

# AUDIT AND RISK COMMITTEE CHARTER

## 1. INTRODUCTION

- (a) The audit and risk committee (the "**Committee**") is a committee of the board of directors of the Company (the "**Board**").
- (b) The primary role of the Committee is to assist the Board in fulfilling its obligations and responsibilities relating to financial reporting, internal controls, risk management, corporate governance and the internal and external audit processes.
- (c) This Charter has been adopted by the Board and in this Charter, a reference to the "**Company**" means Emerald Resources NL and the entities that it controls from time to time.

## 2. COMPOSITION

- (a) The Committee shall consist of not less than three non-executive members of the Board, the majority of whom shall be independent.
- (b) The members shall satisfy the financial literacy requirements of applicable regulatory corporate governance guidelines. Members of the Committee shall be selected by a resolution approved by the Board and any member of the Committee may be removed or replaced at any time by a resolution approved by the Board and shall cease to be a member of the Committee upon ceasing to be a director of the Company.
- (c) Rotation of members, if required by the Committee, shall normally be limited to one per year. The decision as to which member to rotate, when appropriate, will be made by a resolution approved by the Board. The Board shall review Committee membership on an annual basis and at other times as the Board may deem appropriate.
- (d) The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determine.

### 3. RESPONSIBILITIES OF THE COMMITTEE

While the Committee has the responsibilities and powers set forth in this Charter, the role of the Committee is oversight of the financial reporting, internal controls and risk management framework to meet relevant best practice guidelines. Accordingly, the responsibilities of the Committee are to assist the Board by overseeing:

- (a) reporting of financial information to users of financial reports;
- (b) internal reporting of financial information;
- (c) application of accounting policies and financial management;
- (d) the internal and external audit process; compliance with applicable laws, regulations, standards and relevant best practice guidelines;
- (e) systems of internal controls; and
- (f) risk management systems and the management of material business risks (including technical, non-technical, financial, non-financial, social, and environmental risk).

### 4. MEETINGS

- (a) The Committee shall have a chair appointed by a resolution approved by the Board (the "**Chair**"), who shall not be the chair of the Board. The Chair shall have the duties and responsibilities set out Schedule A hereto.
- (b) The Committee shall meet at least twice annually, with meetings designed to coincide with the Company's reporting of its half-year and annual results. The Committee shall hold additional Committee meetings as and when the Committee may otherwise deem appropriate.
- (c) Committee meetings may be conducted in-person, through online meeting platforms, over the telephone or by other means deemed appropriate by the Committee. The time at which, and the place where meetings of the Committee shall be held, and the procedure in all respects of such meetings shall be determined by the Committee, unless otherwise provided by the Company's Constitution or by a resolution approved by the Board. Where deemed appropriate by the Chair, meetings and subsequent approvals may be held or concluded by way of a circular written resolution.
- (d) No business may be transacted by the Committee except at a meeting at which a quorum of the Committee is present. Two committee members shall constitute a quorum.
- (e) Each Committee member will have one vote and decisions are made by majority vote. The Chair does not have a casting vote where there is a tied vote. If a tied vote occurs, the matter will be referred to the Board for further consideration.
- (f) The secretary of the Committee (the "**Secretary**") will be the company secretary, or any other person appointed by a resolution approved by the Board. Minutes of the Committee meetings shall be maintained by the Secretary who shall ensure that they are kept in a secure environment.
- (g) All documents for presentation at Committee meetings shall be submitted to the Secretary in the first instance. The Secretary will assist the Chair to compose an agenda for each Committee meeting.
- (h) The Committee may invite such other persons to attend its meetings as it deems necessary.

## 5. AUTHORITY OF THE COMMITTEE

- (a) To ensure the Committee can discharge its responsibilities efficiently and effectively, it is authorised by the Board to:
  - (i) Investigate any activity the responsibilities of the Committee.
  - (ii) Seek any information it requires from any employee and require all employees to co-operate with any relevant request made by the Committee.
  - (iii) Engage external consultants or specialists as it determines necessary to carry out its duties, subject to the Chief Financial Officer ensuring the cost of any external engagements are considered reasonable.
  - (iv) Communicate directly with the internal and external auditors.

