entitled to vote against the election of a director rather than withholding. As a result, if a director receives a majority of votes against his re-election, he will cease to be a director of the Company

If approved by Shareholders, the appointments will take effect from the end of the Meeting.

Information in respect of the Directors seeking re-election is set out below. Further information is included in the 2013 Annual Report and is available on the Company's website (www.intrepidmines.com).

Resolution 3 - Mr Ian McMaster AM – Non-executive Director and Chairman

Mr McMaster AM was appointed to the Board on 11 March 2008 and as Chairman on 22 October 2012. He is also Chairman of the Remuneration and Nomination Committee and a member of the Audit and Risk Committee. He served as CEO of CSR Sugar from 1999 until 2006 and prior to that held various senior management roles over a thirty year career with BHP. Mr McMaster was awarded the Order of Australia in 2008.

Recommendation

The Directors (with Mr McMaster abstaining) recommend that Shareholders vote in favour of Mr McMaster's re-election.

The Chairman of the Meeting intends to vote all undirected Proxies in favour of this resolution.

**Resolution 4 - Mr Colin Jackson –
Non-executive Director and Deputy Chairman**

Mr Jackson was appointed to the Board of Intrepid on 23 December 2003 and is an independent non-executive Director, Deputy Chairman of the Board, Chairman of the Audit and Risk Committee and a member of the Remuneration and Nomination Committee. Mr Jackson was the Company's Chairman until 22 October 2012,

Mr Jackson was a non-executive Chairman of ASX listed Red 5 Limited from December 2003 to November 2013 and non-executive director of EIM Capital Managers Pty Limited from April 2006 to December 2013.

Recommendation

The Directors (with Mr Jackson abstaining) recommend that Shareholders vote in favour of Mr Jackson's re-election.

The Chairman of the Meeting intends to vote all undirected Proxies in favour of this resolution.

**Resolution 5 - Mr Alan Roberts –
Non-executive Director**

Mr Roberts was appointed to the Board of Intrepid Mines as a non-executive director on 11 November 2008 and is Chairman of the Safety and Social Responsibility Committee. Mr Roberts is currently a member of the Investment Committee of Taurus Funds Management.

He served as Chairman of OK Tedi Mining Limited until 2014, was Managing Director of Indophil NL from 2003 until 2004, and prior to that was MD/CEO of Lihir Gold, from 1999 to 2002. He has also held various senior management roles with Rio Tinto over a forty year career in the mining industry.

Recommendation

The Directors (with Mr Roberts abstaining) recommend that Shareholders vote in favour of Mr Roberts' re-election.

The Chairman of the Meeting intends to vote all undirected Proxies in favour of this resolution.

**Resolution 6 - Mr Laurence Curtis –
Non-executive Director**

Mr Curtis was appointed as an executive director on 4 July 2006 and as a non-executive Director on 30 June 2008. He has over forty years' international experience as an economic geologist within the exploration and resource development sector in Africa, Greenland, North, South and Central America and in the Pacific. Mr. Curtis founded Intrepid Minerals Corporation in 1995 and was President, CEO and Director for eleven years during its transition to Intrepid Mines Ltd.

Mr Curtis is an independent non-executive director and is currently a member of the Safety and Social Responsibility Committee.

Recommendation

The Directors (with Mr Curtis abstaining) recommend that Shareholders vote in favour of Mr Curtis' re-election.

The Chairman of the Meeting intends to vote all undirected Proxies in favour of this resolution.

**Resolution 7 - Mr Robert McDonald –
Non-executive Director**

Mr McDonald was elected to the Board on 11 March 2008. He is currently the Principal of the Minera Group and is a Non-Executive Director of Sedgman Limited. He was previously a Managing Director of NM Rothschild & Sons (Australia) Limited and a non-executive director of Kimberley Metals Limited and Principal of Resource Finance Corporate, and prior to that held various roles within the Rio Tinto Group. He has more than thirty-five years' broad mining industry experience.

Recommendation

The Directors (with Mr McDonald abstaining) recommend that Shareholders vote in favour of Mr McDonald's re-election.

The Chairman of the Meeting intends to vote all undirected Proxies in favour of this resolution.

**Resolution 8 - Mr Scott Lowe –
Managing Director and Chief Executive Officer**

Mr Scott Lowe was appointed CEO and Managing Director of Intrepid Mines Limited on 1 November 2013. Prior to joining Intrepid Mines Limited, Mr Lowe was Managing Director and CEO of Blackthorn Resources Ltd. He is a senior business executive with extensive experience in the mining industry.

Mr Lowe is currently a member of the Safety and Social Responsibility Committee.

Recommendation

The Directors (with Mr Lowe abstaining) recommend that Shareholders vote in favour of Mr Lowe's re-election.

The Chairman of the Meeting intends to vote all undirected Proxies in favour of this resolution.

Item 5 - Appointment of Directors Nominated by Quantum (Resolutions 9 to 11)

On 27 March 2014, Shareholder Quantum Pacific Investment Limited (Quantum) issued the Company with a notice under which it nominated Messrs Mazur, Paul and Sanderson to stand as candidates for election as Directors of the Company at this Annual General Meeting. Quantum is one of two Shareholders who together requisitioned the Company to hold an Extraordinary General Meeting on 13 May 2014 to replace 5 of the existing Directors with the three persons Quantum have nominated. In 2013, Quantum was also one of 4 shareholders who together requisitioned the Company to hold an Extraordinary General Meeting of Shareholders to replace five of the then Directors with four persons nominated by the requisitioning shareholders, three of whom have been nominated again by Quantum. At the Extraordinary General Meeting held on 20 June 2013, Shareholders overwhelmingly rejected the move to replace the existing Directors.

In their nomination, Quantum provided no background information on their nominees however in the Member's Statement accompanying the requisition for the meeting to be held on 13 May 2014, some detail on the nominees was provided. These details are repeated here for the information of shareholders.

Directors' Recommendations

In the materials for the 13 May 2014 Extraordinary General Meeting, your Directors set out their reasons for voting AGAINST the nominees. These reasons are set out below:

Strategy not aligned with the interests of all Shareholders

Quantum, the nominating Shareholder, has expressed the view that following the Company's disposal of its interests in Indonesia, their specific interest is best served by immediate pay out of the Company's capital. Your Directors have widely canvassed Shareholder views on what the Company should do following its exit from Indonesia. The views expressed range from general agreement with Quantum's position to a clear preference for reinvesting the cash reserves in another mining venture. Several intermediate positions were also noted. Your Board firmly believes that:

- these matters should be resolved by way of Shareholder vote;
- Shareholders must be fully informed; and
- options raised by all Shareholders should be considered, to the extent consistent with a timely resolution of the issue and having considered all the risks involved

Corporate knowledge and skills

The Company's future will be determined by Shareholders. Depending on decisions that will be taken over the next few weeks, Intrepid may be returning cash to Shareholders and winding up its activities, or it may be continuing as a well-financed gold or base metals miner.

Until the direction of the Company is resolved, it is important to maintain a skill set on the Board that can cater for both scenarios. Your current Directors have collectively more than 35 years of experience with Intrepid. The Company has been in existence for nineteen years and has operated in ten jurisdictions.

To maximise the return to Shareholders, irrespective of the strategy that is adopted, will require applying that intimate knowledge and experience. The proposed replacement directors have no experience of the Company's current and former businesses, do not have a background in mineral resource development and operations, and have little knowledge of Australian corporate conditions or governance.

Resolution 9 - Mr Gregory Mazur

Mr Greg Mazur, a founding partner of Quantum Pacific Capital, has worked on projects valued at \$50 billion in 20 countries over 20 years, and was Managing Director, Head of Asian Energy & Resources of ABN Amro Bank."

Recommendation

For the reasons stated above, the Directors unanimously recommend that Shareholders vote AGAINST Mr Mazur's election.

The Chairman of the Meeting intends to vote all undirected Proxies AGAINST this resolution.

Resolution 10 - Mr Lim Yu Neng Paul

Mr Paul Lim has over 25 years of banking experience with international investment banks including Morgan Stanley, Deutsche Bank and Bankers Trust primarily in Southeast Asia with a focus on Indonesia.

Recommendation

For the reasons stated above, the Directors unanimously recommend that Shareholders vote AGAINST Mr Lim's election.

The Chairman of the Meeting intends to vote all undirected Proxies AGAINST this resolution.

Resolution 11 - Mr Clifford Sanderson

Mr Cliff Sanderson is a founder of Financial Services International (Australia) and a 26- year specialist in corporate restructuring and former Partner of Ernst & Young based in Indonesia.

Recommendation

For the reasons stated above, the Directors unanimously recommend that Shareholders vote AGAINST Mr Sanderson's election.

The Chairman of the Meeting intends to vote all undirected Proxies AGAINST this resolution.

Item 6 - Spill Resolution (Contingent on the outcome of Resolution 2)

Resolution 12 - Spill Motion

This resolution will only be put to the meeting if 25% of the votes cast on the resolution to adopt the Remuneration Report (Resolution 2) are cast 'against' the adoption of the report. If less than 25% of the votes on Resolution 4 are cast 'against' the adoption of the Remuneration Report at the 2013 AGM, then there will be no 'second strike' and this Resolution 12 will not be put to the meeting.

If this resolution is put to the meeting and passed, then it will be necessary for the Board to convene a further general meeting ("**Spill Meeting**") of the Company within 90 days of the Meeting in order to consider the composition of the Board.

Section 250V of the Corporations Act sets out the statutory requirements of a Spill Meeting resolution. Pursuant to section 250V, all of the Directors (excluding the Managing Director) in office when the Board passed its resolution to make the Directors' Report for the 2013 financial year will automatically vacate office at the conclusion of the meeting unless they are willing to stand for re-election and are re-elected at that meeting.

Directors note the following information in relation to the Spill Motion:

- The Remuneration Report which forms part of the Directors Report on the 2013 Annual Financial Statements includes the Board's response to the First Strike vote at the 2012 Annual General Meeting. In that response it was noted that of the major proxy advisors, only one recommended voting against the resolution and the reasons given related to one-off factors which were not repeated in the 2013 financial year. None of the advisors listed any issues with the composition of the Company's Remuneration Report.
- Changes to the Company's Constitution passed at the 2013 Annual General Meeting mean that all Directors including the Managing Director (who is not required to retire pursuant to Section 250V of the Corporations Act) are already required to retire from office at the conclusion of each Annual General Meeting (commencing with the current Meeting) and to stand for re-election.

