

1. Directors' Fees

In line with the Constitution of Easton Investments Limited (the **Company**), total remuneration for non-executive Directors must not exceed the annual amount determined by the Company in a general meeting. Non-executive Directors' individual fees are determined by the Board within the aggregate amount approved by shareholders.

The details of remuneration paid to each non-executive Director during the financial year are included in the Company's Remuneration Report, within the Annual Report.

In determining the level of fees, the Board reviews data on fees paid by comparable companies and where appropriate may receive expert independent advice regarding the level of remuneration required to attract and compensate Directors of the appropriate calibre and for the nature of the Directors' workload and responsibilities.

Before the Company enters into a remuneration consultancy contract, the proposed consultant must be approved by the directors of the Company.

Non-executive Directors do not participate in any incentive schemes; superannuation is paid in line with legislated requirements.

No Director is entitled to receive a retirement allowance.

2. Directors' Expenses

The Company will reimburse all reasonable expenses incurred by a Director as a result of acting on behalf of the Company in accordance with the delegated **Levels of Authority Policy**.

3. Executive Remuneration

The Board believes that executive remuneration should be fair and reasonable, structured effectively to motivate and retain valued executives and designed to produce value for shareholders.

Remuneration of senior executives is evaluated against comparative positions in similar companies and industries and may comprise:

- fixed remuneration
- variable remuneration
 - short-term incentives; and
 - long-term incentives.

The short-term incentive may comprise an annual bonus based on specified performance targets as agreed with the executive.

The long-term incentive may involve executives being granted options under the Company's Incentive Option Plan.

Details of all key executives' remuneration are included in the Company's Remuneration Report, within the Annual Report.

Details of the existence and conditions of all share and option schemes currently in operation, including the details of performance hurdles are summarised and included in the Company's Remuneration Report, within the Annual Report which is lodged with the Australian Securities Exchange and the Australian Securities and Investments Commission.

Approved by the Board **12 Sept 2012**