



# Audit Committee Charter

Approved by the Board with effect from 9 March 2023

## 1. Introduction

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- 1.1 The Audit Committee (**Committee**) is a committee of the Board of OreCorp Limited (**Company**).
- 1.2 The Committee is authorised by the Board to investigate any activity within this Charter.
- 1.3 The Committee's purpose is to assist the Board in fulfilling its obligations and responsibilities in respect of the corporate reporting process.

## 2. Responsibilities of the Audit Committee

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- 2.1 The Committee is responsible for reviewing the integrity of the Company's financial reporting and overseeing the external and, if applicable, internal auditors.
- 2.2 In particular, the Committee has the duties listed in sections 10 - 15.

## 3. Membership

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- 3.1 The Committee shall be appointed by the Board from among the Directors of the Company and shall to the extent practicable given the size and composition of the Board, consist of not less than three members, all of whom shall be non-executive directors and with the majority being independent Directors (and it must satisfy this description if required by statute or regulation).
- 3.2 In addition, the Committee will comprise:
  - (a) Members who can read and understand financial statements and are otherwise financially literate;
  - (b) At least one member with financial expertise either as a qualified accountant or other financial professional with experience in financial and accounting matters; and
  - (c) At least one member who has an understanding of the industry in which the Company operates.

## 4. Chair

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- 4.1 The Committee will, to the extent practicable given the size and composition of the Board, appoint an independent Director, other than the Chair of the Board, to be the Chair of the Committee (and the Chair of the Committee must satisfy this description if required by statute or regulation).

## 5. Secretary

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- 5.1 The Company Secretary or their nominee shall be the Secretary of the Committee and shall attend meetings of the Committee as required.
- 5.2 The Secretary will be responsible for keeping the minutes of meetings of the Committee and circulating them to Committee members and to the other members of the Board.

## 6. Quorum

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- 6.1 A quorum for a meeting of the Committee shall be two members. In the absence of the Committee Chair or appointed delegate, the members shall elect one of their number as Chair.

## 7. Other attendees

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- 7.1 The Chief Executive Officer & Managing Director (**CEO & MD**) as well as other members of management or other individuals, including external third parties may be invited to be present for all or part of a meeting of the Committee but will not be members of the Committee.
- 7.2 Representatives of the external auditor may attend meetings of the Committee with or without management, staff or executives present.

## 8. Meetings

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- 8.1 Committee meetings will be held not less than twice per year to enable the Committee to undertake its role effectively.
- 8.2 Meetings will be called by the Secretary, as directed by the Board or at the request of the Chair of the Committee. The Chair will call a meeting of the Committee if requested to do so by any member of the Committee, the CEO & MD or the external auditor.

- 8.3 Where deemed appropriate by the Chair of the Committee and in accordance with the Company's constitution, meetings and subsequent approvals may be held or concluded by way of a circular written resolution or other means by which all members can participate, such as a conference call.
- 8.4 Decisions will be made by a majority of votes with the Chair having a casting vote.

## 9. Reporting procedures

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- 9.1 The Committee will keep minutes of its meetings. The Secretary shall circulate the minutes of the meetings of the Committee to all members of the Committee and the Board for comment and change before being tabled for approval at the subsequent meeting of the Committee and then finally, signed by the Chair of the Committee. All minutes of the Committee are available for inspection by any member of the Board.

## 10. Assessment of effectiveness

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- 10.1 The Committee has a duty to evaluate and make recommendations to the Board in respect of the adequacy and effectiveness of the Company's corporate reporting process and internal control framework through active communication with management, internal auditors (if applicable) and the external auditors.

## 11. Financial statements

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- 11.1 The Committee has the following duties to review the audited annual and half yearly financial statements and any reports which accompany published financial statements before submission to the Board, recommending their approval, focusing particularly on:
- (a) Whether the financial statements reflect the understanding of the Committee members of, and otherwise provide a true and fair view of, the financial position and performance of the Company and its subsidiaries;
  - (b) The appropriateness of the accounting judgements or choices exercised by management in preparing the Company's financial statements;
  - (c) Any changes in accounting policies and practices;
  - (d) Significant adjustments, accounting and financial reporting issues resulting from the external audit;
  - (e) Compliance with accounting policies and standards; and
  - (f) Compliance with legal requirements.

## 12. Related party transactions

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12.1 The Committee must monitor and review the propriety of any related party transactions.

