



• Construct • Commission • Maintain



CORPORATE GOVERNANCE

Mergers and Acquisitions Committee Charter



TABLE OF CONTENTS

1. ROLES.....	3
2. COMMITTEE MEMBERSHIP.....	3
3. DUTIES & RESPONSIBILITIES	3
4. AUTHORITY	3
5. REPORTING.....	4
6. MEETINGS.....	4
7. PERFORMANCE	4
8. CHARTER REVIEW	4
9. APPROVAL.....	4

1. ROLES

- ❖ The Mergers and Acquisitions Committee shall have the authority to review and recommend for approval merger, acquisition and investment transactions proposed by the Company's Management. The Committee is not authorized to approve merger, acquisition or investment transactions;
- ❖ The objective of the Committee is to support the Board and Company Management with the identification and analysis of merger, acquisition and investment opportunities in accordance with the Valmec Strategic Plan.

2. COMMITTEE MEMBERSHIP

The Committee is to be appointed by the Board and is to comprise of:

- ❖ One non-executive Director, to act as Chairman of the Committee and where possible this Director should be independent;
- ❖ The Managing Director, Business Development Manager, CFO and any other member nominated by the Chairman of the Committee.

3. DUTIES & RESPONSIBILITIES

In fulfilling its obligations the committee will:

- ❖ Review acquisition strategies with the Group's management and investigate merger, acquisition and investment opportunities on behalf of the Group;
- ❖ Review merger, acquisition and investment proposals that are presented to the Committee and then recommend relevant opportunities to the Board as appropriate;
- ❖ Consider appropriate consulting support and review relevant contracts for appointment (e.g. due diligence, legal support etc.);
- ❖ Make recommendations to the Board regarding mergers, acquisitions and investment opportunities ;
- ❖ Evaluate the execution, financial results and integration of completed acquisition;
- ❖ The report should identify the highlights and good practices adopted during the project, the lessons learned and the pitfalls to avoid in the future.

4. AUTHORITY

The Committee is authorized to:

- ❖ Approve merger, acquisition and investment investigations by the Group to a maximum budget value of \$250,000;
- ❖ Approve the execution of a conditional Letter of Intent ("LOI") with a target providing the LOI includes a term subject to Board Approval;
- ❖ Seek any information it requires from any employee of the Company and from external parties;

- ❑ Subject to consultation with the Chairman of the Board, obtain outside legal or other independent professional advice to assist in undertaking its oversight responsibilities;
- ❑ Present its findings and make recommendations to the Board.

5. REPORTING

The Committee will:

- ❑ Report to the Board at the first Board meeting subsequent to each committee meeting, regarding the proceedings of each committee meeting, the outcomes of the committee's reviews and recommendations and any other relevant matters;
- ❑ Record proceedings of each meeting and ensure each meeting record is provided to the Board on a regular and timely basis;
- ❑ Provide the Board an annual written report containing matters relevant to the committee's role and responsibilities under this charter including a review of the committee's charter and its achievement of the charter.

6. MEETINGS

- ❑ The Committee is to meet at least four times per year and such additional meetings as the Chairman of the Committee decides are necessary in order for the Committee to fulfil its duties;
- ❑ An agenda and any supporting documentation will be circulated to members of the Committee in advance on meetings;
- ❑ A quorum shall consist of a majority of Committee members.

7. PERFORMANCE

The Committee's performance will be reviewed annually and reported to the Board.

8. CHARTER REVIEW

The Committee will review its Charter three (3) yearly or earlier, should it be required. The outcomes from the review are to be recommended for approval by the Board and the outcome documented in the Board minutes.

9. APPROVAL

This charter was approved by resolution of the Valmec Limited Board:



Steve Drcpulich, Managing Director
Date: 21 July 2015