All Directors have advised that they are willing to stand for re-election at any Spill Meeting.

Recommendation

If Resolution 12 is put to the Meeting, the Board unanimously recommends that Shareholders vote AGAINST Resolution 12 on the basis that it would be unnecessarily disruptive to the Company and as Shareholders are already able to remove any or all Directors by a majority shareholder vote at the current Annual General Meeting.

The Chairman of the Meeting intends to vote undirected Proxies AGAINST this resolution.

VOTING

Appointment and Revocation of Proxies for Holders of Ordinary Shares

A Shareholder of one or more ordinary share is entitled to attend and vote at the Meeting or, if unable to attend, a Shareholder may, by using the applicable Proxy Form enclosed, appoint another person (who need not be a Shareholder of the Company), to attend the Meeting and represent the Shareholder (a "**Proxy**"). The Chairman of the Meeting will be appointed as Proxy if a Proxy Form is submitted by a Shareholder, but no one is named on the form.

A Shareholder desiring to appoint a Proxy may do so by inserting another person's name in the blank space provided in the Proxy Form and returning the completed and executed Proxy Form by no later than 3:00pm AEST for ASX registered holders and 1:00am EDT for TSX registered holders on 28 May 2014 to the Company's share registry, Computershare Investor Services Pty Limited, in accordance with the lodgement instructions detailed on the applicable Proxy Form.

A Shareholder is entitled to appoint up to two Proxies to attend the Meeting and represent the Shareholder. If a Shareholder appoints two Proxies, the Shareholder must specify the percentage of votes or number of shares for each Proxy, otherwise each Proxy may exercise half of the votes.

A Proxy can be appointed by the Shareholder or the Shareholder's attorney duly authorised in writing or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorised.

A Shareholder submitting the Proxy Form may indicate the manner in which the Proxy is to vote with respect to any specific item of business by ticking the appropriate box. If the Shareholder wishes to confer discretionary authority on the Proxy (or Chairman of the Meeting) with respect to any item of business, then the boxes opposite the item can be left blank. The shares represented by the Proxy Form submitted by a Shareholder will be voted in accordance with the directions, if any, given in the Proxy Form.

In addition to any other manner permitted by law, the Proxy may be revoked before it is exercised. Such revocation must be in writing and executed and delivered in the same manner as the Proxy Form at any time up to and including 3:00pm AEST for ASX registered holders and 1:00am EDT for TSX registered holders on 28 May 2014 or delivered to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof, prior to the time of voting and upon either such occurrence, the Proxy is revoked.

Please note that Shareholders who receive their Meeting materials from Broadridge Investor Communications Solutions ("**Broadridge**") must return the proxy forms, once voted, to Broadridge for the proxy to be dealt with.

Advice to Beneficial Shareholders on the Canadian Registry

Only Shareholders with registered ordinary shares or the persons they appoint as their Proxies are permitted to vote at the Meeting.

In many cases, ordinary shares that are beneficially owned by a person (a "**Beneficial Shareholder**") are registered either:

- in the name of an Intermediary that the Beneficial Shareholder deals with in respect of the ordinary shares; or
- in the name of a clearing agency (such as the Canadian Depository for Securities Limited (CDS)) of which the Intermediary is a participant (an "**Intermediary**").

The Company has distributed the Meeting Materials to Intermediaries for onward distribution to Beneficial Shareholders in accordance with the requirements of National Instrument 54-101. Intermediaries are required to forward the Meeting Materials to Beneficial Shareholders (unless a Beneficial Shareholder has waived the right to receive them). Very often, Intermediaries will use service companies to forward the Meeting Materials to Beneficial Shareholders. Generally Beneficial Shareholders, who have not waived the right to receive Meeting Materials, will either be given a form that:

- has already been signed by the Intermediary (typically by a facsimile stamped signature), and indicates the number and class of securities beneficially owned by the Beneficial Shareholder but the voting direction and other information has not been completed. This form does not need to be signed by the Beneficial Shareholder however, if the Beneficial Shareholder wishes to direct their vote, they should fill in the voting direction and submit it as specified; or

- has not been signed by the Intermediary and which, when properly completed and signed by the Beneficial Shareholder and returned to the Intermediary (or its service company), will constitute voting instructions (often called a "**Voting Instruction Form**") which the Intermediary must follow. Typically the Beneficial Shareholder will also be given a page of instructions that contains a removable label containing a bar code and other information. In order for the form to constitute a valid Voting Instruction Form, the Beneficial Shareholder must remove the label from the instructions and affix it to the Voting Instruction Form and properly complete and sign the Voting Instruction Form and submit it to the Intermediary (or its service company) in accordance with the instructions of the Intermediary (or its service company).

In either case, the purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the ordinary shares they beneficially own.

BENEFICIAL SHAREHOLDERS SHOULD CAREFULLY FOLLOW THE INSTRUCTIONS OF THEIR INTERMEDIARY INCLUDING THOSE REGARDING WHEN AND WHERE THE PROXY FORM IS TO BE SUBMITTED.

Exercise of Discretion by Proxies

The persons appointed as Proxy may attend the Meeting and vote the shares or voting rights in respect of which they are appointed in accordance with the directions of the persons appointing them.

The enclosed Proxy Form confers discretionary authority upon the persons named therein with respect to any amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting.

However, if any such amendments, variations, or other matters which are not now known to management, should properly come before the meeting, the ordinary shares and voting rights represented by the Proxies hereby solicited will be voted in accordance with the best judgment of the person or persons voting such Proxies.

Where the Chairman has been appointed as proxy and there is no direction from Shareholders, all available Proxies' shares for the following resolutions shall be voted 'for':

- Resolution 3 – Re-election of Mr Ian McMaster AM to the Board
- Resolution 4 – Re-election of Mr Colin Jackson to the Board
- Resolution 5 – Re-election of Mr Alan Roberts to the Board
- Resolution 6 – Re-election of Mr Laurence Curtis to the Board
- Resolution 7 – Re-election of Mr Robert McDonald to the Board
- Resolution 8 – Re-election of Mr Scott Lowe to the Board

Where the Chairman has been appointed as proxy and there is no direction from Shareholders, all available Proxies' shares for the following resolutions shall be voted 'against':

- Resolution 1 – Return of Capital to Shareholders
- Resolution 9 – Appointment of Mr Gregory Mazur
- Resolution 10 – Appointment of Mr Lim Yu Neng Paul
- Resolution 11 – Appointment of Mr Clifford Sanderson
- Resolution 12 – Spill Motion

DISCLOSURES

Voting Securities and Principal Holders Thereof

As at the Notice Date, the Company has outstanding 556,689,740 ordinary shares, each of which carries one vote.

Therefore, as of the Notice Date, the total number of votes which may be cast at the Meeting is 556,689,740.

To the knowledge of the Directors and executive officers of the Company, there are no parties who beneficially own, directly or indirectly, or exercise control or direction over ordinary shares who are entitled to more than 10% of the votes to be cast at the Meeting as of the Record Date.

A simple majority of votes cast is required to approve Resolutions 2 to 12 to be submitted to a vote of Shareholders at the Meeting. Resolution 1 is a special resolution and requires at least 75% of the votes cast by members entitled to vote to be in favour of the resolution for it to be passed.

Interests of Certain Persons in Matters to be Acted Upon

Except as disclosed in this Notice of Meeting, no person who has been a Director or executive officer of the Company at any time since 1 January 2012 and their associates and affiliates has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise in any of the matters to be acted upon at the Meeting other than in respect of the resolutions on pages 1 to 3 (inclusive) of this Notice of Meeting.

Directors

The following table outlines the Board of Directors, their positions and offices with the Company, their present and past principal occupations or employments and the approximate number of ordinary shares beneficially owned, directly or indirectly, or over which control or direction is exercised, by each of them as of the Notice Date. The information as to shares beneficially owned has been furnished to the Directors by the respective nominees.

Name and municipality of residence	Position with Intrepid	Principal occupation within the preceding five years	Date of Appointment	Number of ordinary shares
Ian McMaster AM ^{(1),(2)} Queensland, Australia	Chairman and Independent Non-executive Director	Mr McMaster was the CEO of CSR Sugar Limited from 1999 to 2006 and prior to that held various senior management roles over a 30 year career with BHP.	11 March 2008	628,217
Colin Jackson ^{(1),(2)} South Australia, Australia	Deputy Chairman and Independent Non-executive Director	Mr Jackson was Chairman of the Board from 2003 and 2012 and is currently Deputy Chairman and a Director of the Company. He was a non-executive Director of Red 5 Limited (from November 2003 to November 2013) and EIM Capital Managers Pty Limited (from April 2006 to December 2013).	23 December 2003	565,533
Scott Lowe ⁽³⁾ NSW, Australia	Managing Director and CEO	Mr Lowe was CEO and Managing Director of Intrepid. Prior to that he was Managing Director and CEO with Blackthorn Resources Ltd. In accordance with the Company's constitution, the Managing Director is not subject to retirement by rotation but while the TSX rules relating to retirement of Directors applies, he is subject to annual re-election.	1 November 2013	nil
Laurence Curtis ⁽³⁾ Ontario, Canada	Independent Non-executive Director	Mr Curtis was President and Managing Director of the Company from July 2006 to March 2008 and prior to that President and Chief Executive Officer of Intrepid Minerals Corporation for 11 years.	4 July 2006	828,585
Robert McDonald ^{(1),(2)} New South Wales, Australia	Independent Non-executive Director	Mr McDonald is the Principal of the Minera Group Pty Ltd and a Deputy Chairman and Non-Executive Director of Sedgman Limited. Mr McDonald was previously a Managing Director of NM Rothschild & Sons (Australia) Limited, non-executive director of Kimberley Metals Limited and a Principal of Resource Finance Corporation Limited.	11 March 2008	890,375
Alan Roberts ⁽³⁾ New South Wales, Australia	Non-executive Director	Mr Roberts is a member of the Investment Committee of Taurus Funds Management and was Director / Chairman of the Board of Ok Tedi Mining Limited between 2004 and 2013. He has been a Director of the Company since November 2008.	11 November 2008	438,525

Notes

- (1) *Member of the Audit and Risk Committee.*
(2) *Member of the Remuneration and Nomination Committee.*
(3) *Member of the Safety and Social Responsibility Committee.*

Other Disclosures

Laurence Curtis, a director of the Company, was a director of Homeland Energy Group Ltd. ("HEG") while a Management Cease Trade Order was issued by the Ontario Securities Commission on 19 April 2010 against the senior officers of HEG in respect of its failure to file its audited financial statements, management discussion and analysis and annual information form for the year ended 31 December 2009 by 31 March 2010. This order lapsed on 25 May 2010 upon the filing of the required disclosure.

