ROX RESOURCES LIMITED
(ACN 107 202 602)

AUDIT AND RISK COMMITTEE CHARTER

1 INTRODUCTION

The Board of Directors ("**Board"**) of Rox Resources Limited ("**Rox"** or "**Company"**) has resolved to establish an Audit and Risk Committee of the Board ("**Committee"**). The Company includes, where applicable, its subsidiaries.

2 PURPOSE

The Board has approved this Charter, which prescribes the roles and responsibilities, composition, structure and membership requirements for the Committee.

This Charter aligns with the ASX Corporate Governance Principles and Recommendations ("**ASX Recommendations"**).

3 ROLE AND RESPONSIBILITIES

While the Committee has the responsibilities and powers set forth in this Charter, the role of the Committee is oversight of Management in fulfilling its responsibilities for corporate governance and oversight of the Company's financial reporting, internal control structure, risk management systems and internal and external audit functions. Accordingly, the responsibilities of the Committee are to assist the Board by overseeing:

(a) reporting of financial information to users of the Company's financial reports;

(b) systems of internal controls;

(c) risk management systems and the management of material business risks;

(d) application of accounting policies and improving financial management;

(e) the internal and external audit process;

(f) compliance with applicable laws, regulations, standards and relevant best practice guidelines;

(g) maintenance of effective relationships with external audit functions and being a forum for communication between the Board and the external auditor;

(h) maintenance of the quality of internal and external reporting of financial information; and

(i) maintenance of the credibility and objectivity of the accounting process (including financial reporting).

The Committee is empowered to investigate any matter, with full access to all books, records, company operations, and people of Rox and the authority to engage independent accounting, legal, compliance, risk management or other professional advisers as it determines necessary to carry out its duties.

The Committee is a committee of the Board established in accordance with Rox's constitution and authorised by the Board to assist it in fulfilling its statutory and regulatory responsibilities. It has the authority and power to exercise the role and responsibilities set out in this Charter and granted to it under any separate resolutions of the Board from time to time.

4 COMPOSITION

Committee members are appointed by the Board for a term considered appropriate by the Board. The Board may appoint additional directors to the Committee and may remove or replace members of the Committee by resolution of the Board. The membership of the Committee shall include at least 3 members:

(a) all of whom must be non-executive Directors and a majority of whom are independent Directors;

(b) its members between them should have accounting and financial expertise, be conversant with risk management principles and standards, have a sound understanding of the business, operations and affairs of the Company and have sufficient understanding of the mining industry.

The Chair of the Committee must be an independent Director and must not be Chair of the Board (the latter may, however, be a member of the Committee).

The Company Secretary or another person approved by the Committee is the secretary to the Committee.

Members of the Committee may withdraw from the Committee by notifying the Board in writing.

5 MEETINGS

The Committee shall meet at least four times per annum, with two meetings designed to coincide with the Company's reporting of its half-year and annual results. The Committee shall hold additional Committee meetings as and when the Committee may otherwise deem appropriate. A notice of meeting, agenda and relevant supporting documents will, where practicable, be provided seven days before each meeting.

A quorum consists of a majority of members of the Committee, with a minimum of two members.

The Company Secretary or another person approved by the Committee will attend all Committee meetings as minute secretary. All minutes of the Committee will be entered into a minute book maintained for that purpose and will be open at all times for inspection by any Director.

Non-members may attend meetings by invitation of the Committee, including the:

(a) Chief Executive Officer;

(b) Chief Financial Officer;

(c) Company Secretary;

(d) Chief Operating Officer; and

(e) Other person charged with compliance assurance.

These people may take part in the business of, and discussions at, the meeting but have no voting rights.

6 SPECIFIC DUTIES

In carrying out its oversight responsibilities, the Committee will:

6.1 Financial reporting

(a) Review and make recommendations to the Board in relation to the adequacy and integrity of the Company's corporate reporting processes.

