



KINETIC MINES AND ENERGY LIMITED

力量礦業能源有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1277)

(the “Company”)

TERMS OF REFERENCE OF NOMINATION COMMITTEE

Purpose

1. The purpose of the Nomination Committee is to identify and recommend to the board of directors (the “**Board**”) appropriate candidates to serve as directors of the Company, to evaluate the structure and composition of the Board and to develop, recommend to the Board and monitor nomination guidelines for the Company.

Membership

2. The Nomination Committee shall be appointed by the Board from time to time and shall consist of not less than three directors, a majority of which shall be independent non-executive directors who shall meet the independence requirements from time to time as stipulated in the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.
3. The Board shall appoint one member of the Nomination Committee who is also an independent non-executive director, or the chairman of the Board, as the chairman (the “**Chairman**”).

Meetings

4. The Nomination Committee shall meet at least once annually, or more frequently if circumstances require.
5. The Chairman (or in his or her absence, a member designated by the Chairman) shall preside at all meetings of the Nomination Committee. The Chairman shall be responsible for leading the Nomination Committee, including scheduling meetings, preparing agendas and making regular reports to the Board.
6. The company secretary of the Company shall be the secretary (the “**Secretary**”) of the Nomination Committee.
7. The quorum for a meeting shall be two members of the Nomination Committee, of which one has to be an independent non-executive director.

8. Proceedings of meetings of the Nomination Committee shall be governed by the provisions of the Articles of Association of the Company.
9. Minutes of meetings (both draft and final versions) of the Nomination Committee and the records of individual attendance at such meetings shall be prepared by the Secretary which shall be sent to all members of the Nomination Committee as soon as practicable after the conclusion of the meeting.

Authority

10. The Nomination Committee is authorised by the Board to determine the procedures, process and criteria to be adopted for purposes of selecting and recommending candidates for directorship and shall be provided with sufficient resources to perform its duties, including but not limited to obtaining independent professional advice and assistance from internal or external legal, accounting or other advisers at the expense of the Company where necessary.
11. The Nomination Committee shall have full access to management and may invite members of management or others to attend its meetings. The Nomination Committee will consult the chairman and/or chief executive of the Company about their proposals relating to the selection and appointment of directors.

Duties

12. The Nomination Committee shall perform the following duties:
 - (a) to review the structure, size and composition (including skills, knowledge and experience) of the Board at least annually and to make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
 - (b) to develop the criteria for identifying and assessing the qualifications of and evaluating candidates for directorship;
 - (c) to identify individuals who are qualified/suitable to become a member of the Board and to select or make recommendations to the Board on the selection of individuals nominated for directorships;
 - (d) to assess the independence of independent non-executive directors to determine their eligibility;
 - (e) to develop a policy concerning diversity of board members, and disclose the policy or a summary of the policy in the corporate governance report; and
 - (f) 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.

Reporting Procedures

13. The Nomination Committee shall report to the Board on a regular basis.