

GOLD ROAD RESOURCES LIMITED

ABN: 13 109 289 527

AUDIT COMMITTEE CHARTER

1. Role

The purpose of the Committee is to provide assistance to the Board in fulfilling their oversight responsibility relating to:

- Integrity of the Gold Road Resources Limited ('Gold Road') financial statements.
- Effectiveness of Gold Roads internal control over financial reporting.
- External audit function.
- Other functions as assigned by the Board.

2. Composition

This charter governs the operation of the Gold Road Audit Committee (Committee).

The Board of Directors (Board) of Gold Road shall appoint a Committee of at least three board members.

- The Committee shall only consist of non-executive directors and the majority of which shall be independent directors (pursuant to the recommendations of the Corporate Governance Council)
- The Chairman of the Committee shall be an independent director
- Each member of the Committee shall be financially literate
- The Committee shall meet often as required but at least twice per year.
- The Executive Chairman and Company Secretary are not eligible to be Committee members but may be invited to attend as appropriate.
- The Committee shall keep minutes of its meetings and shall report regularly to the Board with respect to its activities.

3. Duties and Responsibilities

The following shall be the principal duties and responsibilities of the Committee:

- In relation to the independent auditor the Committee is directly responsible for the appointment, compensation, rotation of the lead audit partner, retention of the audit firm and oversight of the work of the independent auditor. This shall include all audit and non audit services provided by the independent auditor. The independent auditor shall report directly to the Committee.
- Regular review with the independent auditor any audit problems or difficulties encountered during the audit including any restrictions on the scope of the independent auditors activities or access to information.
- Meet to discuss the financial statements with management and the independent auditor prior to the finalisation of the Gold Road annual and half yearly reports.

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3. Duties and Responsibilities (cont'd)

- Review of the financial statements shall include:
 - Major issues regarding accounting policies and financial statement presentation.
 - Discussions with management and the independent auditor regarding significant financial reporting issues and judgments made in the preparation of the financial statements and the reasonableness of those judgments.
 - Consideration of the judgment of both management and the independent auditor about the quality of the accounting policies including any significant changes in their selection or application.
 - Assessment of whether external reporting is consistent with the Committees information and knowledge.
 - The clarity of the disclosures in the annual and half yearly external reports.
- Review managements report on its assessment of the effectiveness of internal control over financial reporting at the end of each reporting year.
- Make recommendations to the Board for improvements (if any) in relation to the internal management and the financial controls of the Company.
- Review all related party transactions and discuss with management the business rationale for the transactions.
- Evaluate its own performance annually to determine if the Committee is functioning effectively. The process is to include a review of its charter. The approval of the Board is required for any amendment.

This Policy was adopted by the Gold Road Resources Limited Board on xx May 2012.