

Breakaway Resources Limited

Board and Senior Executives Evaluation Policy



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Evaluation Process

The Board of Breakaway Resources Limited considers the evaluation of its own and senior executive performance as fundamental to establishing a culture of performance and accountability.

Board Evaluation

The Board considers the ongoing development and improvement of its own performance and that of its Committees as critical input to effective governance. The Board undertakes an annual evaluation of its effectiveness as a whole. The Chairman reviews the individual performance of each Board member annually and includes but is not limited to completion of internal evaluation and annual performance assessment questionnaires to all Directors.

The Chairman's performance is evaluated by the Board annually.

The basis of the review is on goals that have been set for Breakaway based on corporate requirements and any areas for improvement identified in previous reviews. The Board does not endorse the reappointment of a director who is not satisfactorily performing the role.

Senior Executives Evaluations

All senior executives of Breakaway are subject to an annual performance evaluation. Each year, senior executives establish a set of performance targets with her or his superior. These targets are aligned to overall business goals and Breakaway's requirements of the position. In the case of the Managing Director, these targets are established between the Managing Director and the Board after the recommendations of the Remuneration Committee.

An informal assessment of progress is carried out each half year. A full evaluation of the executive's performance against the agreed targets takes place once a year. This will normally occur in conjunction with goal setting for the coming year. Since Breakaway is committed to continuous improvement and the development of its people, the results of the evaluation form the basis of the executive's development plan. Performance pay components of executives' packages are dependent on the outcome of the evaluation.

Following the evaluation of senior executives by the Managing Director, the Managing Director and the Company Secretary shall provide a formal report to the Remuneration Committee to assist the Committee in making recommendations to the Board in relation to remuneration levels.

General

The Remuneration Committee makes recommendations to the Board in respect of remuneration levels in accordance with the Remuneration Committee Charter.

Breakaway is committed to continuing development of its directors and executives. Any director wishing to undertake either specific directional training or personal development courses is expected to approach the Chairman for approval of the proposed course.