CORPORATE GOVERNANCE REPORTING FOR CANADIAN NATIONAL INSTRUMENT 58-101 REQUIREMENTS

The following disclosure is made in compliance with Canadian National Instrument 58-101 – Disclosure of Corporate Governance Practices (“**NI 58-101**”) and National Policy 58-201 – Corporate Governance Guidelines (“**NP 58-201**”). NP 58-201 contains a series of guidelines for effective corporate governance. The guidelines deal with such matters as the constitution and independence of corporate boards, their functions, the effectiveness and education of board members and other items dealing with sound corporate governance.

The Board believes that sound corporate governance practices are essential to the effective, efficient and prudent operation of the Company and to the enhancement of Shareholder value. The Board fulfils its mandate directly and through committees at regularly scheduled meetings or as required. The frequency of meetings may be increased and the nature of the agenda items may be changed depending on the state of the Company’s affairs and in light of opportunities and risks which it faces. The Directors are kept informed of the Company’s operations at these meetings as well as through monthly reports and discussions with management.

The Company does not currently have a corporate governance committee. Matters of corporate governance are addressed by the entire Board. The Company is committed to a high standard of corporate governance. The Audit and Risk Committee reviews the Company’s corporate governance framework and practices at each meeting and the Board conducts an annual review of the Company’s corporate governance framework and practices to ensure they continue to comply with relevant laws as well as meeting the interests of Shareholders.

Complete details of the Company’s Corporate Governance Policies are posted on the Company’s website www.intrepidmines.com.

Pursuant to the requirements of NI 58-101, the Company is required to disclose its corporate governance practices in accordance with Form 58-101F1 which follows. The Company’s corporate governance policies are further summarised in the 2013 Annual Report, with additional reference to the applicable ASX Corporate Governance Principles and Recommendations.

Board of Directors

Within the meaning of NI 58-201, four out of six members of the Board, including the Chairman, being Mr McMaster AM, Mr Jackson, Mr McDonald and Mr Curtis are independent. Mr Lowe is not independent as he is the current Chief Executive Officer (“**CEO**”) of the Company. In addition, under applicable guidelines in Australia, Mr Roberts, who is an associate of a substantial Shareholder, Taurus Investment Fund, is not be considered to be independent. During the 2013 financial year Mr McMaster undertook the role of Executive Chairman for a three month period following the departure of the Chief Executive Officer. The Board does not consider that the appointment affected Mr McMaster’s independence as the appointment was for a short term, was of temporary and part time nature and did not entitle Mr McMaster to become eligible to participate in the Company’s executive incentive programs. In addition, section 1.4(7) of National Instrument 52-110 expressly provides that an individual’s independence is not impacted in these circumstances

Given that no stakeholder holds a majority on the Board and all but one of the Directors are non-executive, the Company is of the belief that the Board functions independently of management.

The Board holds regularly scheduled meetings. Mr McMaster, as Chairman of the Board, is responsible for chairing all meetings of the Board, providing leadership to the Board, managing the Board, acting as a liaison between the Board members and between Directors and management. The Non-executive Directors on the Board meet regularly prior to Board meetings, in the absence of the executive and have regular email communication on matters relating to the Company. For the fiscal year ended 31 December 2013 there were three meetings of the Non-executive Directors.

The following table summarises the positions with other reporting issuers held by the current Directors of the Company.

Director	Name of other issuer	Position with other issuer
I. McMaster AM	–	–
C. Jackson	–	–
S. Lowe	–	–
A. Roberts	–	Director
L. Curtis	Stonegate Agricom Ltd	Director
	Ferrum Americas Mining Inc	Director
R. McDonald	Sedgman Limited	Director

The following table summarises the attendance record of each Director and former Director for each meeting of the Board held between 1 January 2013 and 31 December 2013. A total of 17 Board meetings were held during this period.

Directors during the year ended 31 December 2013	Board		Audit Committee		Remuneration Committee		Safety & Social Responsibility Committee	
	A	B	A	B	A	B	A	B
I. McMaster AM	17	17	4	4	3	3	-	-
C. Jackson	17	16	4	4	3	3	*	*
B. Gordon#	8	8	*	*	*	*	-	-
S. Lowe	4	4	*	*	*	*	-	-
A. Roberts	17	16	*	*	*	*	-	-
L. Curtis	17	13	*	*	*	*	-	-
R. McDonald	17	16	4	4	3	3	*	*
A. Machribe#	17	15	*	*	*	*	*	*

A = Number of meetings held during the time that the director held office or was a member of the committee during the year.

B = Number of meetings attended in person or by conference call.

* = Not a member of the relevant committee.

= B. Gordon resigned 23 August 2013, A Machribe resigned on 21 February (effective 1 March 2014)

Board Mandate

The Board is responsible for the general supervision of the management of the business. The Board discharges its responsibilities directly and through its committees, currently consisting of the Audit and Risk Committee, the Remuneration and Nomination Committee and the Safety and Social Responsibility Committee. The Board meets regularly to review the business operations, corporate governance and financial results of the Company. The Board's Charter sets out its responsibilities and the duties of its members. A copy of the Board Charter of the Company is attached to this Notice of Meeting as **Schedule 'A'**.

Position Descriptions

The Board has not adopted position descriptions for the Chairman, the CEO or the chairs of each committee.

Orientation and Continuing Education

Most of the Company's Directors are from the mining sector and bring to the table knowledge and understanding of the industry. Senior management makes regular presentations to the Directors on the main Company activities. Where possible two Board meetings are held annually in the location of the Company's key interests. Directors are encouraged to attend seminars on corporate governance and continuing corporate education.

When appointed to the Board, new Directors are provided with an orientation package and are introduced to the Company's operations through meetings with senior management to familiarise them with matters relating to the Company's operations, strategy and current challenges.

Nomination of Directors

One of the functions of the Remuneration and Nomination Committee ("**RemCo**") is to recommend candidates for election to the Board and oversee the planning and succession of the executive officers.

In the circumstances where RemCo believes there is a need to appoint another Director, whether due to retirement of a Director or growth or complexity of the Company's business, certain procedures are followed. RemCo determines the skills and experience appropriate for the appointee having regard to those of the existing Directors and any other likely changes to the Board. RemCo then agrees on the process and timetable for seeking such a person, which may involve an external recruitment firm. A shortlist of candidates is prepared after assessing the candidates for competencies and qualifications, independence, other directorships, time availability, contribution to the overall balance and composition of the Board and depth of understanding of the role and legal obligations of a Director.

Whether filling a casual vacancy or expanding the Board, similar procedures are applied including the selection of a panel of nominees. In compiling the panel of nominees, the Board may draw on advice from external consultants and industry experience. Potential Directors are approached and their interest in joining the Board, together with the responsibilities that such an appointment entails, is discussed. Terms and conditions of the appointment, including the level of remuneration, are also communicated to the nominees. If an invitation to become a Director is accepted, the Board will appoint the new Director during the year and that person will then stand for re-election by Shareholders at the next Annual General Meeting. Shareholders are provided with relevant information on the candidates for re-election.

Code of Conduct and Ethics

The Board is committed to the establishment and maintenance of appropriate ethical standards to underpin the Company's operations and corporate practices. The Company's Code of Conduct (the "**Code**") aims to encourage the appropriate standards of conduct and behaviour of the Directors, officers, employees and contractors (collectively the "**employees**") in carrying out their roles for the Company. Employees are expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the Company. The general principles of the Code are as follows:

- (a) Employees must act honestly, in good faith and in the best interests of the Company as a whole.
- (b) Employees have a duty to use due care and diligence in fulfilling the functions of their position and exercising the powers attached to their employment.
- (c) An employee's primary responsibility is to the Company's Shareholders as a whole and there is a duty not to make improper use of information acquired as an employee, take improper advantage of their position or engage in conduct likely to bring discredit upon the Company. In addition, employees must not allow personal interests, or the interests of any associated person, to conflict with the interests of the Company.
- (d) Confidential information received by employees in the course of the exercise of their duties remains the property of the Company. It is improper to disclose the information, or allow it to be disclosed, unless that disclosure has been authorised by the Company, or the person from whom the information is provided, or is required by law.

A copy of the Code is available on the Company's website at www.intrepidmines.com.

The Company's human resources department undertakes the education of all employees, including Directors, in the detail and application of the Code. The Company has in place a Whistle-blower Policy, which encourages the reporting of any non-compliance with the Code.

All Directors are required to notify fellow Directors of any material personal interest in any matter under the Board's consideration. Having regard to the nature and extent of such interest, the affected Director may be required to remove himself from discussion and consideration of, and voting on, such matter. Each Director's deed of appointment sets out the requirements for disclosure to the Board of personal interests and conflicts of interest when dealing with matters affecting the Company.

Audit and Risk Committee ("AuditCo")

The AuditCo has been established and, for the year ended 31 December 2013, consisted of Messrs Jackson (Chair), McDonald and McMaster. All members of the AuditCo are independent of the Company as defined in sections 1.4 and 1.5 of Multilateral Instrument 52-110 ("MI 52-110"). All members are financially literate.

In addition to its audit obligations, the AuditCo is responsible for oversight of the CEO, Chief Financial Officer ("CFO") and senior management's responsibilities to assess and manage the effectiveness of the Company's risk identification and risk review process.