(b) Review and monitor the Company's compliance with relevant statutory and regulatory requirements in relation to the Company's Financial Statements.

(c) Review the Half-Year and Annual Financial Statements to determine whether the Company's Financial Statements reflect the understanding of the Committee members, and otherwise provide a true and fair view of, the financial position and performance of the Company.

(d) Consider the external audit of the Financial Statements and the external auditor's report on the Financial Statements.

(e) Review the appropriateness of the accounting judgments or choices exercised by management in preparing the Company's Financial Statements.

(f) Review complex and unusual transactions and their effect on the Financial Statements.

(g) Review related party transactions and the adequacy of their disclosure in the Financial Statements.

(h) Review the Company's tax affairs, including significant transactions or actions, tax strategy, policy and tax risks.

(i) Ensure that the declaration referred to in Recommendation 4.2 of the ASX Corporate Governance Council Corporate Governance Principles and Recommendations is given before the Board approves the Company's Financial Statements for each half-year and full year.

(j) Monitor changes in the legal and regulatory framework in relation to financial reporting.

6.2 Internal control

(a) Assess the internal processes for determining and managing key financial risk areas, particularly:

(i) compliance with laws, regulations, standards, and best practice guidelines, including industrial relations laws;

(ii) important judgments and accounting estimates;

(iii) litigation and claims; and

(iv) fraud and theft.

(b) Reviewing the Company's delegation of authority matrix.

(c) Make recommendations to the Board for improvements (if any) in relation to the internal financial management and financial controls of the Company.

(d) Obtain and assess management reports on any suspected or actual fraud, theft, or breaches of law, and recommend appropriate actions by the Board.

(e) Address the effectiveness of the internal control, financial risk management and performance management systems with management and the external audit providers.

(f) Evaluate the processes the Company has in place for assessing and continuously improving internal controls, particularly those related to areas of significant risk.

(g) Review, with reasonable frequency, whether the Company's whistleblower program and the compliance and anti-bribery and corruption systems and processes for managing compliance and anti-bribery and corruption risks are appropriate and effective.

(h) Meet periodically with key management and external auditors to understand and discuss the control environment.

6.3 IT and Cybersecurity

(a) Review the Company's IT systems and risks relating to IT, including the state of the Company's IT and cybersecurity, emerging cybersecurity developments and threats and the Company's strategy to manage IT and cybersecurity risks.

(b) Review the Company's data protection practices to ensure compliance with security and privacy regulations.

(c) Oversee the timing and process of the Company's periodic review and assessment of its IT systems, including the engagement of external parties to consider and audit the Company's cybersecurity program, controls and processes and the implementation of any remediation plans to address areas identified as needing improvement.

6.4 External auditor

(a) Meet with the external auditor at least twice each year, and any other time considered appropriate.

(b) Review the Company's Procedure for the Selection, Appointment and Rotation of External Auditor set out in the Appendix to this Committee Charter.

(c) Carry out the functions ascribed to the Committee in the Procedure for the Selection, Appointment and Rotation of the External Auditor.

(d) Assess the scope and adequacy of the external audit.

(e) Review the independence and performance of the external auditor.

(f) Review the fees payable to the external auditor for audit and non-audit work.

(g) Review any proposal for the external auditor to provide non-audit services and whether it might compromise the independence of the external auditor.

(h) Ensure that the external auditor is given notice of all general meetings and attends the Company's annual general meeting.

6.5 Internal Audit

If the Company has an internal audit function, the Committee is responsible for:

(a) Making recommendations to the Board on the appointment and removal of the head of the internal audit function.

(b) Making recommendations to the Board on the scope and adequacy of the internal audit work plan.

(c) Reviewing and assessing the independence, objectivity and performance of the internal audit function.

(d) Approving and ensuring the resourcing of the internal audit function, as appropriate, including budgetary allocation for staffing and external consulting support (as necessary).

