

# Board Performance and Evaluation Process

December 2015



## Purpose

To record and communicate Lion Energy Limited's ("Lion" or "Company") commitment to maintaining an effective and proactive Board with the appropriate mix of qualifications, skills and experience required to enable it to effectively discharge its responsibilities.

## Board Performance and Evaluation Process

The Chairman will arrange a performance evaluation of the Board, its Committees and its individual Directors on an annual basis. To assist in this process an independent advisor may be used.

The Chairman will conduct an annual review of the role of the Board, assess the performance of the Board over the previous 12 months and examine ways of assisting the Board in performing its duties more effectively.

The review will include:

- (a) comparing the performance of the Board with the requirements of its Charter;
- (b) examination of the Board's interaction with management;
- (c) the nature of information provided to the Board by management; and
- (d) management's performance in assisting the Board to meet its objectives.

A similar review will be conducted for each Committee by the Board, where required, with the aim of assessing the performance of each Committee and identifying areas where improvements can be made.

The Chairman will oversee the performance evaluation of the executive team. This evaluation is based on specific criteria, including the business performance of the Company and its subsidiaries, whether strategic objectives are being achieved and the development of management and personnel.

Annually, or at such other interval as agreed by the Board as appropriate from time to time, the Chief Executive Officer will conduct a performance evaluation of the Chairman with each individual Director given the opportunity to provide input. The Chairman's performance is evaluated against the role approved by the full Board.

## Communication

This Policy will be communicated to all Directors of the Company. It will be made available to shareholders and other external stakeholders through the Company's website.

## Review of Policy

The Board will review this Policy annually.