



(Incorporated in Bermuda Registration No. 44512)

AUDIT COMMITTEE CHARTER

1. Purpose of Charter

This charter governs the operations of the Audit Committee (the **Committee**). It sets out the Committee's role and responsibilities, its composition, structure and membership requirements. The Committee has been established to assist the Board of the Company in fulfilling its corporate governance and oversight responsibilities in relation to the Company's financial reports and financial reporting process, internal control structure and the internal and external audit process.

The Committee shall review and assess this charter at least annually and, on each occasion, shall obtain the approval of the Board to any changes with respect to the form of this charter.

2. Composition of the Audit Committee

The Committee is to include at least two members, both of whom are non-executive directors of the Company and both of whom are independent. The Chair of the Committee is to be independent. At least one member is to have recent and relevant qualifications and experience. [Other members shall have an understanding of the management of public listed companies and/or experience in the mining industry.] From time to time, non-Committee members (e.g. staff, CEO, CFO or external parties) may be invited by the Committee to attend meetings of the Committee, if it is considered appropriate.

The secretary of the Committee shall be the Company Secretary of the Company or such other person nominated by the Board.

3. Role of the Audit Committee

The role of the Audit Committee is to:

- (a) monitor and review the integrity of the financial reporting of the Company, reviewing significant financial reporting judgments;
- (b) review the Company's internal financial control system and, unless expressly addressed by a separate risk committee or by the Board itself, risk management systems;

- (c) monitor, review and oversee the external audit function including matters concerning appointment and remuneration, independence and non-audit services;
- (d) monitor and review compliance with the Company's *Code of Conduct* and *Whistleblower Policy*; and
- (e) perform such other functions as assigned by law, the Company's Bye-laws, or the Board.

4. Operations

The Committee meets at least half yearly, with further meetings on an as required basis, either in person, telephonically or by video conference.

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 the next Board meeting after the Committee meeting. Committee meetings will be governed by the same rules, as set out in the Company's Bye-laws as they apply to the meetings of the Board.

A quorum for any meeting will be two members, one of who must be the Chair of the Committee.

5. 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 the authority, within the scope of its responsibilities, to seek any information it requires to carry out its duties from any officer or employee (and all officers and employees are directed to co-operate with any request made by the Committee) or external parties (including the Company's external auditors), without management present, when required.

The Committee has the power, within the scope of its responsibilities, to conduct or authorize 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.

6. Reporting to the Board and Shareholders

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

- assessment of whether external reporting is consistent with Committee members' information and knowledge and is adequate for shareholder needs;

- assessment of the management processes supporting external reporting;
- recommendations for amending the Company's *Procedures for the Selection and Appointment of the External Auditor*;
- recommendations for the appointment or, if necessary, the removal of the external auditor;
- 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 Committee is satisfied that provision of those services has not compromised the auditor's independence; and
- 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.

7. Responsibilities

Annual responsibilities of the Committee are as set out in the Audit Committee Charter – Annual Action Points (**attached**).

AUDIT COMMITTEE CHARTER – ANNUAL ACTION POINTS

Financial Reporting and Internal Controls

- Review half-year, annual and, if applicable, quarterly financial statements
- 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
- Consider internal controls including the Company's policies and procedures to assess, monitor and manage financial risks (and other business risks if authorised)
- 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 and Appointment 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

- Provide the report described in clause 6 of this *Audit Committee Charter*
- Regularly update the Board about Committee activities and make appropriate recommendations
- Ensure the Board is fully aware of matters which may significantly impact the financial conditions or affairs of the business

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 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*