



Efora Energy Limited

INVESTMENT COMMITTEE

TERMS OF REFERENCE

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INTRODUCTION

The Board of Directors (hereinafter referred to as the “Board”) of Efora Energy Limited (hereinafter referred to as “Efora” or as “the Company”) has resolved to establish a Committee of the Board to be known as the "Investment Committee" (hereinafter referred to as “the Committee”) to act in the capacity of Investment Committee for Efora and all its subsidiaries.

1. PURPOSE OF THESE TERMS OF REFERENCE

The purpose of these Terms of Reference is to formalise the mandate by the Board to the Committee.

2. COMPOSITION AND TENURE

- 3.1 The members of the Committee will be appointed from time to time by the Board. The Committee must have at least three members, of which two must be independent non-executive directors.
- 3.2 The Board shall determine the period for which the Chairman and Committee members shall hold office.
- 3.3 A Committee member, who holds office as a director of the Board, will automatically cease to be a member of the Committee upon resignation from the Board.
- 3.4 A member may resign at any time by giving due notice to the Company Secretary and the Chairman of the Board.

3. MANDATE

The functions and responsibilities of the Committee shall be:

4.1 Primary duties

Role vis-à-vis Executive Management:

The Executive Management of the Company shall be responsible for identifying acquisition, merger and disposal opportunities. The Committee shall assist and advise Executive Management on such opportunities and all aspects of other material transactions not in the ordinary course of business, and matters related thereto.

The Committee shall approve any recommendations or proposals to be made to the Board in relation to such opportunities or transactions. The Committee shall further monitor the performance of investments

and provide regular feedback and/or recommendations to the Board on the performance of the investments.

Role vis-à-vis the Board:

The Committee shall make recommendations to the Board, monitor on behalf of the Board and report to the Board on material acquisition, merger, or disposal opportunities and on-going material transactions, including post acquisition recommendations and all matters related thereto.

4.2 Other delegated duties

4.2.1 The Board of the Company may, by way of its formal “Delegation of Authority” document or on an *ad hoc* basis, mandate the Committee to fulfill any additional functions that it may deem appropriate.

4.2.2 In performing their duties and functions, each Committee member must act in the best interest of the Company in terms of their fiduciary duties and also in accordance with their duties under the Company’s Code of Ethics. Committee members should maintain appropriate relationships with relevant executives of the Company.

5 AUTHORITY

5.1 The Committee has authority to make decisions in so far as it is empowered to do so by the Board and as recorded in these Terms of Reference. On matters beyond its authority, the committee makes recommendations to the Board for its approval.

5.2 The Committee, in carrying out its duties, has powers to consider and make decisions on:

- (a) The need to investigate any activity within its scope of responsibilities;
- (b) Consulting with or seeking any information it requires from any employee who shall be obliged to co-operate with the Committee;
- (c) Access internal or external resources to properly carry out its duties;
- (d) Obtain independent professional advice at the Company’s expense if it believes this is necessary to fulfil its duties. Such advisors may attend meetings at the invitation of the Chairman;

- (e) Access relevant Company records, facilities and any other resources necessary to discharge its duties and responsibilities;
- (f) Delegate its authority and duties, in so far as it is not precluded from doing so by these Terms of Reference or legal or regulatory requirements, to other Board Committees, working groups or other persons including employees or individual members of the Committee;
- (g) Make recommendations to the Board for approval by the Board;

5.3 The Committee may not perform any management functions or assume any management responsibilities and shall have no executive powers with regard to its findings and recommendations.

6 MEETING PROCEDURES

6.1 Frequency

The Committee does not have a formal meeting schedule and meets as often as is required or desirable, having regard to the matters that fall within its mandate.

Meetings are scheduled by the Chairman of the Committee, in consultation with the Efora Chief Executive Officer, or at the instance of the Board.

6.2 Attendance

6.2.1 Committee members must attend all scheduled meetings of the Committee, including meetings called on an *ad hoc*-basis for special matters, unless prior apology, with reasons, has been submitted to the Chairman or Company Secretary.

6.2.2 Meetings may be held in person, by telephone, videoconference or other form of electronic means that would prove efficient, provided that the required quorum is met. All persons shall be deemed to be present at the meeting.

6.2.3 If the Chairman of the Committee is not present within thirty minutes of the scheduled start time of the meeting or is unable to attend a meeting, the Committee members present shall nominate an acting Chairman from among themselves;

6.2.4 A decision that could be voted on at a meeting may instead be adopted by written resolution provided a quorum of members is obtained. A decision made in such a manner has the same effect as if it had been approved at a meeting.

- 6.2.5 Where decisions are required by way of written resolution, a quorum shall constitute the majority of members, one of whom must be the Chairman;
- 6.2.6 The Chairman shall have the casting vote, if required;
- 6.2.7 If a member is unable to act for any reason, and there is no quorum for the Committee to deliberate on a matter before it, then the Chairman may, in consultation with the Board chairman, co-opt another independent director as an additional member.

6.3 Agenda and Minutes

A detailed agenda, together with supporting documentation, must be circulated, at least seven days prior to each meeting to the members of the Board and other invitees.

Committee members must be fully prepared for Committee meetings to be able to provide appropriate and constructive input on matter for discussion.

The minutes must be completed as soon as possible after the meeting and circulated to the Chairman and the Committee members for review thereof.

The minutes must be formally approved by the Committee at its next scheduled meeting.

6.4 Quorum

A quorum for meetings is a majority of members present in person or *via* telecom facilities.

Invitees and a representative of the Company Secretary shall not be taken into account when determining a quorum.

7 OVERLAP AND EFFICIENCY OF ALL COMMITTEES

The Committee must take cognisance that its roles and responsibilities may overlap with those of other committees. In instances where the Committee needs to exercise oversight on matters handled by other committees or where there is a clear overlap, the Committee Chairman should agree with the relevant committee chairman as to which committee shall deal with the matter and report to the Board. Duplication must be avoided.

8 EVALUATION

The Board must perform an evaluation of the effectiveness of the Committee as well as the performance of the Committee and its members, including an evaluation of the Committee's compliance with these Terms of Reference, at least annually.