

**CRADLE RESOURCES LIMITED (“CRADLE”)
SENIOR EXECUTIVES REMUNERATION POLICY**

GENERAL

Cradle is committed to remunerating its senior executives in a manner that is market competitive, consistent with best practice and supports the interests of shareholders. Cradle aims to align the interests of senior executives with those of shareholders by remunerating senior executives through performance and long-term incentive plans in addition to their fixed remuneration.

Consequently, senior executives' remuneration consists of the following elements:

- fixed salary;
- performance bonus and long term incentives;
- other benefits including superannuation.

Cradle has not established a Remuneration and Nomination Committee. The Board of Cradle undertakes the review of executives' salaries on an annual basis.

FIXED SALARY

The salary of senior executives is determined from a review of the market and reflects core performance requirements and expectations. In addition, Cradle considers the following:

- the scope of the individual's role;
- the individual's level of skill and experience;
- Cradle's legal and industrial obligations;
- labour market conditions; and
- the size and complexity of Cradle's' business.

PERFORMANCE BONUS AND LONG-TERM INCENTIVES

The purpose of the performance bonus is to reward actual achievement by the individual of performance objectives and for materially improved company performance. Consequently, performance-based remuneration is paid where a clear contribution to successful outcomes for Cradle is demonstrated and the individual attains and excels against pre-agreed key performance indicators during a performance cycle.

It is the intention of the Company to implement a bonus and incentive structure over time to insure that senior management and executives are provided with proper incentives.

From time to time, senior executives may be issued share options, subject to any necessary approval by shareholders. These options are intended to provide appropriate incentives aligned with the interests of shareholders.

OTHER BENEFITS

Senior executives are entitled to statutory superannuation and, subject to the terms of their engagement, may be entitled to car allowances, mobile phone expenses, and home telephone and internet access expenses.

EXPENSES

All reasonable out of pocket expenses incurred in connection with the performance of duties on behalf of Cradle will be reimbursed