

KOPANE DIAMOND DEVELOPMENTS PLC

Minutes

**of a meeting of the Remuneration Committee
of the Board of Directors
held by conference call
at 10.30 am on Tuesday 19 January 2010**

Present: F Scolaro (FS) Chairman
E H R Marlow (EM) Non-executive Director
B J Doyle (BD) Non-executive Director

In Attendance: J S Cable (JC) Finance Director /
Company Secretary

Apologies:

Item

Action

10/01 Opening

The Chairman reported that a quorum was present. Accordingly, the Chairman declared the meeting duly convened and constituted.

JC agreed to act as Secretary and record the minutes.

- 10/02** FS referred to a paper dated 12.1.10 sent by JC to the Committee regarding proposals for an award of remuneration for FS, payment for BD and an adjustment in salary for JC, along with the intention to create an incentive bonus scheme for AB and others. The proposals were discussed.

EM and BD agreed that there should be compensation to reflect the efforts of the Chairman. However, EM felt it was inappropriate to back date the award to April 2009 but that there should be a payment going forward and should continue during the period the Company did not have a CEO. FS said that he had spent considerable time in January regarding the successful recent funding.

It was **RESOLVED** that FS be granted fees, as non executive Chairman, in the amount of £144,000 per annum commencing 1 January 2010, payable monthly. This amount of remuneration would be reviewed upon the appointment of a CEO and reduced accordingly at that time. The fees would be paid through the Company's payroll system.

It was **RESOLVED** that BD be awarded fees in the amount of £12,000 per annum effective 1 February 2010, payable monthly.

There was discussion regarding the salary adjustment for JC which had been recommended by the Chairman. EM felt that an award at this time so soon after the funding would send the wrong message to shareholders. BD agreed with the Chairman's recommendation but after discussion concurred that this should be revisited at a later date. It was proposed that this would be reviewed again in April 2010.

JC said he would work on an incentive bonus scheme and provide the Committee with proposals in due course.

10/03 Closing

There being no further business the Chairman declared the meeting closed at 10.50 am

Chairman

Francesco Scolaro
c/o Obtala Resources Plc
Martin House
26-30 Old Church Street
London SW3 5BY

1 April 2009

Dear Frank,

KOPANE DIAMOND DEVELOPMENTS PLC (THE "COMPANY") AND YOUR APPOINTMENT TO THE BOARD AS NON-EXECUTIVE DIRECTOR AND CHAIRMAN

The board of the Company (the "**Board**") is pleased to hear that you have accepted our offer to join the Board as non-executive director and Chairman of the Company. This letter confirms the main terms of your appointment to this office. It is agreed that this is a contract for services and not a contract of employment.

DUTIES

1. The Board as a whole is collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs. The Board's role is to:
 - (a) provide entrepreneurial leadership to the Company within a framework of prudent and effective controls which enable risk to be assessed and managed;
 - (b) set the Company's strategic aims, ensure that the necessary financial and human resources are in place for the Company to meet its objectives, and review management performance; and
 - (c) set the Company's values and standards and ensure that its obligations to its shareholders and others are understood and met.
2. In your role as non-executive director you are required (with the other non-executives) to:
 - (a) constructively challenge and contribute to the development of strategy;
 - (b) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
 - (c) satisfy yourself that financial information is accurate and that financial controls and systems of risk management are robust and defensible;
 - (d) be responsible for determining appropriate levels of remuneration of executive directors and have a prime role in appointing, and where necessary removing, senior management and in succession planning.
3. You will be required to:

- (a) exercise relevant powers under the Company's memorandum and articles of association;
 - (b) perform your duties faithfully, efficiently and diligently and use all reasonable endeavours to promote the interests and reputation of the Company;
 - (c) comply with your fiduciary duties;
 - (d) report the wrongdoing (including acts of misconduct, dishonesty, breaches of contract, fiduciary duty, company rules or the rules of the relevant regulatory bodies) whether committed, contemplated or discussed by any other director or member of staff of the Company and any of its subsidiary undertakings of which you were aware to the Board immediately, irrespective of whether this may involve some degree of self incrimination;
 - (e) serve on the audit/remuneration committee(s) of the Board and attend wherever possible all meetings of the committees. The committee(s) terms of reference will be provided prior to you taking up such appointment(s);
 - (f) attend wherever possible all general meetings of the Company;
 - (g) attend wherever possible all meetings of the Board at a location to be agreed. It is anticipated that the Board will meet quarterly. In the event that business needs to be dealt with between these meetings it will be transacted by conference call or written consent as deemed appropriate;
 - (h) bring independent judgement to bear on issues of strategy, policy, resources, performance and standards of conduct;
 - (i) make yourself available (on reasonable notice) to provide ad hoc advice to individual directors of the Company;
 - (j) provide guidance and direction in planning, developing and enhancing the future strategic direction of the Company;
 - (k) share responsibility with the other directors for the effective control of the Company and with the other non-executive directors for the supervision of the executive directors; and
 - (l) comply with the rules and guidelines applicable from time to time to securities transactions by directors of the Company, details of which can be obtained from the Company Secretary.
4. The Company seeks to adhere to the Corporate Governance rules and guidelines to which the Company is subject, details of which can be obtained from the Company Secretary. You will be expected to carry out your duties in accordance with the principles set out in such rules and guidelines.
5. You shall, in pursuance of your duties hereunder, be entitled to request such information from the Company, its subsidiary undertakings or its or their employees, consultants or professional advisers as may be reasonably necessary to enable you to perform your role effectively. The Company shall use its reasonable endeavours to provide such information promptly.

