

TAUNG GOLD INTERNATIONAL LIMITED (the “Company”)
TERMS OF REFERENCE OF
NOMINATION COMMITTEE (the “Committee”)

A. Constitution

- A.1 The Committee has been set up by the Company’s Board of Directors (the “Board”), pursuant to a resolution passed by the Board on 20 July 2005.
- A.2 These terms of reference with the authority and duties of the Committee have been approved by the Board on 17 March 2012 and subsequently on 6 March 2019 which superseded previously adopted terms of reference. The Board has the authority to review and amend the terms of reference from time to time.

B. Functions

- B.1 Members of the Committee (the “Member(s)”) is appointed by the Board to, having regard to the independence and quality of nominees, make recommendations to the Board so as to ensure that all nominations are fair and transparent.

C. Membership

- C.1 The Committee shall consists of a minimum of three Members appointed by the Board from time to time. A majority of the Members shall be Independent Non-executive Directors.
- C.2 The Board shall appoint the chairman of the Committee, who shall be an Independent Non-executive Director.
- C.3 The Company Secretary of the Company shall be the secretary of the Committee.

D. Authority

- D.1 The Committee is authorized by the Board:
 - (a) to make use of intermediary agencies for identifying qualified candidates at the Company’s expense; and
 - (b) to conduct interviews with prospective candidates for nomination.
- D.2 The Committee should be provided with sufficient resources to perform its duties. Where necessary, the Committee should seek independent professional advice, at the Company’s expense, to perform its responsibilities.

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E. Responsibilities and Duties

- E.1 To review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company’s corporate strategy.
- E.2 To identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for appointment as additional Directors or to fill Board vacancies as and when they arise. The criteria to be adopted by the Board in considering each individual shall be their ability to contribute to the effective carrying out by the Board of its responsibilities.
- E.3 To make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman and the Chief Executive.
- E.4 To review the needs of the Company with a view to ensure the continuing ability to perform effectively in the business of the Company.
- E.5 To review the Board Diversity Policy, as appropriate; and to review the measurable objectives that the Board has set for implementing the Board Diversity Policy, and the progress on achieving the objectives; and to make disclosure of its review results in the Corporate Governance Report annually.
- E.6 To re-appoint any Non-executive Director at the conclusion of his/her specific term of office.
- E.7 To assess the independence of Independent Non-executive Directors.
- E.8 To report back to the Board on decisions or recommendations made, unless there are legal or regulatory restrictions to do so.
- E.9 Where the Board proposes a resolution to elect an individual as an independent non-executive director at the general meeting, it should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting:
 - (a) the process used for identifying the individual and why the Board believes the individual should be elected and the reasons why it considers the individual to be independent;

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- (b) if the proposed independent non-executive director will be holding their seventh (or more) listed company directorship, why the Board believes the individual would still be able to devote sufficient time to the Board;
- (c) the perspectives, skills and experience that the individual can bring to the Board; and
- (d) how the individual contributes to diversity of the Board.

F. Meetings

- F.1 The meetings and proceedings of the Committee are governed by the provisions contained in the Bye-laws of the Company regulating the meetings and proceedings of Directors.
- F.2 Two members present in person shall be a quorum for the Committee meetings unless the Board has otherwise determined.
- F.3 The Committee should hold at least 1 meeting annually and it is expected that Committee meetings will normally involve active participation, either in person or through other electronic means of communication, of a quorum to be present.
- F.4 Written resolutions may be passed by all Committee members in writing.

G. Reporting Procedures

- G.1 The secretary of the Committee shall circulate the minutes or the written resolutions of Committee meetings, reports of the Committee and relevant information to all Directors, within a reasonable time after the meeting or the passing of the written resolutions.
- G.2 Minutes or written resolutions of the Committee meetings shall be circulated to all members of the Committee and made available upon request to other members of the Board.
- G.3 These terms of reference are available on the Company’s website at www.taunggold.com and HKExnews website at www.hkexnews.com.