

**Dominion Minerals Limited ACN 101 955 088**  
**Audit and Risk Management Committee Charter**  
Adoption Date: 9 June 2017

**1 Objectives and Authority**

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- (a) The objectives of the Dominion Minerals Audit and Risk Management Committee are to assist the Board in fulfilling its duties and responsibilities in regard to financial reporting, audit and risk management, including:
  - (i) the integrity of Dominion's financial reporting;
  - (ii) compliance with legal and regulatory obligations;
  - (iii) the effectiveness of Dominion's enterprise-wide risk management and internal control framework; and
  - (iv) oversight of the effectiveness and independence of the external auditor.
- (b) In particular, the Committee is to undertake the functions of the audit committee set out in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 2nd Edition (ASX Principles).

**2 Membership**

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- (a) The Committee is appointed by the Board in accordance with the Constitution.
- (b) The Committee is to consist of:
  - (i) only Non-Executive Directors;
  - (ii) at least three members;
  - (iii) a majority of Independent Directors;
  - (iv) members who are able to read and understand financial statements; and
  - (v) at least one member who has financial expertise, that is, a qualified accountant or other financial professional with financial and accounting experience.
- (c) The Chair of the Committee shall be an independent non-executive director, appointed by the Board.
- (d) The Company Secretary will act as Secretary to the Committee. The Secretary is to attend all Committee Meetings and is to ensure minutes are taken of the Meeting.

**3 Meetings**

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- (a) The Committee should meet up to four times a year, but as frequently as required. Additional Meetings may be requested through the Committee Chair by any member, the Company Secretary, or the relevant partner from the external auditor.
- (b) As required by the Dominion Constitution, a quorum for a Committee Meeting is two members.
- (c) All Directors receive Committee papers and have a standing invitation to attend Committee meetings. Directors who are not Committee members may attend Meetings.
- (d) Appropriate Dominion Management and representatives of the Auditor are to attend Committee Meetings as required and at the invitation of the Committee Chair.
- (e) Meeting agendas, papers and minutes will be issued, kept and circulated in accordance with the standard operating processes of the Board.
- (f) Minutes shall be approved by circular by members in attendance, and signed by the Committee Chair.
- (g) Minutes of Meetings shall be provided to the Board at its next meeting.
- (h) At least twice annually the Committee will:

- (i) meet with Dominion Management (without the Auditor) to discuss any issues relating to the external audit; and
  - (ii) separately meet with the Auditors (without Management) to discuss any relevant issues and seek assurance that no Management restrictions are being placed upon the Auditor.
- (i) Recommendations of the Committee are to be referred to the Board for approval, with the exception of:
- (i) rotation of partners of the external auditor; and
  - (ii) approval of the audit plans and engagement letters of the external auditor, including the payment of annual fees and variations to approved fees of no greater than 10%.

#### **4 Access to Information, Independent Advice and Continuing Development**

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- (a) The Committee will maintain free and open communication with Dominion Management and the Auditors. The Committee has the authority to seek any information it requires from any employee of the Company and all employees must comply with such requests.
- (b) The Committee may take such independent legal, financial or other advice as it considers necessary.
- (c) The Committee should understand the Company structure, operations and key developments relevant to the Committee and may receive periodic presentations from subject matter experts to assist in achieving such an understanding.

#### **5 Responsibilities and Duties**

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- (a) The Committee is responsible for the review and monitoring of financial reporting, audit and risk management strategies, systems, policies and processes implemented, and reported on, by Dominion Management.
- (b) Members of the Committee generally do not represent themselves as experts in the fields of accounting, auditing or risk management. As such, it is not the responsibility of the Committee directly to conduct accounting, audit or risk reviews.
- (c) Committee members are entitled to rely on Dominion Management on matters within their responsibility and on the expertise of external professionals. Committee members may rely on the accuracy of information provided by such persons, so long as the members are not aware of any reasonable grounds upon which such reliance or assumption may not be appropriate.
- (d) Management is responsible for:
  - (i) the preparation, presentation and integrity of the Company's financial information and other information provided to the Committee;
  - (ii) implementing, managing and maintaining appropriate enterprise-wide accounting, financial reporting and risk management strategies, systems, policies and processes, reporting protocols and internal controls that are designed to ensure compliance with applicable accounting standards, laws and regulations; and
  - (iii) maintaining sufficient knowledge, skills and expertise within the Dominion finance function.
- (i) The Auditor is responsible for planning and carrying out each audit and review in accordance with applicable auditing standards. The Auditor is accountable to shareholders through the Committee.

