

**GEOPACIFIC RESOURCES LTD**  
**ACN 003 208 393**  
**("Company")**

---

## **AUDIT & RISK COMMITTEE CHARTER**

---

## **Audit & Risk Committee Charter**

### **1. Composition of the Audit & Risk Committee**

The Committee is to include at least three members, all of whom are non-executive directors and the majority of whom are independent. The Chair of the Committee is to be independent and not the Chair of the Board. At least one member is to have relevant financial qualifications and experience.

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

### **2. Role of the Audit & Risk Committee**

The role of the Audit & Risk Committee is to:

- a. monitor and review the integrity of the financial reporting of the Company, reviewing significant financial reporting judgments and application of accounting policies;
- b. review the Company's internal financial control system and monitor the implementation status of all audit improvement recommendations;
- c. monitor compliance with applicable laws, regulations, standard and relevant good practice guidelines;
- d. monitor, review and oversee the external audit function including matters concerning appointment and remuneration, independence and non-audit services;
- e. monitor and review compliance with the Company's Code of Conduct and receive reports required under the Whistle-blower and Anti-Bribery and Anti-Corruption Policies;
- f. review the adequacy of the Company's processes for managing risk including monitoring of risk management systems and management of material business risks;
- g. review any incident involving fraud or other break down of the Company's internal controls;
- h. review the Company's insurance program, having regard to the Company's business and the insurable risks associated with its business; and
- i. perform such other functions as assigned by law, the Company's Constitution or the Board.

### **3. Operations**

The Committee meets at least two times a year timed to coincide with the Company's reporting for its half-year and annual results, with further meetings on an as required basis.

Items that are usually required to be discussed by the Audit & Risk Committee can be tabled at a full Board meeting and are marked as separate agenda items when required.

Minutes of all meetings of the Committee are to be kept and the minutes and a report of actions taken or recommended to be given at each subsequent meeting of the full Board.

Committee meetings will be governed by the same rules, as set out in the Company's Constitution and/or the Board Charter as they apply to the meetings of the Board.

The CEO and CFO will be required to attend all Committee Meetings and other members of Management will be invited to attend for appropriate agenda items.

The external auditors will be given notice of all meetings and be required to attend.

### **4. Authority and Resources**

The Company is to provide the 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 Committee.

The 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 Committee has the power to conduct or authorise investigations into any matters within the Committee's

scope of responsibilities. The Committee has the authority, as it deems necessary or appropriate, to retain independent legal, accounting or other advisors.

The Committee may, when it considers it necessary or appropriate, obtain independent expert advice.

#### **5. Reporting to the Board and Shareholders**

The Committee is to report to the Board on the following matters:

- a. assessment of whether external reporting is consistent with Committee members' information and knowledge including a review of the certification of the effectiveness of the internal financial controls provided by the CEO and CFO;
- b. assessment of the management processes supporting external reporting including reviewing and recommending the approval and signing of the annual and interim Financial Statements of the Company;
- c. recommendations for amending the Company's Procedures for the Selection and appointment of the External Auditor and procedures for the rotation of external audit engagement partners;
- 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; and
- f. the results of the Committee's review of risk management and internal control systems.

The Chair of the Audit Committee, if appointed, is to be present at the annual general meeting to answer questions, through the Chair of the Board.

#### **6. Responsibilities**

Annual responsibilities of the Committee are as set out in the Audit & Risk Committee Charter – Annual Action Points (over the page).

#### **7. Review of Charter**

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

Revised and approved by the Board: 29 July 2021

## Annual Action Points

### Financial Reporting and Internal Controls

- Review half-year, annual and, if applicable, quarterly financial statements and make recommendations on approval to the Board;
- Assess management's selection of accounting policies and principles;
- Consider the external audit of the financial statements and the external auditor's report thereon including an assessment of whether external reporting is consistent with Committee members' information and knowledge;
- Receive and consider certification (at the interim and annual financial reporting stage) of the operating effectiveness of the financial controls from the CEO and CFO;
- Consider internal controls including the Company's policies and procedures to assess, monitor and manage financial risks (and other business risks if authorised) including foreign exchange, commodity price and tax risks;
- Monitor the timely remediation of internal control deficiencies or improvement opportunities identified by external auditors;
- Assess if the external auditors report is adequate for shareholder needs.

### Annual meeting with External Auditor

- Discuss the Company's choice of accounting policies and methods, and any recommended changes
- Discuss the adequacy and effectiveness of the Company's internal controls;
- Discuss any significant findings and recommendations of the external auditor and management's response thereto;
- Discuss any difficulties or disputes with management encountered during the course of the audit including any restrictions or access to required information.

### External Auditor

- Review the Company's Procedure for the Selection, Appointment and Rotation of External Auditor;
- Recommend to the Board to appoint and, if necessary, remove the external auditor and approve the terms on which the external auditor is engaged;
- Establish/review permissible services that the external auditor may perform for the Company and pre-approve all audit/non-audit services;
- Confirm the independence of the external auditor, including reviewing the external auditor's non-audit services and related fees;
- Assess the overall performance of the external auditor;
- Ensure that the external auditor is requested to attend the annual general meeting of the Company and is available to answer questions from shareholders.

### Internal Communications and Reporting

- Regularly update the Board about Committee activities and make appropriate recommendations including providing the reporting updates as set out in clause 5;
- Ensure the Board is fully aware of matters which may significantly impact the financial conditions or affairs of the business.

### **Risk management**

- Evaluate the adequacy and effectiveness of the Company's risk management framework and processes to identify material changes to the Company's risk profile;
- Oversee action plans as applicable to address areas of perceived risk and monitor implementation programs;
- Review and make recommendations on the strategic direction, objectives and effectiveness of the Company's risk management policies;
- Review the adequacy of monitoring systems in place and obtain reports on compliance with applicable laws, regulations, standard and relevant good practice guidelines;
- Consider internal controls including the Company's policies and procedures to assess, monitor and manage risks.

### **Other**

- Verify the membership of the Committee is in accordance with the Audit Committee Charter;
- Review the independence of each Committee member based on the Company's Policy on Assessing the Independence of Directors;
- Review and update the Audit and Risk Committee Charter and Action Points;
- Develop and oversee procedures for treating complaints or employee concerns received by the Company regarding accounting, internal accounting controls, auditing matters and breaches of the Company's Code of Conduct and Anti-Bribery and Anti-Corruption Policy.
- Receive and consider the reports required under the Company's Whistle-blower and Anti-Bribery and Anti-Corruption Policies