

# AUDIT AND RISK COMMITTEE CHARTER

## 1. COMPOSITION

The Audit and Risk Committee shall be comprised of at least three members, all of whom are non-executive directors and a majority of whom are independent. The Chair of the Audit and Risk Committee must be independent and not also Chair of the Board.

All members of the Audit and Risk Committee must be financially literate (that is, be able to read and understand financial statements); at least one member must have relevant qualifications and experience (that is, should be a qualified accountant or other finance professional with experience of financial and accounting matters); and some members should have an understanding of the resources industry in which the Company operates.

From time to time, non-Audit and Risk Committee members may be invited to attend meetings of the Audit and Risk Committee, if it is considered appropriate.

## 2. ROLE

The role of the Audit and Risk Committee is to review and make recommendations to the Board in relation to:

- a) the adequacy of the Company's corporate reporting processes;
- b) whether the Company's financial statements reflect the understanding of the Audit and Risk Committee members of, and otherwise provide a true and fair view of, the financial position and performance of the Company;
- c) the appropriateness of the accounting judgments or choices exercised by management in preparing the Company's financial statements;
- d) the appointment or removal of the external auditor, the rotation of the audit engagement partner, the scope and adequacy of the external audit, the independence and performance of the external auditor and any proposal for the external auditor to provide non-audit services and whether it might compromise the independence of the external auditor;
- e) the Company's internal financial control system and the Company's risk management framework, including:
  - i) whether the Company is operating within the risk appetite set by the Board;
  - ii) ensuring that the risk management framework deals with contemporary and emerging sources of risk; and
  - iii) the risk controls and mitigation measures that management has put in place to deal with those risks; changes recommended to the Company's risk management framework or to the risk appetite set by the Board, including an annual review,

- f) compliance with the Company's *Code of Conduct, Whistleblower Policy and Anti-Bribery and Corruption Policy*;
- g) if the Company has an internal audit function:
  - i) the appointment or removal of the head of internal audit;
  - ii) the scope and adequacy of the internal audit work plan; and
  - iii) the objectivity and performance of the internal audit function,
- h) the adequacy of the Company's processes for managing risk;
- i) any incident involving fraud or other break down of the Company's internal controls and the "lessons learnt";
- j) the Company's insurance program, having regard to the Company's business and the insurable risks associated with its business;
- k) the Company's progress against its sustainability commitments; and
- l) perform such other functions as assigned by law, the Company's Constitution or the Board.

Ultimate responsibility for a Company's financial statements and the Company's risk management framework rests with the full Board.

### **3. OPERATIONS**

The Audit and Risk Committee will aim to meet at least four times per year, with further meetings on an as required basis. Minutes of all meetings of the Audit and Risk Committee must be kept. The minutes must be tabled at subsequent meetings of the full Board, and a report of actions taken by the Audit and Risk Committee also given by the Chair of the Audit and Risk Committee at each subsequent meeting of the full Board. Audit and Risk Committee meetings will be governed by the same rules, as set out in the Company's Constitution as they apply to the meetings of the Board.

### **4. RESPONSIBILITIES**

Annual responsibilities of the Audit and Risk Committee are as set out in the *Calendar of Audit and Risk Committee Activities*.

### **5. AUTHORITY AND RESOURCES**

The Company is to provide the Audit and Risk Committee with sufficient resources to undertake its duties, including provision of educational information on accounting policies and other financial topics relevant to the Company, and such other relevant materials requested by the Audit and Risk Committee.

The Audit and Risk Committee has rights of access to management and has the authority to seek explanations and additional information from the Company's external auditors, without management present, when required.

The Audit and Risk Committee has the power to conduct or authorise investigations into any matters within the Audit and Risk Committee's scope of responsibilities. The

Audit and Risk Committee has the authority, as it deems necessary or appropriate, to retain independent legal, accounting or other advisors.

## 6. REPORTING TO THE BOARD AND SHAREHOLDERS

The Audit and Risk Committee is to report to the Board, at least twice per year, on the following matters:

- a) assessment of whether external reporting is consistent with Audit and Risk Committee members' information and knowledge and is adequate for shareholder needs;
- b) assessment of the management processes supporting external reporting;
- c) recommendations for amending the Company's *Procedure for the Selection, Appointment and Rotation of the External Auditor*;
- d) recommendations for the appointment or, if necessary, the removal of the external auditor;
- e) assessment of the performance and independence of the external auditors. Where the external auditor provides non-audit services, the report should state whether the Audit and Risk Committee is satisfied that provision of those services has not compromised the auditor's independence;
- f) assessment of the performance and objectivity of the internal audit function (if any);
- g) the results of the Audit and Risk Committee's review of the Company's risk management framework, risk appetite framework and internal control systems;
- h) the Company's progress against its sustainability commitments;
- i) the results of the Audit and Risk Committee's review of this Audit and Risk Committee Charter; and
- j) comment on the Audit and Risk Committee's operation and composition.

The Chair of the Audit and Risk Committee, if appointed, is to be present at the Company's Annual General Meeting to answer questions, through the Chair of the Board.

## 7. REVIEW OF CHARTER

The Audit and Risk Committee will review this Audit and Risk Committee Charter at least annually, and update it as required.

### POLICY HISTORY

Established	6 October 2016
Last Reviewed	27 February 2020
Frequency	Annually