6.6 Risk management

(a) Oversee management's establishment and implementation of the Company's risk management framework (which includes the Company's Risk Policy, the Risk Management Framework and the Risk Appetite Statement) for both financial and non-financial risks, including its strategy, procedures and systems, and review and recommend the framework, and any material changes to it, to the Board for approval.

(b) Review at least annually, and monitor the effectiveness of, the Company's risk management framework to satisfy and ensure it continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board.

(c) Make recommendations to the Board as to approval of new policies, or amendments to existing policies for:

(i) identifying and managing/mitigating/transferring risk in accordance with the risk management framework; and

(ii) business continuity and crisis planning risk management.

(d) Monitor management's performance against the Company's risk management framework, including whether it is operating within the risk appetite set by the Board.

(e) Oversight of management's maintenance of the risk register.

(f) Review any material incident involving fraud or a breakdown of the Company's risk controls and the "lessons learned".

(g) Receive reports from internal audit, or other qualified party, on its reviews of the adequacy of the Company's processes for managing risk.

(h) Receive reports from management on new and emerging sources of risk (including ESG, environmental, social, health & safety, operational, financial and reputational risks) and the risk controls and mitigation measures that management has put in place to deal with those risks.

(i) Make recommendations to the Board in relation to changes that should be made to the Company's risk management framework or to the risk appetite set by the Board.

(j) Oversee the entity's insurance program, having regard to the Company's business and the insurable risks associated with its business.

(k) Monitor changes in the legal and regulatory framework in relation to risk management and risk management reporting.

(l) Ensure risk management is integrated into strategic planning and operational decision-making.

(m) Review, and make recommendations to the Board on, the disclosure of material risk exposures where required, in accordance with the Company's Continuous Disclosure Policy.

6.7 Compliance

Review and oversee compliance with the Company's:

(a) Code of Conduct;

(b) Anti Bribery and Corruption ("**ABC"**) Policy;

(c) Whistleblower Policy;

(d) Delegation of Authority;

(e) Financial Risk Management Policy;

(f) Taxation Policy; and

(g) Other policies or standards approved by this Committee.

The Committee will:

(a) monitor compliance with the Corporations Act, ASX Listing Rules and other applicable laws;

(b) Oversee whistleblower and complaint handling procedures (including receipt, retention, and effective treatment of these complaints), including confidential and anonymous reporting mechanisms and any information that may be materially price sensitive in accordance with the Company's Continuous Disclosure Policy.

(c) oversee processes supporting continuous disclosure obligations, including reviewing financial reporting risks that may give rise to disclosure obligations;

(d) review significant regulatory investigations, findings or material breaches; and

(e) receive reports of suspected or actual material violations of law, Company policy or fiduciary duty.

6.8 Related Party

(a) Review and monitor transactions and investments involving the Company and its Related Parties (as defined below), including a review of the register of Related Party contracts maintained and provided by management on at least an annual basis.

(b) Review and, where appropriate, recommend that the Board approve all transactions in which the Company is a participant and in which any Related Party has or will have a direct or indirect material interest.

(c) The Committee should only recommend that the Board approve those Related Party transactions that are determined to be in, or are not inconsistent with, the best interests of Rox and its shareholders. Transactions with Related Parties or shareholders may also be subject to shareholder approval under the ASX Listing Rules or the Corporations Act. A Committee member who has an interest in a Related Party transaction must not participate in the Committee's consideration of that transaction.

For the purpose of this Charter, a Related Party of the Company includes its executive officers, Directors, beneficial owners of more than 5% of the Company's shares, immediate family members of the foregoing persons and any other persons classified by law or the ASX listing rules or whom the Board determines to be a related party of the Company.

6.9 Other

Perform such other functions as assigned by law or the Company's constitution.

7 OPERATIONS

When matters within the responsibility of the Committee are considered, they are marked as separate agenda items at meetings of the Board. The Board deals with any conflicts of interest that may occur by ensuring that the director with a conflicting interest is not party to the relevant discussions.