The AuditCo reviews the following matters at least annually and recommends any proposed changes to the Board for approval:

- (f) the AuditCo's Charter;
- (g) the financial risk management policy; and
- (h) the insurance package.

Safety and Social Responsibility Committee ("SSRC")

The SSRC has been established and, for the year ended 31 December 2013, consisted of Messrs Roberts (Chair), Gordon / Lowe (while each was employed by the Company), and Curtis. The mandate of the SSRC is to advise the Board on the effectiveness of management systems in achieving optimal health and safety standards in the workplace, and promoting environmental and community development best practice. As the Company was not engaged in activities on site during the 2013 year, the Committee held no meetings.

Remuneration and Nomination Committee ("RemCo")

The RemCo has been established and, for the year ended 31 December 2013 consisted of Messrs McMaster (Chair), Jackson and McDonald, all of whom are independent within the meaning of MI 52-110.

RemCo:

- meets at least four times a year;
- reviews candidates for all senior executive and Board roles and makes recommendation to the Board on these;
- determines and reviews remuneration arrangements for the Directors and the executive team;
- assesses the appropriateness of the nature and amounts of emoluments of such officers on a periodic basis by reference to relevant employment market conditions; and
- makes recommendations to the Board on these matters with a view to ensuring maximum Shareholder benefit from the retention of a high quality executive team.

Board Assessments

During 2012, the Directors completed questionnaires to assess the Board's effectiveness and to consider the contributions by Board members to the Committees and to the Board as a whole. In January 2010 the Board engaged an external consultant to conduct a Board review which entailed interviews with each of the Directors and the executive team. The results of the review were discussed with the Board as well as individual directors. A report, along with recommendations for improving Board performance, was provided to the Board in March 2010 and has been implemented.

Securities Authorised for Issuance Under Equity Compensation Plans

The following table sets out information as of 31 December 2013 with respect to compensation plans under which equity securities of the Company were authorised for issuance.

Plan category	A ⁽¹⁾	B ⁽²⁾	C ⁽³⁾
Employee Option Scheme	11,388,552	A\$0.44	44,154,081
Senior Executive Share Plan	4,734,275	–	23,037,042
Non-executive Director Share Plan	N/A	–	25,980,907
Total	16,122,827	–	93,172,029

Notes:

- (1) Number of securities to be issued upon exercise of outstanding options, warrants and rights.
- (2) Weighted-average exercise price of outstanding Australian dollar options.
- (3) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in Column A).

Intrepid Employee Option Scheme

The Intrepid Employee Option Scheme (“**Company Plan**”) was first approved by Shareholders on 30 November 2006 and confirmed by Shareholders at the Annual General Meetings on 15 May 2009 and 9 May 2012.

The purpose of the Company Plan is to give an incentive to employees to provide dedicated and ongoing commitment and effort to the Company and to reward employees for their efforts by offering them an option to acquire a share in the capital of the Company.

Under the Company Plan, a maximum of 10% of the total number of ordinary shares on issue at the time of the offer can be offered. The Directors may limit the number of options which may be exercised in any one year.

The employees eligible to participate in the Company Plan are officers (executive directors and senior management), full time or part time employees and consultants of the Company or any subsidiary of the Company, excluding Non-executive Directors. The formula for calculating entitlements under the Company Plan is at the discretion of the Board and takes into account skills, experience, length of service with the Company and remuneration level.

Pursuant to the Company Plan, the exercise price of the options will not be less than the greater of the weighted average price at which the Company’s shares traded on the ASX and the TSX in the five trading days immediately preceding the day on which the options are granted. The vesting date will be at the discretion of the Board. However, no options granted under the Company Plan will vest until three months after the date of grant.

Under the Company Plan the options are granted free of charge and each option entitles the holder to subscribe for and be allotted one ordinary share. All unexercised options expire five years from the date of grant and, if an employee ceases to be eligible to participate in the Plan, then all of the options that have not been exercised will lapse either immediately or 90 days after the person ceases to be eligible by reason of retirement. Options granted under the Company Plan are currently not transferable and no financial assistance is provided to exercise the options.

Subject to the ASX Listing Rules, the rules of the TSX, the Corporations Act and any other regulatory requirements that apply to the Company from time to time, the Board may at any time by resolution amend or vary the Plan. An amendment may be retrospective in effect.

As of the Notice Date, the Company had 9,288,535 options (including 4,320,276 options to be issued to the CEO subject to shareholder approval) outstanding under the Company Plan as detailed in the following table. This represents 1.7% of the Company’s outstanding share capital.

Position with the Company	Ordinary Shares under option	Exercise price	Expiry date
Non-executive Directors (5 persons)	–	–	–
Executive Directors (1 Person)	4,320,276*	\$A0.3038	1/11/ 2018
Officers (5 Persons)	3,122,487	\$A0.2938	1/09/2017
	24,258	\$A0.4536	31/01/2015
	623,741	\$A0.5565	1/06/2017
	1,009,976	\$A1.1812	1/01/2017
	187,797	\$A1.72	17/07/2016
Other Employees (nil)	–	–	–
Consultants (nil)	–	–	–
TOTAL	9,288,535		

* Subject to Shareholder approval

Intrepid Non-Executive Directors’ Share Plan

The Company’s Non-Executive Directors’ Share Plan (“**NED**”) which was approved at the Company’s Annual General Meeting in May 2009 and confirmed by Shareholders at the Annual General Meeting on 9 May 2012, is open to all Non-executive Directors of the Company. Eligible participants can elect to receive a portion of their compensation in ordinary shares which can either be issued from treasury or purchased in the market. The Company is authorised to issue up to 5% of its outstanding capital pursuant to the NED provided that the total number of shares issuable to insiders in any 12 month period under all of the Company’s share compensation arrangements does not exceed 10% of outstanding capital. To date a total of

1,867,368 ordinary shares have been issued under the NED representing 0.03% of the Company's outstanding capital as at the Notice Date. As Shares issued under the NED represent a portion of the Directors compensation and are issued on a monthly basis, at the Notice Date there were no Shares outstanding under the NED Plan. Shares issued from treasury under the NED are priced using a five day VWAP on the ASX at the time of issuance. Entitlements under the NED are not assignable and no financial assistance is provided. The Directors may amend the NED to ensure it is in compliance with applicable regulatory authorities, to make general and administrative amendments, to amend the manner in which the plan is administered, to make amendments to the definition of "Eligible Person" that do not result in an expansion of the category and amendments to the vesting and termination provisions of the NED. All other amendments require shareholder approval. Amendments to the NED to remove the restrictions on the transfer of shares by Non-executive Directors were approved by Shareholders at the Company's annual general meeting on 17 May 2011.

The following percentages reflect the portion of their pre-tax remuneration elected by the Non-executive Directors to be taken in fully paid shares in the Company for financial years 2012 and 2013:

Directors	2013	2014
I. McMaster	20.00%	50.00%
C. Jackson	60.00%	50.00%
A. Roberts	60.00%	60.00%
L. Curtis	50.00%	50.00%
R. McDonald	33.34%	33.34%
A. Machribe*	50.00%	67.39%

* Resigned effective 1 March 2014

Intrepid Senior Executive Share Plan

The Company's Senior Executive Share Plan ("ESP") is open to all senior executive officers of the Company. Eligible Participants may be granted rights to acquire ordinary shares under the ESP as part of their compensation package. The Company is authorised to issue up to 5% of its outstanding capital pursuant to the ESP provided that the total number of shares issuable to insiders in any 12 month period under all of the Company's share compensation arrangements does not exceed 10% of outstanding capital. There are currently 4,632,138 rights (including 2,160,138 share rights to be granted to the CEO subject to shareholder approval) granted under the ESP representing 0.83% of outstanding capital.

Position with the Company	Ordinary Shares under option	Expiry date
Non-executive Directors (5 persons)	–	–
Executive Directors (1 Person)	2,160,138*	1/11/ 2023
Officers (4 Persons)	93,898	17-Jul-21
	504,988	01-Jan-22
	311,871	01-Jun-22
	1,561,243	01-Sep-22
Other Employees (nil)	–	–
Consultants (nil)	–	–
TOTAL	4,632,138	

* Subject to Shareholder approval

Ordinary shares acquired pursuant to the ESP can be issued from treasury or purchased on the market. If an Eligible Participant ceases to be an employee of the Company before the vesting of rights under the ESP the Company has complete discretion as to whether to allow the Eligible Participant to continue to hold the rights. Once rights have vested, an Eligible Participant has 90 days from ceasing to be an Eligible Participant to exercise rights under the ESP. Rights under the ESP are not transferrable and no financial assistance is provided. The amendment provisions under the ESP are equivalent to those provided under the NED as described above.

EXECUTIVE COMPENSATION REPORTING FOR CANADIAN FORM 51-102F6 REQUIREMENTS

The information contained below is provided as required under Canadian Form 51-102F6.

Named Executive Officers

For the purposes of this section, a Named Executive Officer (an “NEO” or an “executive”) of the Company means the CEO, the CFO and the next three most highly compensated executive officers or persons deemed to be executive officers under the terms of Form 51-102F6 during the Company’s most recently completed financial year.

For the financial year ending on 31 December 2013, the Company had the following NEOs:

NEO	Position
(a) Scott Lowe Brad Gordon	CEO from 1 November 2013 CEO from 1 January 2013 to 23 August 2013
(b) Steve Smith	CFO
(c) Clayton Wenas	Executive General Manager Indonesia
(d) Vanessa Chidrawi	General Counsel
(e) Gary Snow	Executive General Manager Exploration & New Business

Compensation Discussion and Analysis

Objectives

The philosophy underpinning the Company’s compensation strategy is to ensure reward for performance is competitive and appropriate for the results delivered. Currently, remuneration is based on industry standards and is set to attract and retain qualified and experienced people. Other than the short-term and long-term performance incentives, remuneration is not linked to the performance of the Company.

The objectives of the Company’s Executive Remuneration Strategy (“ERS”) are to:

- provide market competitive levels of remuneration having regard to the level of work and the impact executives can potentially have on the performance of the business;
- attract, motivate, reward and retain a workforce capable of delivering the business plan and substantially growing the business;
- align performance incentives for executives with Shareholder interests; and
- comply with the Company’s standards of Corporate Governance.

