



Audit Committee Charter

Venus Metals Corporation Limited ABN 99 123 250 582 (Company)

1 Composition

The Audit Committee shall be structured so that it has at least two members, all of whom are non-executive directors or consultants and a majority of whom are independent. The Chair of the Audit Committee must be independent and not also Chair of the Board.

All members of the Audit Committee must be financially literate (that is, be able to read and understand financial statements); at least one member must have relevant qualifications and experience (that is, should be a qualified accountant or other finance professional with experience of financial and accounting matters); and some members should have an understanding of the industry in which the Company operates.

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

2 Role

The role of the Audit Committee is to review and make recommendations to the Board in relation to:

- (a) the adequacy of the Company's corporate reporting processes;
- (b) whether the Company's financial statements reflect the understanding of the Audit Committee members of, and otherwise provide a true and fair view of, the financial position and performance of the Company;
- (c) the appropriateness of the accounting judgments or choices exercised by management in preparing the Company's financial statements;
- (d) the appointment or removal of the external auditor, the rotation of the audit engagement partner, the scope and adequacy of the external audit, the independence and performance of the external auditor and any proposal for the external auditor to provide non-audit services and whether it might compromise the independence of the external auditor;



VENUS METALS
CORPORATION LIMITED

- (e) the Company's internal financial control system and, unless expressly addressed by a separate risk committee or by the Board itself, oversee the Company's risk management framework;
- (f) compliance with the Company's *Code of Conduct*; and
- (g) if the Company has an internal audit function:
 - (i) the appointment or removal of the head of internal audit;
 - (ii) the scope and adequacy of the internal audit work plan; and
 - (iii) the objectivity and performance of the internal audit function; and
- (h) perform such other functions as assigned by law, the Company's Constitution or the Board.

Ultimate responsibility for a Company's financial statements rests with the full Board.

3 Operations

The Audit Committee meets at least twice per year, with further meetings on an as required basis. Minutes of all meetings of the Audit Committee must be kept. A report of actions taken by the Audit Committee is given by the Chair of the Audit Committee at each subsequent meeting of the full board, and once finalized the minutes are available for Board review. Audit Committee meetings will be governed by the same rules, as set out in the Company's Constitution as they apply to the meetings of the Board.

4 Authority and resources

The Company is to provide the Audit 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 Audit Committee.

The Audit 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 Audit Committee has the power to conduct or authorize investigations into any matters within the Audit Committee's scope of responsibilities. The Audit Committee



has the authority, as it deems necessary or appropriate, to retain independent legal, accounting or other advisors.

5 Reporting to the Board and shareholders

The Audit Committee is to report to the Board, at least twice, on the following matters:

- (a) assessment of whether external reporting is consistent with Audit Committee members' information and knowledge and is adequate for shareholder needs;
- (b) assessment of the management processes supporting external reporting;
- (c) recommendations for amending the Company's *Procedure for the Selection, Appointment and Rotation of the External Auditor*;
- (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 Committee is satisfied that provision of those services has not compromised the auditor's independence;
- (f) assessment of the performance and objectivity of the internal audit function (if any);
- (g) the results of the Audit Committee's review of the Company's risk management framework and internal control systems;
- (h) the results of the Audit Committee's review of this Audit Committee Charter; and
- (i) comment on the Audit Committee's operation and composition.

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.