8 AUTHORITY AND RESOURCES

The Company will provide the Committee with sufficient resources to undertake its duties, including providing educational information on accounting policies and other financial topics relevant to the Company, to assist the Committee in fulfilling its duties.

The Committee is authorised to:

(a) seek any information it requires to perform its duties, from any employee of the Company;

(b) seek explanations and additional information from the Company's external auditors, without management present, when required; and

(c) obtain, at the Company's expense, external legal or other professional advice on any matter within its responsibilities as set out in this Committee Charter.

The Committee has the power to conduct or authorise investigations into any matter within its scope of responsibilities.

9 REVIEW

The Board will, at least once per year, review the membership, performance and Charter of the Committee to ensure it remains consistent with the Board's objectives and responsibilities.

10 REPORTING TO THE BOARD

The Committee is to report to the Board on an ongoing basis and, in any event, at least once per year, on the following matters:

(a) report and make recommendations to the Board on all matters relevant to the Committee's role and responsibilities;

(b) advise the Board in a timely manner of audit, financial reporting, internal control, risk management and compliance matters which may have a material impact on the Company;

(c) assessment of whether external financial reporting is consistent with the Committee members' information and knowledge and is adequate for shareholder needs;

(d) assessment of the management processes supporting financial reporting;

(e) recommendations for the appointment or, if necessary, the removal of the external auditor;

(f) assessment of the performance and independence of the external auditors. Where the external auditor provides non-audit services, the report should state whether the Committee is satisfied that the provision of those services has not compromised the auditor's independence;

(g) if the Company has an internal audit function, assess the performance and objectivity of the internal audit function;

(h) the results of the Committee's review of the Company's risk management framework, risk appetite and internal control systems;

(i) key taxation matters;

(j) the results of the Committee's review of this Charter; and

(k) comment on the Committee's operation and composition.

APPENDIX A

Procedure for the Selection, Appointment and Rotation of External Auditor

1 The Board is responsible for the initial appointment of the external auditor and the appointment of a new external auditor when any vacancy arises, as per the recommendations of the Committee (or its equivalent). Any appointment made by the Board is subject to confirmation by shareholders at the next Annual General Meeting of the Company. In recommending the appointment of an auditor to members, the Board may consider the matters outlined in Australian Securities and Investments Commission Information Sheet 196 *Audit quality: The role of directors and audit committees* under the headings "Recommending the appointment of an auditor" and "Assessing potential and continuing auditors".

2 Candidates for the position of external auditor of the Company must be able to demonstrate complete independence from the Company, and an ability to maintain independence through the engagement period. Further, the successful candidate must have arrangements in place for the rotation of the audit engagement partner in accordance with professional standards as current from time to time, including part 2M.4 Division 5 of the *Corporations Act 2001* (Cth).

3 Other than the mandatory criteria set out in paragraph 2 above, the Board may select an external auditor based on criteria relevant to the business of the Company such as experience in the industry in which the Company operates, references, cost, internal governance processes and any other matters deemed relevant by the Board. The Board may consider the matters outlined in the Australian Securities and Investments Commission Information Sheet 196 *Audit quality: The role of directors and audit committees* under the heading "Assessing potential and continuing auditors".

4 The Committee (or its equivalent) will review the performance of the external auditor on an annual basis and make any recommendations to the Board. The Committee (or its equivalent) may refer to the matters outlined in the Australian Securities and Investments Commission Information Sheet 196 *Audit quality: The role of directors and audit committees* under the heading "Assessing potential and continuing auditors" when reviewing the performance of the external auditor.

5 The Board is responsible for ensuring that the external audit engagement partner is rotated at least every five years with at least two years expiring before that partner can again be involved in the audit of Rox unless there are compelling reasons to extend the engagement of that partner for not more than an additional two successive years and otherwise in accordance with the requirements of the Corporations Act 2001 (Cth).