



ROC Board Performance Evaluation Process Policy

1. Introduction

ROC is committed to best practice corporate governance in relation to the performance of the Board, Board Committees and individual directors. This requires ROC to review the performance of the Board, Board Committees and directors regularly. To achieve this, the Board recognises the need to have a formal and transparent process for evaluating the performance of the Board, Board Committees and directors.

2. Purpose of the ROC Board Performance Evaluation Process Policy

The Board has adopted this policy to provide guidelines in relation to:

- Responsibility for Board performance evaluation
- Board performance evaluation
- Individual director performance evaluation
- The performance evaluation process
- Reporting on the evaluation of the performance of the Board in the Annual Report

3. Responsibility for Board Performance Evaluation

The Chairman, with the assistance of the Nomination Committee, is responsible for performance evaluation of the Board and individual directors.

4. Board Performance Evaluation

Board performance will be evaluated annually. The evaluation of Board performance is undertaken by each director completing a questionnaire on board governance and performance issues. Individual directors may meet with the Chairman, or where applicable the chairman of the Nomination Committee, to discuss their responses.

The objective of this assessment is to identify and calibrate the directors' views of those areas of governance and performance that may require an increased level of attention by the Board.

5. Individual Director Performance Evaluation

Individual director performances will be evaluated annually. This will be undertaken by each director completing an evaluation questionnaire.

The objective of this assessment is to provide the Board with a view on those areas of skill and experience of individual directors which may need to be strengthened on the Board and to assist individual directors in identifying areas for further development.

6. The Performance Evaluation Process

The process comprises the following steps:

- The Chairman, with the assistance of the Nomination Committee, will prepare the relevant questionnaires.
- Performance assessment questionnaires will be distributed to individual directors and the chair of each Board Committee by the Chairman. Directors and the chair of each Board Committee will be asked to complete the questionnaires and return them to the Chairman.
- After collation of responses, one-on-one discussions may be conducted with each director in order to gain a greater depth of understanding of how the Board perceives performance issues.
- The Chairman, with the assistance of the Nomination Committee, will analyse the questionnaires and prepare a Board and Director Performance Evaluation Report which will:
 - identify those areas of governance and performance that may require an increased level of attention by the Board;
 - recommend improvements to the Board's processes and procedures;
 - summarise the outcomes from the self and peer assessment reviews; and
 - identify those areas of skill and experience that may need to be strengthened on the Board.

The Chairman will decide how to communicate the results to the Board.

The Chairman may elect to use an external consultant in any stage in this process.

The individual directors self and board performance assessments will be treated confidentially by the Chairman and any member of the Nomination Committee involved. The results will be aggregated and presented to the Board without identifying individual directors.

7. Reporting on the Evaluation of the Performance of the Board in the Annual Report

The Board will make appropriate disclosure regarding the evaluation of the performance of the Board, Board Committees and the directors in ROC's Annual Report in accordance with the ASX Corporate Governance Principles and Recommendations.

This Board Performance Evaluation Process Policy is available on ROC's website www.rocoil.com.au

Adopted by the Board on 8 April 2004. Updated on 25 January 2012.