

WEST AFRICAN RESOURCES LIMITED
ACN 121 539 375

RISK COMMITTEE CHARTER

1 INTRODUCTION

The Board of Directors (“**Board**”) of West African Resources Limited (“**Company**”) has resolved to establish a Risk Committee (“**Committee**”). This is the Risk Committee charter for West African Resources Limited. This charter defines the Committee’s functions, duties and responsibilities and outlines the Committee’s procedures.

TERMS OF REFERENCE

2 AUTHORITY AND FORMATION

- (a) The Risk Committee (“**Committee**”) has been established by the Board of West African Resources (“**the Board**”) to assist the Board in ensuring that Management identifies and implements appropriate risk management controls. The Committee acts in terms of delegated authority in respect of the duties and responsibilities assigned to it by the Board.
- (b) In respect of these delegated duties of the Committee, it is accountable to the Board. To this end the Committee must make recommendations for approval by the Board.
- (c) These terms of reference are subject to the provisions of the Corporations Act 2001 as amended (“**the Act**”), the Certificate of Incorporation of WAF, as well as any other applicable law or regulatory provision.

3 MEMBERSHIP

- (a) The Committee shall comprise Non-Executive and Executive members, with a majority being non-Executive members of the Board. In addition, one or more members shall have joint membership of both the Risk and Audit Committees. The Chair of the Committee shall be an independent Non-Executive Director of the Company.
- (b) The Committee shall be majority independent and operate under applicable laws and regulations, including ASX Regulatory Framework, Corporations Act 2001, and ASIC Regulatory guides.
- (c) Members of the Committee shall be appointed by and may be removed by the Board on the recommendation of the Nomination Committee.
- (d) Subject to relevant legislation, the members of the Committee shall not attract any personal liability arising from their appointment, and WAF shall indemnify members of the Committee against all and any claims howsoever arising.
- (e) The General Manager Risk will act as the Committee Secretary.

4 MEETINGS

- (a) The Committee shall meet at least twice during the year. Other supplemental meetings may be held from time to time as determined by members of the Committee, or upon request from the Directors and/or the Management and/or the internal or independent auditors or discussions at the Committee meetings.
- (b) The notice of each meeting of the Committee, confirming the venue, time and date and enclosing an agenda of items to be discussed, shall be forwarded to each member of the Committee prior to the date of each meeting.
- (c) Suitably qualified persons may be invited to attend Committee meetings or be consulted by the Committee from time to time to render such specialist services as may be necessary to assist the Committee in its deliberations on any matter. No attendee who is not a member of the Committee shall have a vote at meetings of the Committee, nor shall he or she form part of the quorum for the meeting.
- (d) Three Committee members present in person or via telecommunication facilities shall constitute a quorum for a Committee meeting.
- (e) Where the Chair of the Committee is not present within 15 minutes of the time stipulated for a committee meeting, the Committee members present at the meeting must elect one of them to chair that meeting.
- (f) A meeting of the Committee may be conducted by electronic communication and/or one or more members may participate in a meeting of the Committee by electronic communication so long as the electronic communication facility employed ordinarily enables all persons participating in that meeting to communicate concurrently with each other without an intermediary, and to participate effectively in the Committee meeting.
- (g) Each member of the Committee has 1 vote on a matter before the Committee, and a majority of the votes cast on a resolution is sufficient for recommendation to the board.
- (h) In the case of a tied vote the Chair of the Committee may not cast a deciding vote even if the Chair did not initially have or cast a vote and the matter being voted on fails.
- (i) A round table resolution of members shall be as valid and effectual as if it had been passed at a meeting of the Committee duly called and constituted, provided that each member has received notice of the matter to be decided upon and that the majority of the members have voted in favour of the matter. A round robin resolution may be executed in any number of counterparts and will have the same effect as if the signatures on the counterparts were on a single copy of the round robin resolution.
- (j) Minutes of the Committee meetings will be prepared by the GM Risk. These minutes shall be circulated to all members of the Committee within one month of the date of each meeting and, thereafter, shall be reviewed and approved by the members of the Committee.
- (k) The Committee shall report to the Board of West African Resources on its activities at the Board meeting following each Committee meeting,