The ERS is designed to deliver short and long-term business goals by:

- building a high performance culture;
- selling the long-term vision for the Company to employees;
- encouraging team work, collaboration and discretionary effort; and
- ensuring that individuals who contribute to the creation of value for the Company’s Shareholders receive commensurate rewards, consistent with industry standards.

Elements of Executive Compensation

The ERS includes both fixed compensation and performance-based variable compensation and has the following components:

- base pay;
- non-financial benefits;
- superannuation;
- short-term performance incentives; and
- long-term incentives through participation in the ESP and Company Plan.

Total Fixed Remuneration and Total Variable Remuneration

The Company believes that transparent, objective and easily verified corporate goals, combined with individual performance goals, play an important role in creating and maintaining an effective compensation strategy for its executives. The Company’s objective is to establish benchmarks and targets for its executives which, if achieved, will enhance Shareholder value. A combination of fixed salary or total fixed remuneration and variable at-risk compensation or total variable remuneration is used to motivate executives to achieve overall corporate goals. Compensation and other terms of employment for executives are formalised in employment agreements. Each of these agreements contains provisions for payment of fixed and variable compensation.

Total Fixed Remuneration (“TFR”)

TFR is the key comparator to salary survey data when determining an NEO’s remuneration and base salary, superannuation (statutory pension plan) and other benefits including insurances such as medical and life cover and non-monetary benefits such as car parking and travel, but excludes short and long-term incentives. The Company reviews and establishes levels of TFR annually. This enables it to remain competitive in the mining industry in order to retain staff who are performing well. The Company’s policy is to pay total remuneration up-to the 60th percentile of survey data.

Total Variable Remuneration (“TVR”)

TVR consists of an annual cash-based short-term incentive scheme and an equity-based long-term incentive scheme. Payments of cash or grants of options and share rights are dependent on an executive meeting individual performance targets and also on the market performance of the Company.

Base pay

Base salary forms a vital component of the Company’s ERS, as it is the base measure to remain competitive relative to its peer group. Executives are offered a competitive base pay that comprises a fixed cash component that provides income certainty. Base pay for executives is reviewed annually to ensure executives’ pay is competitive with the market. An executive’s pay is also reviewed on promotion.

There are no guaranteed base pay increases included in any NEO’s contract of employment.

Non-financial benefits

Executives may receive non-financial benefits including car parking and health, life and personal accident insurances.

Superannuation

Superannuation contributions are made to each executive’s chosen superannuation fund in accordance with the regulatory requirements of each relevant jurisdiction.

Short-term performance incentives (“STI”)

The Company’s STI scheme is the primary remuneration tool to motivate and drive superior annual performance. It achieves this through establishing demanding key individual performance indicators (“KPIs”) for executives combined with the requirement for the Company to achieve an above average ranking on a specified index of total shareholder returns calculated for the previous 12 months. The total shareholder return (“TSR”) index which applies to the Company’s STI scheme is based on the S&P/ASX All Ordinaries Gold Index and the TSX Global Gold Index, with a weighting appropriate to the level of shareholder representation on the ASX and TSX respectively. These two performance measures (KPI and TSR) are aligned with both the strategic and operational focus of the business with the intention of encouraging discretionary effort and stretch performance.

The Board determines the STI measures and KPIs applicable to the CEO each year while the CEO determines the annual STI measures and KPIs applicable to each other executive. In 2013, STIs were assessed on the basis of:

- Company performance, measured against TSR performance hurdles; and
- an executive’s KPIs.

KPIs in 2013 for the CEO and each other executive included the resolution of the Tujuh Bukit joint venture relationship and related legal issues and the Company’s share price performance throughout 2013 when measured against peer companies comprising the ASX and TSX Gold Indices.

For executives other than the CEO, the STI scheme entitles an executive to receive an annual bonus of up to 30% of that executive’s TFR (which includes the executive’s base pay, non-financial benefits and superannuation). The allocation of the annual bonus is based on Company performance and individual performance, weighted 40% to relative Company performance and 60% to individual KPIs as determined by the Board in consultation with the Company’s CEO. A proportion of the executive team members’ bonus in relation to individual performance is subject to CEO discretion.

The Company’s CEO is entitled to an STI payment of up to 80% of TFR. The allocation of the annual bonus is based on Company performance and individual performance, weighted 60% to relative Company performance and 40% to individual performance according to key performance indicators determined by the Board. In relation to the Company performance component, should the Company report a relative TSR below the median of its peer group, no performance bonus payment will be made; 50% of the performance bonus payment will be made should second quartile performance be reported and 100% of the performance bonus payment will be made should Company performance be in the top quartile. The Company’s CEO did not receive an STI payment for the 2013 year.

The relative performance of the Company’s shares against the nominated peer groups, being the TSX Global Gold Index and the ASX All Ordinaries Gold Index, is shown in the Performance Graph on page 25 of this Notice of Meeting. RemCo resolved at its January 2014 meeting that in consideration of TSR performance for 2013 being in the top quartile, each executive, excluding the CEO, would receive a TSR STI allocation but that the payment of the allocation be made dependant on the resolution of the Tujuh Bukit legal issues. No executive received a KPI allocation for 2013.

STI & KPI Outcomes 2011, 2012 and 2013

		Max % of TFR	2011	2012	2013
Scott Lowe	TSR	N/A	N/A	N/A	N/A
	KPI	N/A	N/A	N/A	N/A
Brad Gordon (resigned 23 August 2013)	TSR	48	-	-	-
	KPI	32	5.10	-	-
Steve Smith	TSR	12	-	-	-
	KPI	18	8.28	-	-
Vanessa Chidrawi	TSR	12	-	-	-
	KPI	18	4.50	3.60	-
Gary Snow	TSR	12	-	-	-
	KPI	18	-	2.97	-
Clayton Wenas	TSR	12	-	-	-
	KPI	18	-	2.70	-

* There was no STI bonus included in the remuneration of key management personnel for the 2013 year. The component of the 2013 STI relating to individual performance of the executive did not vest due to individual KPIs not being achieved.

While the Company's TSR performance in 2013 was in the upper quartile of the comparator group resulting in vesting of the STI relating to Company performance, the Board and executives have agreed that payment of the STI will be made contingent on a settlement of the Tujuh Bukit dispute. The value of bonuses contingent on settlement is \$174,438.

Below is a summary of short term performance incentives paid to NEOs during the 2012 and 2013 years including the percentage of their bonus which has been forfeited.

	Year	Short term incentive bonus		
		Included in remuneration \$	% received	% forfeited in year
<i>Directors</i>				
S. Lowe	2013	N/A	-	N/A
	2012	N/A	-	N/A
B. Gordon (resigned 23 Aug 2013)	2013	-	-	100
	2012	-	-	100
<i>Executives</i>				
S. Smith	2013	-	-	100
	2012	-	-	100
V. Chidrawi	2013	-	-	100
	2012	13,753	9	91
G Snow	2013	-	-	100
	2012	11,402	7	93
C. Wenas	2013	-	-	100
	2012	5,000	9	91

* forfeited bonuses are not carried forward with the exception of the 2013 TSR performance payment of which is contingent on a settlement of the Tujuh Bukit dispute.

Long-term performance incentives ("LTI")

The objectives of the long term incentive plan ("LTI Plan") for the CEO and those executives who are eligible to participate in the LTI Plan include:

- creating alignment between the interests of the executives and longer term shareholder interests;
- aiding in the retention of key executives; and
- mitigating undue risk-taking the effects of which may not be apparent at the time of an annual STI award.

The LTI Plan includes the ESP and Company Plan. The Board has determined that, given the nature of the Company's business and the long term focus on growth, it will provide a significant portion of the remuneration for executives through equity in Intrepid. The Board is guided by the principles laid out in the Company's ERS.

The Company does not have a long term non-equity incentive remuneration plan.

The LTI Plan was initially designed for a fixed five year period, 2008 to 2012, and provided for granting of options to executives and share rights to the CEO only. Options granted under the LTI Plan were not subject to any performance vesting criteria, whereas share rights were subject to performance criteria based on TSR performance hurdles. The performance test for vesting of the share rights was based on the Company's TSR performance as evaluated against the relevant indices using a three-year retrospective leading up to the anniversary of the date of grant. The relevant indices are the ASX300 Mines and Metals Index and the TSX Global Mining Index.

All options granted under the LTI Plan before financial year 2011 have vested.

In 2011, the Board modified and extended the LTI Plan with effect from 1 January 2013 onwards for the CEO, and from 1 January 2011 for eligible executives. The LTI Plan now provides that eligible executives may be granted both options and share rights. The notional value of the options and share rights granted is based on a multiple (the equity multiplier) of the eligible executive's TFR. The equity multiplier varies with the seniority of role held by that eligible executive in the Company. For any award of options and share rights under the LTI Plan from 2011 onwards, 50% vest on the third anniversary of the date of grant with the remaining 50% vesting on the fourth anniversary of the date of grant. The vesting of options and share rights issued under the LTI Plan is subject to a continuing employment service condition (which may be waived at the Board's discretion) and TSR performance tests. No options or share rights will vest if the Company's relative TSR performance is less than the median evaluated against the relevant indices using a three-year retrospective leading up to the anniversary of the date of grant, 50% will vest if relative performance is in the third

quartile and 100% will vest if relative performance is in the top quartile. The relevant indices are the ASX300 Mines and Metals Index and the TSX Global Mining Index.

New options and share rights will be granted as existing options and share rights vest so as to maintain a portfolio of equity incentives for each eligible executive based on the eligible executive's TFR multiplied by the relevant equity multiplier and reflecting prevailing share prices at the time of new awards. The notional value of options and share rights to be issued will be determined by way of reference to the 5-day VWAP of the Company's shares leading up to the date of grant. The exercise price of the options will be the 5-day VWAP of the Company's shares leading up to the date of grant.

Neither NEOs nor directors are permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

Other than the short-term and long-term performance incentives, remuneration for executives is not linked to the performance of the Company.