CONFIDENTIALITY

During the course of your duties you will have access to confidential information belonging to the Company and its subsidiary undertakings. Unauthorised disclosure of this information could seriously damage the Company. You therefore undertake not to use or disclose such information

save in pursuance of your duties or in accordance with any statutory obligation or court or similar order.

The Company has a policy relating to the disclosure of price sensitive information, details of which can be obtained from the Company Secretary. You must not make any statement or do anything which may be a breach of this policy.

OUTSIDE INTERESTS

You must inform the Board of any interests which you have, or acquire, which might reasonably be thought to jeopardise your independence from the Company or which is or may be in direct or indirect competition with the Company.

INSURANCE

The Company has put in place directors' and officers' liability insurance on appropriate terms.

APPOINTMENT

Your appointment commenced on 1 April 2009, for an initial term of one year (the "Initial Term"), unless terminated earlier by and at the discretion of either party on three months' written notice. After the Initial Term, your appointment will continue until terminated by and at the discretion of either party on three months' written notice.

Notwithstanding the aforementioned notice provisions, the Company may terminate your appointment with immediate effect if you have:

- (a) committed any serious breach or (after a warning in writing) any repeated or continued material breach of your obligations to the Company (which include an obligation not to breach your fiduciary duties);
- (b) been guilty of any act of dishonesty or serious misconduct or any conduct which (in the reasonable opinion of the Board) tends to bring you or the Company into disrepute; or
- (c) been declared bankrupt or have made an arrangement or composition with or for the benefit of your creditors.

All appointments and reappointments to the Board are, of course, subject to the Company's articles of association. If you are not re-elected to your position as a director of the Company by the shareholders at any time and for any reason then this appointment shall terminate automatically and with immediate effect.

On termination of the appointment you shall only be entitled to such fees as may have accrued to the date of termination together with reimbursement in the normal way of any expenses properly incurred prior to that date.

REMUNERATION

You will not be entitled to remuneration in respect of this appointment.

EXPENSES

The Company will reimburse you for any expenses that you may incur properly and reasonably in performing your duties and which are properly documented.

INDEPENDENT PROFESSIONAL ADVICE

In some circumstances you may think that you need professional advice in connection with your duties as a director. It may also be appropriate for you to seek advice from independent advisers at the Company's expense. In the event that you consider that you need to take independent professional advice at the Company's expense you should consult the Chairman or Company Secretary.

DATA PROTECTION

By signing this agreement you consent to the Company holding and processing information about you which you or any referees may provide or which it may acquire during the course of this agreement, providing such use is in accordance with the Data Protection Act 1998. In particular you consent to the Company holding and processing:

- (a) personal data relating to you, for administrative and management purposes; and
- (b) "sensitive personal data" relating to you (as defined in the Data Protection Act 1998).

You also consent to the Company making such information available to:

- (a) its group companies outside the European Economic Area in order to further its business interests; and
- (b) those who provide products or services to the Company, regulatory authorities, governmental or quasi governmental organisations and potential purchasers of the Company or its business.

THIRD PARTY RIGHTS

The Contracts (Rights of Third Parties) Act 1999 shall not apply to this agreement. No person other than the parties to this agreement shall have any rights under it and it will not be enforceable by any person other than the parties to it.

GOVERNING LAW

The terms of this letter are governed by and shall be construed in accordance with the Law of England and Wales and the parties hereto irrevocably submit to the exclusive jurisdiction of the Courts of England

Please sign and return the enclosed copy of this letter to confirm your agreement to the above terms.

The Company looks forward to working with you in the future.

Yours sincerely

for and on behalf of
KOPANE DIAMOND DEVELOPMENTS PLC

I, Francesco Scolaro agree to the above terms of appointment as non-executive director of Kopane Diamond Developments plc

Signed

Date

In the presence of:

Witness signature:

Witness name:

Witness address:

Witness occupation:

