

NOMINATION COMMITTEE TERMS OF REFERENCE

Hansteen Holdings PLC ("the Company")

Terms of Reference for the Nomination Committee adopted on 25 September 2009.

References to the "**Chief Executive Officer**" shall include each of the Joint Chief Executive Officers as the context requires.

1. ESTABLISHMENT

The Committee has been established by resolution of the board of directors of the Company ("**the Board**") and is known as the Nomination Committee.

2. MEMBERSHIP

2.1 The members of the Nomination Committee shall be appointed by the Board and shall consist of not less than three members. A majority of the members shall be unconnected with the management of the Company and free from any business or other relationship that could materially interfere with the exercise of their independent judgment. A quorum shall be two members.

2.2 The Chairman of the Nomination Committee shall be either the chairman of the Board or an independent non-executive director who shall be appointed by the Board. In the absence of the Chairman of the Nomination Committee and/or an appointed deputy, the remaining members shall elect one of themselves to chair any relevant meetings.

2.3 The chairman of the Board shall not chair the Nomination Committee when it is dealing with the matter of succession to the chairmanship.

2.4 Members of the Nomination Committee shall be named in the Annual Report and Accounts of the Company.

3. MINUTES

The minutes of meetings of the Nomination Committee shall be made available to all members of the Board unless a conflict of interest exists.

4. ATTENDANCE AT AND FREQUENCY OF MEETINGS

4.1 Meetings shall be held as and when appropriate, but in any event shall be held not less than once per calendar year. Any member of the Nomination Committee may call a meeting and the Chairman of the Company may request a meeting if he/she reasonably considers that one is necessary.

5. AUTHORITY

5.1 The Nomination Committee is authorised by the Board to investigate any matter within its term of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any reasonable requests made by the Nomination Committee.

5.2 The Nomination Committee is authorised by the Board to obtain, at the Company's expense, outside professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. It is envisaged that in obtaining outside advice the Nomination Committee will act in conjunction with the chairman of the Board.

6. DUTIES

6.1 The Nomination Committee shall:

- (A) regularly review the structure, size and composition (including the skills, knowledge and experience) required of the Board compared to its current position and make recommendations to the Board with regard to any changes;
- (B) give full consideration to succession planning for directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Company, and what skills and expertise are therefore needed on the Board in the future;
- (C) be responsible for identifying and nominating for the approval of the Board, candidates to fill board vacancies as and when they arise;
- (D) before any appointment is made by the Board, evaluate the balance of skills, knowledge and experience on the Board and consider:
 - (1) use of open advertising or the services of external advisers to facilitate the search;
 - (2) consider candidates on merit and against objective criteria, taking care that appointees have enough time available to devote to the position;
- (E) keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
- (F) review annually the time required from Non-executive Directors; and
- (G) ensure that on appointment to the Board, Non-executive Directors receive a formal letter of appointment setting out clearly what is expected of them.

7. REPORTING PROCEDURES

- 7.1 The Chairman of the Nomination Committee shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and the Nomination Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 7.2 All decisions of the Nomination Committee shall be referred to the Board and shall take effect only upon approval thereof by resolution of the Board at a meeting which is properly convened and constituted and in accordance with the Company's Articles of Association, provided that the Board shall only have the power to approve without modification or reject the decisions of the Nomination Committee.
- 7.3 The Chairman of the Nomination Committee shall attend each annual General Meeting to answer shareholders' questions.
- 7.4 The Nomination Committee shall produce a statement about its activities, the process used to make appointments and explain if external advice or open advertising has not been used. This statement will form part of the Company's Annual Report and Accounts.