How the Company determines executive compensation

Remuneration and Nomination Committee ("RemCo")

The duties and responsibilities of RemCo with respect to remuneration are to:

- (a) ensure the Company's remuneration policy and practice, including incentive plan design, is aligned to Shareholders' interests and supports the CEO to build and retain a stable, high quality executive team;
- (b) approve the Executive Remuneration Strategy (ERS) and recommend it to the Board for approval;
- (c) review the CEO's annual objectives for consistency with the Company's business plan;
- (d) ensure the CEO's remuneration and terms of contract are consistent with the remuneration policy and make recommendations to the Board in this regard;
- (e) ensure the CEO's remuneration recommendations for executives in relation to base salary, short and long-term incentives are consistent with the remuneration policy and are competitive;
- (f) approve the annual salary review and incentive plan budgets;
- (g) review remuneration for Non-executive Directors and make recommendations to the Board in this regard;
- (h) approve reporting of remuneration in the Company's annual report to Shareholders;

- (i) make enquiry to satisfy itself of the integrity of market data used for remuneration purposes;
- (j) recommend termination payments to Non-executive and Executive Directors, the CEO and other executives;
- (k) review and approve and advise the Board in relation to all equity-based remuneration plans;
- (l) make recommendations to the Board as to whether a remuneration matter should be referred to the Shareholders for approval;
- (m) ensure that the Company's remuneration policy and actual practices comply with legislation and regulatory requirements; and
- (n) regularly review effectiveness of the ERS and actual remuneration practices.

Benchmarking

To ensure that it effectively discharges its duties and responsibilities in relation to remuneration, RemCo receives a variety of detailed reports and presentations on every aspect of the performance of the business from management. Management, in turn, obtains and utilises data from the following sources to benchmark fixed remuneration:

- McDonald and Company (Australasia) Pty Ltd (McDonald) "Gold and General Mining Industry Remuneration Report";
- McDonald "Expatriate Remuneration Report";
- McDonald "CEO Remuneration Report"; and
- Godfrey Remuneration Group "GRG Top Executive Remuneration Report".

The benchmark group is the Australian mining industry which consisted of 155 mining and mining service companies in the October 2011 McDonalds and Company "Gold and General Mining Industry Remuneration Report". The Board and management consider this benchmark group to be the most relevant to the Company as the comparisons made and information provided are specific to the mining industry.

The specific purpose of comparing current remuneration practices to benchmark data is to:

- understand the competitiveness of current pay levels for each executive position relative to companies with similar characteristics;
- identify and understand any gaps that may exist between actual compensation levels and market compensation levels; and
- establish the basis for developing salary adjustments and short and long-term incentive rewards for RemCo approval.

Recommendations are made annually by management to RemCo on any necessary adjustments to executive compensation. Using the benchmark data, such recommendations take into account factors such as current market conditions, peer group compensation levels, budgetary guidelines and the individual's particular skills such as leadership ability, management effectiveness, experience, responsibility and proven or expected performance of the individual. RemCo, in turn, submits its recommendations on remuneration and remuneration policies to the Board for approval.

The Company purchases industry reports and obtains advice from external remuneration consultants to ensure base pay is set to reflect the market for a comparable role in a company similar to the Company in terms of industry, size and operational complexity. The Company's expenditure on these reports in 2013 was A\$10,697. The Company has not, however, formally retained a compensation consultant or advisor to assist the Board or RemCo in determining compensation for any executive.

RemCo Composition

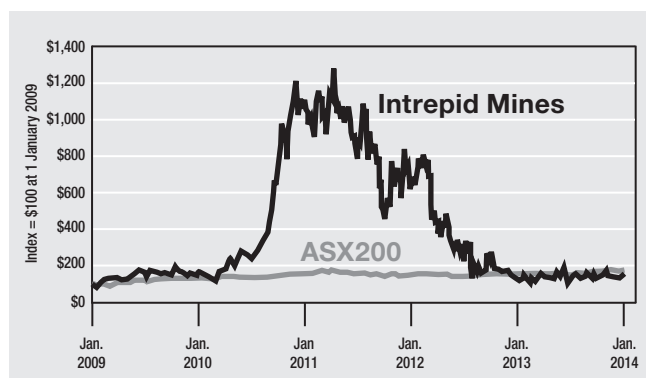
During the 2013 year, RemCo was comprised of Messrs McMaster (Chair), Jackson, and McDonald, each of whom is independent within the meaning of NI 52-110. Each of the directors currently serving as members of RemCo is independent within the meaning of NI 52-101. The members of RemCo have the requisite skills, experience and expertise to discharge their duties and responsibilities in accordance with RemCo's charter. RemCo meets at least four times annually and more frequently, if deemed necessary.

RemCo is established as an advisory committee to the Board and does not have executive powers to commit the Board or the Company to the implementation of any recommendations. The Board has complete discretion over the amount and composition of each executive's compensation and all compensation awards made to executives.

RemCo and the Board regularly review the Company's remuneration practices and the risks associated with them at their meetings and are of the view that the ERS, as currently structured, does not encourage executives to expose the Company to inappropriate risk. The CEO reports to the Board at least four times annually on each executive's progress towards achieving their KPIs for that year. During the 2013 year no separate formal or external review of the risks associated with the Company's compensation policies and practices was undertaken.

Performance graph

The following graph compares the yearly change in the cumulative total Shareholder return for \$A100 invested in the ordinary shares of the Company on 1 January 2009 against the cumulative total Shareholder return of the ASX 200 for the five most recently completed financial years (1 January 2009 to 31 December 2013).



The Company believes that its executive compensation policy is effective and appropriately supports a strong relationship between the compensation earned by its executives and the investment return to Shareholders. During the period 2011 to 2013, the average annual total remuneration increase was (negative)1.3% for executives remaining with the Company over this period (at the Notice Date, being the CFO and General Counsel).

On 15 February 2013, the Company's executive remuneration strategy was amended to reduce the total fixed remuneration payments to reflect a policy to pay up to the 60th percentile.

Summary Compensation Table

All dollar values for the purposes of this Form 51-102F6 are expressed as US dollars unless noted otherwise. All Australian dollar references are noted by 'A\$' and Canadian dollar references are noted by 'C\$'.

Exchange rates for the periods outlined were 2013: A\$/US\$ 0.9685; 2012: A\$/US\$1.0384 and 2011: A\$/US\$1.0156.

The following table contains information about the compensation paid to, earned by and payable to the NEOs referred to below for the purposes of this Form 51-102F6, being:

- S Lowe- appointed CEO on 1 November 2013;
- B Gordon - appointed CEO on 11 March 2008 and resigned 23 August 2013
- S Smith - appointed CFO on 1 August 2008;
- V Chidrawi - appointed General Counsel and Company Secretary on 11 March 2008;
- G Snow - appointed Executive General Manager Exploration and New Business on 11 March 2011; and
- C Wenas - appointed Executive General Manager Indonesia on 1 September 2012.

Employment agreements entered into by the NEOs prescribe the base salary and other fixed remuneration components such as superannuation, health care plans, insurances as well as eligibility for variable remuneration components of short and long-term incentive based rewards.

Salaries are reviewed annually during December as described in the Compensation Analysis and Discussion, above, and applicable changes are effective from 1 January of the following year. The payment of bonuses and the granting of share options and share rights are at the discretion of the Board and are determined in accordance with the ERS.

Name and principal position	Year	Salary \$	Share-based awards ⁽¹⁾ \$	Option-based awards ⁽¹⁾ \$	Non-equity incentive plan compensation		Pension Value \$	All other Compensation ⁽³⁾ \$	Total compensation \$
					STI Plan ⁽²⁾ \$	LTI Plan \$			
S. Lowe Chief Executive Officer from 1/11/2013	2013	77,692	-	-	-	-	4,035	-	81,727
	2012	-	-	-	-	-	-	-	0
	2011	-	-	-	-	-	-	-	0
B. Gordon Chief Executive Officer to 23/8/2013	2013	361,776	-	-	-	-	16,142	-	377,918
	2012	609,088	-	-	-	-	25,897	1,426	636,411
	2011	611,884	-	-	32,705	-	30,850	744	676,183
S. Smith Chief Financial Officer	2013	285,130	-	-	-	-	22,528	45,622	353,280
	2012	354,297	172,305	203,801	41,705	-	32,629	31,370	836,107
	2011	353,892	-	-	41,705	-	32,172	21,347	449,116
V. Chidrawi General Counsel	2013	413,151 ⁽⁵⁾	-	-	-	-	24,212	33,326	470,689
	2012	460,769 ⁽⁶⁾	119,216	155,527	13,753	-	25,898	28,142	803,305
	2011	337,274 ⁽⁷⁾	43,456	40,986	23,345	-	25,798	21,694	492,553
G Snow EGM Exploration & New Business	2013	309,648	-	-	-	-	24,212	7,217	341,077
	2012	378,130	241,632	315,231	11,402	-	25,897	-	972,292
	2011	32,414	-	-	-	-	2,150	-	34,564
C Wenas EGM Indonesia	2013	659,619	-	-	-	-	-	-	659,619
	2012	222,417	352,489	458,988	255,000 ⁽⁸⁾	-	-	-	1,288,894
	2011	-	-	-	-	-	-	-	-

Notes:

1. It should be noted that prior period amounts (which recognised expenses in accordance IFRS 2 Share Based Payments) have been amended in accordance with the requirements of the TSX regulations. The Company has used a Black Scholes Simulation analysis to value options granted before January 2011 as these options were not subject to market-based vesting conditions and a Monte Carlo Simulation analysis to value options granted after January 2011. The model inputs for options granted from 31 December 2009 to 31 December 2013 included:

Options Granted during year	31 Dec. 2009	31 Dec. 2011	31 Dec. 12	31 Dec. 13*
Share price at grant date varied with each issue and ranged for the year ended	A\$0.19 - A\$0.40	A\$0.96	A\$0.31 - A\$0.73	A\$ 0.275
Risk free rate	3% - 3.35%	1.49% - 3.81%	1.27% - 3.58%	2.99% - 3.41%
Year in which each tranche of options vest	1,2,3	3,4	3,4	3,4
Volatility	152% - 154%	60%	60%	75%

- Cash bonus (STI) for December 2011 year paid in early 2012 and STI for December 2012 year paid in early 2013. There were no STI bonuses included in the remuneration of Key Management Personnel for the 2013 year.
- All other Compensation includes allocation of termination payments, insurances (medical and life cover), travel, car parking and fringe benefits tax paid and payable by the Company.
- Mr. Lowe was granted 4,320,276 options and 2,160,138 share rights in November 2013, the granting of which is subject to shareholder approval at the Company's Annual General Meeting in May 2014.
- Includes US\$99,291 out of country allowance.
- Includes US\$106,200 out of country allowance.
- Includes US\$97,591 out of country allowance.
- Includes a discretionary bonus in respect of the 2012 year of \$5,000 and a sign on bonus of \$250,000.