5 PURPOSE

- (a) The purpose of the Committee shall be to assist the Board of WAF in their oversight of the integrity and effectiveness of the risk management processes.
- (b) In discharging its duties, the Committee shall have free and unrestricted access to liaise and communicate with WAF's and its subsidiaries' Directors, Management, employees, internal and independent auditors and outside consultants and advisors, including legal and any other advisors. The Committee shall also have reasonable access to the information, including records, of WAF, and to the company's property, facilities and other resources, as well as to that or those, as the case may be, of the other entities within the Group, as may be necessary to discharge its duties and responsibilities. The Committee shall follow any relevant Board approved process in discharging any of its duties and responsibilities.
- (c) To improve oversight over the risks facing the company, risks have been subdivided and apportioned to relevant Company Managers or groups. Company Managers must provide assurance to the Chair of the Risk Committee that these risks and risk management plans are addressed at committee meetings on a twice yearly.
- (d) The CFO, GM Risk and GM Sustainability, will attend the Committee as invitees. In addition, the Committee may invite other attendees that they consider appropriate.
- (e) The Committee shall not perform any Management functions or assume any Management responsibilities.

6 DUTIES OF THE COMMITTEE

The Committee shall discuss with Management relevant WAF's policies with respect to risk assessment and risk management, including the guidelines and policies that govern Management's assessment and management of risk. The Committee shall be responsible for the following:

- (a) Assessing that effective risk management policies and strategies are in place and are recommended to the Board for approval.
- (b) Reviewing the adequacy and effectiveness of the Committee and risk management policy. The policy must formulate and give effect to the Committees agreed direction on risk.
- (c) Approval of the Company's risk identification and assessment methodologies.
- (d) Reviewing of the nature, extent, and parameters of the Company's risk/reward strategy, in terms of the risk appetite and tolerance relative to reward, as well as the limit of potential loss which the Company can accept and ensure that risks are quantified where practicable (discuss Business Continuity Management)
- (e) Reviewing of the risks identified on a qualitative basis, according to probability and seriousness.
- (f) Reviewing of the effectiveness and efficiency of the Enterprise Risk Management (ERM) system within the Company and be assured that material risks are identified and that appropriate risk management processes are in place, including the formulation and subsequent updating of appropriate Company policies.

- (g) Confirming that appropriate resources are directed towards areas of high risk.
- (h) Regularly receiving a register of the Company's key risks and potential material risk exposures. Reporting to the Board any material changes and/or divergence to the risk profile of the Company.
- (i) Monitoring the implementation of operational and corporate risk management plans. Importantly, the controls identified during the risk management process will be reviewed by the Committee, their effectiveness and stage of implementation. This may include any action plans for tracking of high-level risks and controls.
- (j) Reviewing of the insurance and other risk transfer arrangements and consider whether appropriate coverage is in place.
- (k) Reviewing of the business contingency planning process within WAF and be assured that material risks are identified and that appropriate contingency plans are in place.
- (l) Reviewing and where necessary recommending actions for improvement and outstanding actions on risk management plans for the Company.
- (m) Reviewing a formal risk assessment at least once a year, which should be continually reviewed, updated and applied.
- (n) Reviewing the risk within the combined company structure and coordinating with the regular Board who is ultimately responsible for combined assurance; this means to ensure the Company, Board and Management team are across material risks and that they have an understanding of how high-level risks affect other areas of risk within the business (for example: logistics risk may affect mining risk if unable to supply parts)
- (o) Providing the Board with a detailed and timely ERM report as presented by Management.
- (p) Annually review the risk management charter for recommendation to the Board for approval.
- (q) Annually review and recommend to the Board, the risk disclosure for the Annual Report and Sustainability Report.
- (r) Identify opportunities, including strategic opportunities which are considered when the Company's strategy is determined/developed, linked to certain risks and management of such opportunities.

7 CONDUCT OF COMMITTEE MEMBERS

Committee members are expected to:

- (a) Act in the Company's best interests, in good faith and with integrity and adhere to all relevant legal standards of conduct.
- (b) Avoid conflicts of interest between their personal affairs and those of the Company or, where unavoidable, disclose any such conflict or potential conflict.

- (c) Disclose any information they may be aware of that is material to the Company and of which the Board is not aware, unless such director is bound by ethical or contractual obligations of non-disclosure.
- (d) Keep all information learned by them, in their capacity as a committee member strictly confidential.
- (e) Exhibit the degree of care, skill and diligence that may reasonably be expected of a person carrying out the same functions in relation to the Company as those carried out by that person, and having the general knowledge, skill, and experience of that person.