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## **1. OBJECTIVE**

The Audit & Risk Committee (committee), is a committee of the board of directors of Coda Minerals Limited (board). This is in accordance with Coda Minerals Limited Constitution (clause 57) and Board Charter (clauses 1.6(a)(i) and 2.2). The purpose of the committee is to assist the board to carry out the following functions more efficiently and fully:

- oversight of the integrity of the company's statutory financial reports and statements; and
- reviewing compliance with internal guidelines, policies and procedures.

The committee may, within the scope of its responsibilities:

- perform activities and make recommendations to the board consistent with these terms of reference;
- require the attendance of company officers at meetings as appropriate; and
- have unrestricted access to management, employees, internal and external auditors (with or without management present) and information it considers relevant to its responsibilities under these terms of reference.

The committee has no management role.

## **2. MEMBERSHIP**

Committee members are appointed by the board. The committee will consist of:

- A minimum of three members;
- all of whom are non-executive directors; and
- a majority of whom are independent directors.

The board also appoints the chairman of the committee, who must be an independent director who is not the chairman of the board.

The secretary of the committee will be the company secretary, or such other person as nominated by the board.

The skills and performance of all committee members will be reviewed annually by the board.

## **3. MEETINGS**

- The committee meets formally at least twice a year to enable the draft half-yearly and yearly financial reports and statements to be reviewed prior to presentation to the board.
- The number of times the committee met and the individual attendance by members at committee meetings must be disclosed in the annual report.
- A quorum is two independent non-executive director members of the committee.
- The agenda and supporting papers should be delivered to the committee members by the company secretary in advance of each meeting.

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- Draft minutes of each committee meeting are to be approved by the committee chairman and circulated to all committee members by the company secretary within a reasonable timeframe following the committee meeting.
  - Annual cycle of agenda is set out in Appendix A

#### **4. RESPONSIBILITIES**

##### Financial Reporting:

- Review half-yearly and yearly financial reports and statements with management and with the external auditors as necessary prior to their approval by the board.
- Review any recommendations from the chief financial officer on accounting policy changes.
- Make recommendations to the board on significant accounting and financial policy issues, and review the appropriateness of the accounting judgments or choices exercised by management in preparing the half-yearly and yearly financial reports and statements.

##### Interface with the external auditor:

- Review with the external auditor any significant recommendations made by them on the subject of internal controls, and management's response to the recommendations.
- Monitor the progress made by management for the improvement in internal controls arising from recommendations made by the external auditor.
- Review the independence and performance of the external auditor, and external audit fees.

##### Risk Review:

- Period review of the Company's risk framework and top risks

#### **5. GENERAL**

The committee will carry out any other responsibilities and functions that may be delegated by the board.

#### **6. REVIEW OF TERMS OF REFERENCE**

The committee will review the committee's terms of reference periodically, discuss any required changes with the board and ensure any revisions to the terms of reference are approved by the Coda Minerals board.

**Appendix A**

Meeting	Feb	Jun	Aug	Nov	Recommend
					Board adoption
<b>Financial Reports</b>					
Review the Annual Financial Report and Appendix 4E			X		✓
Review the Half-Year Financial Report and Appendix 4D	X				✓
Review the accounting judgements exercised by management in preparing the financial reports	X		X		
Consider any incidences of fraud or break down of the Company's internal controls	X		X		Advise
Review the external audit and review plan				X	
Review the independence of the external auditor	X		X	X	Advise
Consider the external auditor's closing report to the Committee	X		X		
Assess the external auditor			X		Advise
Consider if rotation of the audit engagement partner is required				X	Advise
Obtain the CEO and CFO Declaration (s295A)	X		X		Advise
<b>Risk and compliance</b>					
Risk Matrix (Top Risks)		X		X	Advise
Review the Company's Enterprise Risk Management framework	X				Advise
Insurance review		X			Advise
Taxation matters (as required)	X	X	X	X	
<b>Other</b>					
Consider any proposal for the external auditor to provide non-audit services	X	X	X	X	
Review and monitor related party transactions and assess their propriety		X			Advise
<b>Administration &amp; Reporting</b>					
Review Committee Charter				X	✓
Review Annual Calendar of Agenda Items	X	X	X	X	
Provide an oral report at the next Board meeting as to any material matters arising out of the Committee meeting	X	X	X	X	
Discuss trends & issues and upcoming accounting developments		X		X	