

CARBINE RESOURCES LIMITED
ACN 122 976 818

INDUCTION PROCEDURES FOR NEW DIRECTORS AND EXECUTIVES

This document sets out a procedure which can be used for the induction of new directors and executives of Carbine Resources Limited ("**Carbine**").

Step 1: Assessment of skill and expertise of new director or executive

Assess the current level of knowledge and experience of the new director. This may involve a quick questionnaire about previous experience and some specific test to assess the director's understanding of relevant issues such as financial concepts and directors' duties. (See performance evaluation process documents.)

Step 2: Induction pack

Provide the director with an induction pack. The induction pack will include the following:

Carbine

- (a) Carbine's constitution (including a summary of the key provisions);
- (b) organisational structure diagram; and
- (c) Carbine's policies in relation to occupational health and safety, the environment, involvement in the community, etc.

The Board

- (a) Board procedures;
- (b) copies of Board and committee charters;
- (c) annual financial reports for the last three years;
- (d) recent management accounts and management reports;
- (e) the business plan for the current year including the budget and strategic plan for the next three to five years;
- (f) copies of Board minutes and minutes of any committees in which the director will participate;
- (g) a copy of the last Board meeting package;
- (h) copies of internal audit reports and the last two auditors' management

letters;

- (i) the details of Carbine's major risks and risk management strategy; and
- (j) a photo of and a brief description of each of the Board members and senior executives.

The business

- (a) Details about Carbine's products;
- (b) information about the industry in which Carbine operates including an analysis of the markets in which it participates, including market share;
- (c) details about Carbine's main customers, suppliers and competitors;
- (d) details about Carbine's major shareholders and the investor relations policy;
- (e) details about the regulatory regime in which Carbine operates (for example, key aspects of the regulatory requirements applying to the broadcasting industry, gaming industry, trade practices, foreign ownership); and
- (f) details about Carbine's main assets and significant contracts.

Some of the information above could either be provided later or a list of the material can be provided to the director allowing the director to call upon the information when required. Much of the above material can also be covered in the management presentations. Some of the material ought to be returned when no longer needed, such as past minutes.

Step 3: Management presentations

Senior management will give presentations to the director and include opportunities for questions to be asked. They will include at least the following:

- (a) chief executive officer;
- (b) corporate director;
- (c) the general manager of each division; and
- (d) company secretary.

Step 4: Site visits

Give the director a tour of the main operating sites of Carbine.

Step 5: Ongoing access to information

Ensure that the new director or executive is made aware of who he or she can contact for further information and what information is available. Such further information may include:

- (a) media reports about Carbine;
- (b) details of Carbine's advisers;
- (c) details of Carbine's main insurance policies;
- (d) a (brief) history of Carbine; and
- (e) notices of general meetings for the last three years and accompanying documents.

Step 6: Further training

Identify need for and arrange any specific further training which may be required.