

FORNTON GROUP LIMITED
TERMS OF REFERENCE OF NOMINATION COMMITTEE

1. The nomination committee (the "Committee") of Fornton Group Limited (the "Company") shall consist of at least three directors, of which a majority should be independent non-executive directors, appointed by the board of directors of the Company (the "Board") from time to time. The committee shall be chaired by the chairman of the Board or an independent non-executive director.
2. The Committee shall meet at least once every year. Additional meetings may be convened by the chairman of the Committee as and when necessary.
3. The quorum of a meeting shall be two members of the Committee.
4. The Committee should consult the chairman of the Board and/or chief executive officer about their proposals relating to the remuneration of other executive directors of the Company.
5. The Committee may seek professional advice if considered necessary.
6. Proceedings of meetings of the Committee shall be governed by the provisions of Bye-law 118 of the Bye-laws of the Company.
7. The Committee shall report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Committee, the chairman of the Committee shall report the findings and recommendations of the Committee to the Board.
8. The Committee shall:-
 - (i) review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the board to complement the issuer's corporate strategy;
 - (ii) identify individuals suitably qualified to become Board members and elect or make recommendations to the Board on the selection of, individuals nominated for directorships;
 - (iii) assess the independence of independent non-executive directors; and
 - (iv) make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors in particular the chairman and the chief executive.
9. The Company should provide the committee sufficient resources to perform its duties. Where necessary, the nomination committee should seek independent professional advice, at the issuer's expense, to perform its responsibilities.