Summary Compensation Table Notes

These amounts have been recognised in full in the relevant financial year in accordance with TSX regulations. IFRS 2 Share Based Payments requires the amortisation of Share-based awards and Options-based awards over their respective accounting periods. In the current year, the following are the differences between the two different methods

Name	Principal Position	Share- based awards	Option-based awards	Accounting Value	Difference between Accounting & Reported
		\$	\$	\$	
S. Lowe	Chief Executive Officer from 1/11/13	–	–	50,032	50,032
B. Gordon	Chief Executive Officer to 23/8/13	–	–	–	–
S. Smith	Chief Financial Officer	–	–	101,885	101,885
V. Chidrawi	General Counsel	–	–	96,917	96,917
G Snow	EGM Exploration & New Business	–	–	152,147	152,147
C Wenas	EGM Indonesia	–	–	219,541	219,541

Incentive Plan Awards

Outstanding share-based awards and option-based awards

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (Number)	Options exercise price (A\$)	Option expiration date	Value of unexercised in-the-money options (A\$)	Number of Shares or units of share that have not vested (Number)	Market or payout value of share-based awards that have not vested (A\$) ⁽¹⁾	Market or payout value of vested share-based awards not paid out or distributed (A\$)
Scott Lowe (CEO from 1/11/13) ⁽²⁾	–	–	–	–	–	–	–
Brad Gordon (CEO to 23/8/13)	–	–	–	–	–	–	–
Steve Smith Chief Financial Officer	500,000	0.35	2-Jan-14	–	119,067	36,911	–
	239,734	1.18	1-Jan-17	–	311,871	96,680	–
	623,741	0.56	1-Jun-17	–	–	–	–
	333	0.35	3-Jul-13	–	221,133	68,551	–
Vanessa Chidrawi General Counsel	1,000,000	0.35	02-Jan-14	–	93,898	29,108	–
	187,797	1.72	17-Jul-16	–	127,235	39,443	–
	254,469	1.18	1-Jan -17	–	–	–	–
Gary Snow EGM Exploration & New Business	515,774	1.18	1-Jan-17	–	257,886	56,735	–
C Wenas EGM Indonesia	3,122,487	0.29	1-Sep-17	0	1,561,243	327,861	–

Notes:

1. Value is based on 31 December 2013 IAU ASX closing price of \$A0.31
2. Mr. Lowe was granted 4,320,276 options and 2,160,138 share rights in November 2013, the granting of which is subject to shareholder approval at the Company's Annual General Meeting in May 2014.

Value of Vested Options-based or Share-based Awards

Name	Option-based awards – Value vested during the year (A\$)	Share-based awards – Value vested during the year (A\$) ⁽¹⁾	Non-equity incentive plan compensation – Value earned during the year (\$)
Scott Lowe - Chief Executive Officer from 1/11/13	–	–	–
Brad Gordon - Chief Executive Officer to 23/8/13	–	–	–
Steve Smith - Chief Financial Officer	–	–	–
Vanessa Chidrawi - General Counsel	–	–	–
Gary Snow - EGM Exploration and New Business	–	–	–
Clayton Wenas - EGM Indonesia	–	–	–

(1) Valuation is determined by the ASX closing price on the various vesting dates.

The Company does not offer pension plan benefits or defined contribution plans to its executives or other staff.

Termination and change of control benefits

Under the terms of each of the executive's employment agreements, the Company is required to make certain payments if there is a termination without cause, a termination following a change of control, a redundancy or a deemed termination. An estimate of the amount of these payments, assuming that the triggering event giving rise to such payments occurred on 31 December 2013, is set out in the table below.

Executive	Termination without cause (A\$)	Redundancy due to a Change of Control (A\$)	Redundancy & Severance (A\$)	Deemed Termination (A\$)	Resignation Notice Period
Scott Lowe	317,316	–	–	634,632	3 months
Vanessa Chidrawi	222,127	238,575	211,047	222,127	3 months
Steve Smith	96,458	211,791	138,478	192,915	3 months
Gary Snow	92,650	185,300	99,777	185,300	3 months
	(A\$)	(A\$)	(A\$)	(A\$)	
Clayton Wenas	137,500	275,000	116,346	–	3 months

Termination Without Cause

Executives, apart from the CEO and the General Counsel, are given three months' notice for terminations without cause. The CEO and the General Counsel are provided with six months' notice. The Company may require the executive to remain with the Company for all or part of the notice period, or provide payment in lieu. Payments are based on Base Salary plus Superannuation for all executives apart from the CEO. The CEO's provision is based on total salary. The CEO is entitled to a pro-rata STI payment for termination without cause.

Change of Control

To provide reassurance to particular executives if the Company becomes the subject of market speculation and to minimize the risk of resultant turnover of key executives at such a critical time, the Company's Redundancy Policy provides for an inducement for those executives to remain with the Company in such a period of uncertainty by providing a minimum payout of the equivalent of six months TFR as a redundancy payment. This inducement will not apply to all executives and it is at the discretion of the CEO to identify those executives to whom it may apply. This payment is not in addition to the normal payment provided by the Redundancy Policy (see heading "Redundancy" below). Instead a top up payment will be made to ensure that any payment made under the Redundancy Policy for redundancy notice and severance is at least equivalent to six months' TFR. The CEO and executives are entitled to pro-rata STI payments for a redundancy due to a Change of Control. The circumstance that will trigger the top up payment is a redundancy due to change of control.

Change of control means circumstances where control (direct or indirect) of the Company is altered from that subsisting at the date of the employee's job offer to initially join the Company. The change must arise by way of share sale, share issue, merger or consolidation, reconstruction, asset acquisition or disposal, exercise of rights under joint venture documents or any other agreement, arrangement or understanding, or by any other means whatsoever (including agreement to enter into any of these transactions).

It is acknowledged that effective control of the Company's Board may be altered even where less than 90% of the Company's Shareholders have accepted a takeover bid or where no merger has been completed. This clause seeks to provide clarity and ensure executives are equitably treated in the event of an effective change of control.

In these circumstances redundancy shall also be triggered by:

- the CEO determining that there is no position available for the executive at a level similar to that held by the executive immediately prior to the Change of Control occurring;
- the executive not having the appropriate skills, qualifications or experience, in the opinion of the CEO to continue in the position held by him/her immediately prior to the Change of Control occurring; or

- the executive's position being substantially altered with respect to remuneration, locality, duties or reporting hierarchy, any of which is unacceptable to the executive.

Deemed Termination

Six months' base salary plus superannuation is payable to executives, other than from the CEO, if:

- an executive's terms of employment become materially less favourable in terms of responsibilities, reporting line, or status of position becoming materially diminished; or
- if the Company requires the executive to relocate to an alternative place of employment which is greater than 50 kilometres from the current place of employment (or such other place of employment at the time the deemed termination has been agreed by the Executive) and that requirement is not accepted by the executive.

In addition, a pro-rated payment will be made in respect of long and short-term incentives that may have accrued at the date of the deemed termination, subject to any applicable performance threshold being met.

The CEO is provided with 12 months' TFR plus a pro-rated payment in respect of short-term and long-term incentives that may have accrued at the date of the deemed termination, subject to any applicable performance threshold being met in these circumstances.

Redundancy

A redundancy is defined as a circumstance where a particular role is no longer required. The Company's Redundancy Policy sets forth executive entitlements in the event of a redundancy. The CEO is not subject to the provisions of the Redundancy Policy.

Executives are entitled to redundancy notice commensurate with their period of continuous service as outlined in the Redundancy Policy. Redundancy notice may be required to be wholly or partially worked. Executives are entitled to severance pay commensurate with their period of continuous service as outlined in the Redundancy Policy.

In addition to redundancy and severance pay, upon redundancy executives will also be entitled to payment of unused annual leave, long service leave accumulated, and pro-rata STI bonus in accordance with months worked and subject to meeting performance targets. Executives may also be entitled to payment for all or part of their contractual notice period.

Resignation or Retirement

Executives are entitled to resign at any time on giving three months' notice during which time they may be required to work all or part of the notice period. In the event of resignation or retirement the Company is required to pay a lump sum payment made up of unpaid base salary and annual leave owing to the last day of the notice period.

Director compensation

The Company's only executive director is its CEO, Mr Scott Lowe. Other than the details of Mr Lowe's compensation set out in this Form 51-102F6, Mr Lowe receives no other compensation for his services as a director.

Fees and payments to Non-executive Directors reflect the demands that are made on, and the responsibilities of, the Non- executive Directors. Non-executive Directors' fees and payments are reviewed annually by the Board. The Chairman is not present at any discussions relating to determination of his own remuneration. There are no retirement allowances for Non-executive Directors. Other than the Company's Non-Executive Directors' Share Plan under which Non-executive Directors may elect to take a portion of their remuneration in shares, Non-executive Directors do not receive share based compensation. The Company's Senior Executive Share Plan and its Employee Option Scheme do not apply to Non-executive Directors.

During 2013 the role of the Company's Chairman, served by Mr. Ian McMaster AM, received an annual fee of A\$150,000 plus compulsory superannuation. During 1 September 2013 to 30 November 2013, Mr. McMaster acted as Executive Chairman while the Company recruited a new CEO. During this period Mr. McMaster received compensation of A\$90,000. The other non-executive directors received annual fees of A\$85,000 per annum plus compulsory superannuation. In addition, committee fees of A\$5,000 for a committee chairman and A\$3,000 for committee members were paid to non-executive directors other than the Company's Chairman. Directors' remuneration was amended following a meeting of the board on 18 February 2012. This was the first review of the directors' fees since 2008.

Details of Director compensation for the year ended 31 December 2013 are shown in the table below. The amounts are expressed in United States dollars.

Name	Short-term benefits		Share Based Payment	Post-employment benefits		Total
	Cash salary and fees	Non-monetary benefits	Shares ⁽¹⁾	Superannuation	Retirement Benefits	
	\$	\$	\$	\$	\$	\$
Non-executive Directors						
I. McMaster	167,066	–	29,055	17,960	–	214,081
C. Jackson	36,028	–	54,042	8,219	–	98,289
R. McDonald	58,750	–	29,384	8,042	–	96,176
A. Roberts	34,220	–	51,331	7,805	–	93,355
L. Curtis	41,888	–	42,613	2,282	–	86,784
A. Machribe R.P ⁽¹⁾	386,687	–	41,161	–	–	427,848
Total	700,741	–	236,578	41,827	–	979,146

(1) The salary and fees for Mr. Machribe represents consulting fees of \$342,661 in respect of services performed in Indonesia and fees of \$44,026 as a director of the Company. Mr Machribe resigned as a Director effective from 1 March 2014. Mr Machribe's consulting contract was terminated from the same date.

All reasonable expenses incurred by the Directors in attending meetings of the Board, committee meetings or Shareholders meetings, together with expenses properly and reasonably incurred by Directors in the conduct of the Company's business or in the discharge of directors' duties were paid by the Company.

Other than as disclosed in this Form 51-102F6 in relation to the CEO, Mr Lowe and in relation to the Non-executive Directors, the Company does not have any other share-based awards, option-based awards or non-equity incentive plan compensation for its directors.

MANAGEMENT CONTRACTS

Management functions of the Company are performed by the Directors or executive officers of the Company and not by any other person with whom the Company has contracted.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

During the 12 month period ended 31 December 2013 none of the Directors, senior officers or key employees of the Company was indebted to the Company.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

On 2 January 2012, Mr Machribe (Non-executive Director) and the Company entered into a consulting services agreement (“**Agreement**”) whereby it was agreed that Mr Machribe would provide services in respect of the Company’s Singaporean and Indonesian interests and provide any other additional services as requested by the Company under the terms of the Agreement. Mr Machribe’s consulting services will be performed in Indonesia and shall be compensated based on agreed monthly instalments. The consulting fee is in addition to Mr. Machribe’s directors’ fees. Mr Machribe resigned as a Director effective on 1 March 2014 at which time his consultancy contract was also terminated.

Except as disclosed in this Notice of Meeting or in the 2013 Annual Report, no informed person, proposed Director or associate or affiliate of any informed person or proposed director has any material interest, direct or indirect in any transaction entered into by the Company since 1 January 2013 or in any proposed transaction of the Company.

OTHER MATERIAL FACTS

For particulars of the Company’s operations, please see the Annual Information Form and the 2013 Annual Report.

CERTIFICATE AND APPROVAL OF DIRECTORS

The Notice of Meeting and the mailing of same to Shareholders have been approved by the Board.


Dated: 15 April 2014

By Order of the Board of Directors
Intrepid Mines Limited



Garry Gill
Company Secretary

SCHEDULE A – BOARD CHARTER



INTREPID MINES
INTREPID MINES LIMITED
BOARD CHARTER

The Board of Directors (the “Board”) of Intrepid Mines Limited (the “Company”) is responsible for the stewardship of the business and affairs of the Company on behalf of shareholders by whom they are elected and to whom they are accountable. The Board is constituted and governed by the Company’s Constitution.

The Board shall be constituted with a majority of individuals who are independent Directors in accordance with the suggested best practises guidelines as outlined in Canadian National Instrument 58-201 – Corporate Governance Guidelines. Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a Director’s independent judgment.

The Board shall appoint one Director as Chairman. The Chairman shall be an independent Director. The Chairman is responsible for the leadership of the Board and for specific functions to ensure the independence of the Board. The Executive Officers are accountable to the Board for all authority delegated to the positions. For the purposes of these Corporate Governance Policies Executive Officer shall be defined as any person holding the position of Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”), Executive General Manager Exploration & New Business and General Counsel. The Managing Director shall be defined as the CEO.

The Board has the following overall responsibilities:

- in conjunction with management, establishing the direction and strategies for the Company and monitoring the implementation of those strategies; and
- monitoring compliance with regulatory requirements and setting the tone for ethical behaviour and standards.

The monitoring and ultimate control of the business of the Company is vested in the Board. The Board’s primary responsibility is to oversee the Company’s business activities and management for the benefit of the Company’s shareholders. The specific responsibilities of the Board include:

- selection, appointment, monitoring, evaluation, rewarding and if necessary the removal of the Executive Officers of the Company;
- in conjunction with management, development of the strategic planning process and approving and appropriately monitoring plans, new investments, major capital and operating expenditures, capital management, acquisitions, divestitures and major funding activities;
- monitor and review annually the success of management in implementing the approved strategies and plans;
- establishing appropriate levels of delegation to the Executive Officers to allow them to manage the Company’s operations efficiently;
- monitoring actual performance against planned performance expectations and reviewing operating information;
- appreciation of areas of significant business risk and ensuring arrangements are in place to adequately manage those risks;
- overseeing the management of safety and occupational health, environmental issues and community development;
- satisfying itself that the financial statements of the Company fairly and accurately set out the financial position and financial performance of the Company for the period under review;
- satisfying itself that there are appropriate reporting systems and controls in place to assure the Board that proper operational, financial, compliance, risk management and internal control processes are in place and functioning appropriately;
- ensuring that appropriate external audit arrangements are in place and operating effectively;
- developing the Company’s approach to corporate governance issues;



- having a framework in place to help ensure that the Company acts legally and responsibly on all matters consistent with the code of conduct; and
- reporting to shareholders.

Whilst at all times the Board retains full responsibility for guiding and monitoring the Company, in discharging its stewardship it makes use of committees. To this end the Board has established the following committees:

- Audit and Risk Committee
- Remuneration and Nomination Committee
- Safety and Social Responsibility Committee

Each Director has the right to seek independent professional advice on matters relating to his/her position as a Director of the Company at the Company's expense, subject to the prior approval of the Chairman, which shall not be unreasonably withheld.

The independent members of the Board shall meet regularly during the year without any member of the Company's management present. Generally these meetings will be held prior to regular Board meetings. Any material business items arising from these meetings shall be brought to the attention of the Company Secretary and such matters will be added to the agenda of the next regularly scheduled Board meeting.

In the event of a conflict of interest or where a potential conflict of interest may arise, involved Directors will, unless the remaining Directors resolve otherwise, withdraw from deliberations concerning the matter.

In accordance with the constitution of the Company, Directors (other than the Managing Director) must offer themselves for re-election by shareholders at least every three years. The Board does not specify a maximum term for which a Director may hold office.

The responsibility for the day-to-day operation and administration of the Company is delegated by the Board to the CEO and the Executive Officers. The Board ensures that this team is appropriately qualified and experienced to discharge their responsibilities and has in place procedures to assess the performance of the Executive Officers and executive Directors.

Performance evaluation practices

As part of the annual review of the performance of the Board, the appropriate size, composition and terms and conditions of appointment to and retirement from the Board are considered, (refer to retirement by rotation regulation 53 of the Constitution). The level of remuneration for non-executive Directors is considered with regard to practices of other public companies, external professional advice (if considered necessary) and the aggregate amount of fees approved by shareholders (as referenced to regulation 58 of the Constitution). The Board also reviews the appropriate criteria for Board membership collectively. The Board has established formal processes to review its own performance and the performance of individual Directors (including Managing Director), Committees of the Board and Executive Officers, at least annually.

Board

A process has been established to review and evaluate the performance of the Board. The Board is required to meet annually with the specific purpose of reviewing the role of the Board, assessing its performance over the previous twelve months, including comparison with others, and examining ways of assisting the Board in performing its duties more effectively.

The annual review includes consideration of the following measures:

- comparison of the performance of the Board against the requirements of the Board charter;
- assessment of the performance of the Board over the previous twelve months having regard to the corporate strategies, operating plans and the annual budget;
- review the Board's interaction with management;
- identification of any particular goals and objectives of the Board for the next year;
- review the type and timing of information provided to the Directors; and
- identification of any necessary or desirable improvements to Board or committee charters.

The method and scope of the performance evaluation will be set by the Board and may include a Board self assessment checklist to be completed by each Director. The Board may also use an independent adviser to assist in the review.



Committees

Similar procedures to those for the Board review are applied to evaluate the performance of each of the Board committees. An assessment will be made of the performance of each committee against each charter and areas identified where improvements can be made.

Non-executive Directors

The Chairman will have primary responsibility for conducting performance appraisals of non-executive Directors in conjunction with them, having particular regard to:

- contribution to Board discussion and function;
- degree of independence including relevance of any conflicts of interest;
- availability for and attendance at Board meetings and other relevant events;
- contribution to Company strategy;
- membership of and contribution to any Board Committees; and
- suitability to Board structure and composition.

Where the Chairman, following a performance appraisal, considers that action must be taken in relation to a Director's performance, the Chairman must consult with the remainder of the Board regarding whether a Director should be counselled to resign, not seek re-election, or in exceptional circumstances, whether a resolution for the removal of a Director be put to shareholders.

Chief Executive Officer and Chief Financial Officer

The Board will annually review the performance of the CEO and CFO. At the commencement of each financial year, the Board, CEO and CFO will agree to a set of general Company specific key performance indicators to be used in the review of the forthcoming year.

These will include:

- the extent to which key operational goals and strategic objectives are achieved;
- development of management and staff;
- compliance with legal and Company policy requirements; and
- achievement of key performance indicators.

Other Executive Officers

The Chief Executive Officer is responsible for assessing the performance of the remaining Executive Officers within the Company. This is to be performed through a formal process involving a formal meeting with each Executive Officer. The basis of evaluation of Executive Officers will be on agreed performance measures.