## 6. SPECIFIC RESPONSIBILITIES

In carrying out its oversight responsibilities, the Committee will consider and make recommendations to the Board on the following:

### **Accounting and Financial Reporting**

- (a) The Company's annual and interim financial statements prior to public disclosure.
- (b) The earnings press releases prior to public disclosure.
- (c) The Company's accounting and financial reporting controls (including the procedures for the review of the Company's public disclosure financial information extracted or derived from the Company's financial statements).
- (d) Periodic reports including annual directors' reports, quarterly activity reports, quarterly cashflow reports and sustainability reports to ensure that the reports provide investors with appropriate information to make informed investment decisions.

### **Risk Management**

- (a) The risk management policy framework that provides guidance to management in implementing appropriate risk management practices throughout the Company's operations, practices and systems at least on an annual basis, to satisfy itself that it continues to be sound.
- (b) Awareness of the Company's risk management philosophies, policies and strategies by directors, employees, contractors and other appropriate stakeholders.
- (c) The Corporate Risk Register prepared by management.
- (d) Any material incidents involving a break-down of risk controls.
- (e) The level of insurances maintained by the Company.
- (f) Matters related to the Company's whistleblower program, anti-bribery and corruption systems and processes.

**External and Internal Audit**

- (a) The nomination or rotation of an external auditor including the independence of the external auditor which may be impact by non-audit services provided to the Company or its subsidiaries or hiring of former employees of the external auditor in senior financial positions with the Company.
- (b) The periodic reports from the external auditor.
- (c) The work of the Company's internal auditor (where applicable).

Make regular reports to the Board concerning its activities.

**7. APPROVAL AND REVIEW**

This Charter is to be reviewed as needed to ensure that it meets best practice standards, taking into account the size and activities of the Company and the needs of the Company and the Board.

REV NO.	PREPARED/ UPDATED BY	REVIEWED	APPROVED	DATE	NEXT REVIEW
1.0	Company Secretary	Audit & Risk Committee	Board	28 February 2024	28 February 2025
2.0	Company Secretary	Audit & Risk Committee	Board	28 June 2024	28 June 2025

## SCHEDULE A

In addition to the duties and responsibilities set out in the Charter of the Audit and Risk Committee, the Chair of the Audit and Risk Committee has the duties and responsibilities described below:

- (a) Provide overall leadership to facilitate the effective functioning of the Committee, including:
  - (i) overseeing the structure, composition, membership and activities delegated to the Committee;
  - (ii) chairing every meeting of the Committee and encouraging free and open discussion at meetings of the Committee;
  - (iii) scheduling and setting the agenda for Committee meetings with input from other Committee members, the chair of the Board and management as appropriate;
  - (iv) facilitating the timely, accurate and proper flow of information to and from the Committee;
  - (v) arranging for management, internal and external auditors and others to attend and present at Committee meetings as appropriate;
  - (vi) arranging sufficient time during Committee meetings to fully discuss agenda items;
  - (vii) encouraging Committee members to ask questions and express viewpoints during meetings; and
  - (viii) taking all other reasonable steps to ensure that the responsibilities and duties of the Committee, as outlined in its Charter, are well understood by the Committee members and executed as effectively as possible.
- (b) Foster ethical and responsible decision making by the Committee and its individual members.
- (c) Encourage the Committee to meet in separate, regularly scheduled, non-management, closed sessions with the independent auditors.
- (d) Following each meeting of the Committee, report to the Board on the activities, findings and any recommendations of the Committee.
- (e) Carry out other such duties as may reasonably be requested by the Board.

## SCHEDULE B

In addition to the duties and responsibilities set out in the Charter of the Audit and Risk Committee, the Company Secretary has the duties and responsibilities described below:

- (a) Provide support to the Chair to facilitate the effective functioning of the Committee, including:
  - (i) assist with the scheduling and setting the agenda for Committee meetings;
  - (ii) compile information to be presented to the Committee and from the Committee to the Board;
  - (iii) arrange for the attendance of external advisors and others to present at Committee meetings as appropriate;
- (b) Following each meeting of the Committee, present the minutes of the meeting to the Chair for review and following this, circulate to all Committee members and assist the Chair to report to the Board on the activities, findings and any recommendations of the Committee; and
- (c) Carry out other such duties as may reasonably be requested by the Chair.