## 13. External audit function

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13.1 The Committee has the following duties in relation to external audit, to:

- (a) Recommend to the Board the appointment of the external auditor and any rotation of the audit engagement partner.
- (b) Each year, review the appointment of the external auditor, their independence, their performance, the audit fee, and any questions of resignation or dismissal.
- (c) Review the adequacy of accounting and financial controls together with the implementation of any recommendations of the external auditor in relation thereto.
- (d) Meet with the external auditors at least twice in each financial period without management being present and at any other time the Committee considers appropriate.
- (e) Discuss with the external auditor before the audit commences the nature and scope of the audit, and ensure coordination between the external auditor and the Company's accounting staff.
- (f) Determine whether any management restrictions are being placed upon the external auditor.
- (g) Discuss problems and reservations arising from the interim and final audits, and any matters the auditors may wish to discuss (in the absence of management where necessary).
- (h) Review the external auditor's management letter and management's response.
- (i) Review and make recommendations on fees payable to the auditor for audit and non-audit work.
- (j) Review any proposal for the external auditors to provide non-audit services and assess whether those services might compromise the independence of the external auditor.
- (k) Ensure adequate disclosure as may be required by law of the Committee's approval of all non-audit services provided by the external auditor.
- (l) Ensure that the external auditor prepares and delivers an annual statement as to their independence which includes details of all relationships with the Company.

- (m) Receive from the external auditor, or any other regulatory body, their report on, among other things, critical accounting policies and alternative accounting treatment, prior to the filing of their audit report in compliance with the *Corporations Act 2001* (Cth).

## 14. Internal audit function

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14.1 The Committee has the following duties in relation to internal audit:

- (a) To recommend to the Board the appointment of an internal auditor if and when one is required.
- (b) If and when an internal audit function is considered to be required, to:
  - (i) Consider the appointment of the internal auditor, the audit fee (if externally contracted) and any questions of resignation or dismissal.
  - (ii) Review the appointment, remuneration, evaluation, retention and dismissal of the chief internal audit executive (if internally appointed).
  - (iii) Each year, and as otherwise required, review the independence, objectivity and performance of the internal audit function.
  - (iv) Each year, review and approve the internal auditor's charter.
  - (v) Each year, review and approve the scope and adequacy of the internal audit work plan.
  - (vi) Review the reporting lines of the internal audit function to ensure that the internal auditor is allowed adequate independence.
  - (vii) Determine whether any management restrictions are being placed upon the internal audit function.
  - (viii) Ensure that the internal audit function is adequately resourced (including qualified personnel, funding and equipment) so as not to impede its ability to execute its responsibilities.
  - (ix) Consider the major findings of the internal audit investigations and management's response.
  - (x) Ensure coordination between the internal and external auditor.
  - (xi) Meet privately with the internal auditor on at least an annual basis.

## 15. Communication

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15.1 The Committee has the following duties in relation to communication:

- (a) If and when required, providing, through regular meetings, a forum for communication between the Board, management and staff involved in internal control procedures and the external auditors.
- (b) Enhancing the credibility and objectivity of financial reports with other interested parties, including creditors, key stakeholders and the general public.
- (c) If and when required, establishing procedures for complaints and reports regarding accounting, internal accounting controls and auditing matters and ensuring a mechanism for the confidential treatment of such complaints and reports including the ability to submit them anonymously.

## 16. Reliance on information or professional or expert advice

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- 16.1 Each member of the Committee is entitled to rely on information, or professional or expert advice, to the extent permitted by law, given or prepared by:
- (a) An employee of the Company or any of its controlled entities whom the member believes on reasonable grounds to be reliable and competent in relation to the matters concerned;
  - (b) A professional adviser or expert in relation to matters that the member believes on reasonable grounds to be within the person's professional or expert competence (noting section 17.3 below); or
  - (c) Another Director of the Company or any of its controlled entities in relation to matters within the Director's authority.

## 17. Access to advice

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- 17.1 Members of the Committee have a right of access to management and to the books and records of the Company to enable them to discharge their duties as Committee members, except where the Board determines that such access would be adverse to the Company's interests. Such access shall be provided on a timely basis.
- 17.2 Members of the Committee may meet with the auditors, both internal and external, with or without management being present.
- 17.3 Members of the Committee may consult independent legal counsel or other advisers they consider necessary to assist them in carrying out their duties and responsibilities, subject to prior consent from the Chair. Any costs incurred as a result of the Committee consulting an independent expert will be borne by the Company.

## 18. Reporting to the Board

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- 18.1 The Committee must report to the Board verbally at the next Board meeting following from the last Committee meeting on matters relevant to the Committee's role and responsibilities. Any recommendations of the Committee will also be tabled at that Board meeting for approval by the Board.
- 18.2 The Committee must brief the Board promptly on all urgent and significant matters.

## 19. Review

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- 19.1 The Board will conduct an annual review of the Committee's performance and its membership to ensure that the Committee is carrying out its functions in an effective manner.
- 19.2 The Board will update the Charter as required or as a result of new laws or regulations, or as otherwise determined appropriate by the Board.