## **6 Review of Financial Information**

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- (a) The Committee will review the draft half yearly and annual financial statements of Dominion prior to consideration by the Board, to assess whether they represent a true and fair view of Dominion for reporting purposes, financial position and performance.
- (b) The Committee should focus on:
  - (i) compliance with accounting standards (including an assessment of the appropriateness of management's selection of accounting policies and disclosures);
  - (ii) the reasonableness of significant estimates and judgments in the Company's financial statements, including by making enquiries of management and the Auditor;
  - (iii) significant or unusual transactions and accounting estimates;
  - (iv) significant changes in accounting policies and practices;
  - (v) underlying earnings and major judgmental areas;
  - (vi) significant audit adjustments and unadjusted audit differences; and
  - (vii) the form of the proposed opinion to be issued by the external auditor.
- (c) The Committee will review the Declarations signed by the Chief Executive Officer and Chief Financial Officer required by section 295A of the Corporations Act and Recommendations 7.2 and 7.3 of the ASX Principles.

## **7 Legal and Regulatory Compliance**

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- (a) Without limiting its scope, the Committee will, in conjunction with the Board and Dominion Management, monitor the Company's compliance with all relevant:
  - (i) statutory and regulatory obligations, including the ASX's continuous disclosure obligations; and
  - (ii) internal policies and procedures.
- (b) The Committee will consider the effects on the Company of any new or proposed accounting or tax practices, principles or developments, disclosure requirements and legislative or regulatory pronouncements.

## **8 Enterprise-Wide Risk Management and Control Framework**

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- (a) The Committee will, after taking into account the work of the Board, review Dominion Management's establishment and operation of an enterprise-wide risk management system which is designed to identify, assess, monitor and manage material business risk throughout Dominion, in relation to audit, accounting, tax and financial reporting risk and obligations.
- (b) The Committee will consider the adequacy and effectiveness of Dominion's internal control framework by reviewing reports from Management and external auditors, and by monitoring Management responses and actions to correct any noted deficiencies.
- (c) In assisting the Board, the Committee is to confirm there are adequate procedures for the receipt, retention and treatment of complaints (including "whistleblowing" complaints) received by Dominion, including procedures relating to risk management, legal and regulatory compliance, accounting, internal controls or auditing. This is to include a process for confidential anonymous complaints by employees or other stakeholders.

## **9 Auditor**

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- (a) The Committee will:
  - (i) recommend to the Board the appointment, reappointment or replacement of the Auditor;

- (ii) approve rotation of partners of the Auditor;
  - (iii) review and approve the audit plans and engagement letters of the Auditor, including payment of annual fees and variations to approved fees of greater than 10%;
  - (iv) review the overall scope of the audit, including identified risk areas and any additional agreed-upon procedures;
  - (v) consider the overall effectiveness and independence of the Auditor; and
  - (vi) resolve any disagreements between Management and the Auditor regarding financial reporting.
- (b) The Committee will monitor and note compliance by the Auditor with the independence requirements imposed by the Corporations Act and will receive and review the Auditor's Independence Declaration to be provided to the Directors of Dominion by the Auditor pursuant to section 307C of the Corporations Act.
- (c) The Committee will implement a process for approval of all audit and non-audit services provided by the Auditor (who are not to be appointed to undertake any non-audit assurance services that may impair the external auditor's judgment or independence in respect of Dominion).
- (d) On an annual basis, the Committee will review a report from the Auditor:
- (i) confirming that the audit firm's internal quality control and conflict procedures are in place and operating; and
  - (ii) describing any material issues raised by the most recent quality control, or peer review, of the audit firm and any steps taken to deal with any such issues.
- (e) The Committee and Management will agree the hiring policies for employees or former employees of the Auditor to comply with the Corporations Act and to prevent the impairment or perceived impairment of the Auditor's judgment to independence.
- (f) Prior to the annual approval of the Directors' Report, the Committee will pass a resolution to provide the Board with the written advice required by section 300(11D)(a) of the Corporations Act relating to:
- (i) whether any non-audit services provided during the year by the Auditor are compatible with the general standard of independence of auditor imposed by the Corporations Act; and
  - (ii) the reasons why the Board should be satisfied that any non-audit services provided during the year by the Auditor did not compromise the Auditor independence requirements of the Corporations Act.

## **10 Other**

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The Committee shall examine any other matters referred to it by the Board.

## **11 Committee Performance**

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- (a) To determine whether it is functioning effectively, once each year the Committee shall:
- (i) review this Charter; and
  - (ii) perform an evaluation of its performance.