

## 1. ROLE

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To assist the Board in fulfilling its oversight, monitoring and review of the Company's practices and governance in the following areas:

- Monitoring the Company's risk profile and review of any significant changes to material and strategic risk identified and managed by management, ensuring these remain within the risk appetite set by the Board.
- Recommend to the Board changes to the risk management framework for the risk appetite set by the Board.
- The Company's risk management system and internal controls to ensure that all major and emerging risks are identified, managed and monitored with the appropriate risk mitigation and improvement plans.
- The Company's sustainability strategy and plans, particularly in the areas of health, safety, environment and social performance.
- The Company's performance against the sustainability strategy including review of annual objectives and targets.
- Monitoring systems and compliance with relevant laws, regulations, policies, standards and procedures.
- Other functions as assigned by the Board.

## 2. COMPOSITION

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The Committee will be appointed by the Board and will consist of at least three Board members. The appointees will be Non-executive Directors and the majority will be independent Non-executive Directors. An independent Director will be appointed as Chair of the Committee. All Directors will receive Committee papers and have a standing invitation to attend Committee meetings.

A quorum will comprise any two Committee members. In the absence of the Committee Chair or appointed delegate, the members shall elect one of their number as Chair for that meeting.

## 3. OPERATION

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The Committee will meet at least four times a year, with other meetings on an as required basis.

Committee meetings will be governed by the same rules in the Company's constitution, with the rules for Board meetings applying to Committee meetings.

The Company Secretary shall be the Secretary of the Committee. At the discretion of the Chair, having regard to the nature of the agenda, relevant Executive Directors or members of management may be invited to attend meetings or parts of meetings.

The Audit Committee will have the primary responsibility for financial matters (including financial compliance, financial risk management and financial audit), with the Risk and ESG Committee holding primary responsibility for all other areas of risk and governance. Where possible overlap exists, the committee chairs will confer with management or the Board to agree the responsibility of each committee.

The Chair of the Committee updates the Board about matters considered, discussed and resolved at Committee meetings, and other matters relevant to the Committee's role, responsibilities and activities.

## 4. RESPONSIBILITIES

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The Committee will be charged with the following responsibilities:

### 4.1 Risk Management and Internal Controls

- (a) Oversight of the Company's risk appetite (the amount of risk an organisation is willing to accept in pursuit of stakeholder value). The Company's management should engage with the Committee to establish a mutual understanding of the Company's overall appetite and tolerance for risk.
- (b) Review and assess the adequacy, effectiveness and appropriateness of the internal controls, policies, guidelines and procedures which form the Company's overall risk management framework, systems and processes for managing material business risks across the Company.
- (c) Review and assess management's oversight of the Company's operations and existing risk management processes and require management to demonstrate the effectiveness of those processes in identifying, assessing and managing the company's most significant risk exposures.
- (d) Review and assess management's oversight of cyber security risk to systems, assets, data, capabilities and data privacy.
- (e) Review whether management is operating within the risk appetite set by the Board and ensuring that risk considerations are incorporated into strategic and business planning.
- (f) Review of management reports on new and emerging sources of risk, and the risk controls and mitigation measures that have been put in place to deal with those risks.
- (g) Review of internal or third party audit reports on non-financial risks and assessment of the adequacy of related risk management processes. The Audit Committee will be responsible for receiving reports from internal audit.
- (h) Review and recommend to the Board those risk management reporting and governance policies which require Board approval, and any changes to the risk management framework or to the risk appetite set by the Board.
- (i) Undertake a periodic review of the Company's most significant risks and whether related risk management strategies are appropriate. Risks constantly evolve and regular updating by management to the Committee of key risks and associated risk strategies is critical to effective Board oversight of key risk areas.

### 4.2 Legal and Regulatory Compliance

- (a) Monitor the culture that is promoted within the Company to drive accountability and responsibility for compliance with the Risk Management Framework and Sustainability strategy and the associated policies, standards and procedures.
- (b) Review and assess the effectiveness of the Company's compliance program in ensuring compliance with relevant regulatory and legal requirements.

- (c) Review and assess the effectiveness of internal processes for ensuring compliance with the Company's policies, standards and procedures.
- (d) Review information on material incidents, and what lessons learned should be implemented and ensuring their action.
- (e) Review compliance reports prepared by management in relation to the Company's compliance with statutory, legal and other regulatory requirements; and identify and consider any matters that may have a material impact on the Company's activities and report on those matters to the Board.
- (f) Review, assess and monitor the integrity and effectiveness of the Company's policies, standards and procedures on continuous disclosure and reporting on these to the Board.

## 4.3 ESG Strategy and Reporting

- (a) Review the Company's strategy with respect to Sustainability matters, and to consider and monitor policies, practices, and disclosures that conform with the strategy.
- (b) Review measurable objectives and targets against the Sustainability strategy.
- (c) Reviewing and recommending to the Board for approval the Sustainability Report (or equivalent) the Annual Report (excluding Financial Statements which are reviewed by the Audit Committee), and other related information.
- (d) Make recommendations on specific actions and decisions the Board should consider in relation the report.
- (e) Review public positions on key sustainability issues in light of the risk appetite set by the Board.
- (f) Reviewing and recommending to the Board for approval the ASX Corporate Governance Statement of the Company, Codes and Policies published on the Company's website and other related information.

## 5. AUTHORITY OF THE COMMITTEE

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The Committee has the authority to:

- (a) obtain independent professional or other advice in the fulfilment of its duties at the Company's cost; and
- (b) obtain such resources and information from the Company in the fulfilment of its duties as it may reasonably require.

## 6. REVIEW OF COMMITTEE PERFORMANCE

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The Committee will annually revisit its objectives and duties and evaluate the effectiveness of its performance.

## 7. DEFINITIONS

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**Board** means the Board of Directors of Gold Road Resources Limited.

**Committee** means the Risk and ESG sub-committee of the Board.

**Company Secretary** means the Company Secretary of Gold Road Resources Limited.

**The Company** means Gold Road Resources Limited.

**Director** means a director of Gold Road Resources Limited.

## 8. CHARTER REVIEW

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This Charter is to be reviewed on an annual basis by the Company Secretary in consultation with the Chair of the Committee for the purpose of assessing its continued relevance to the needs of the Board and identifying enhancements required. Proposed enhancements shall be submitted to the Board for approval.

## 9. DOCUMENT CONTROL

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Version Number	Revision Date	Document Owner	Document Approver
Version 1.0	7 August 2020	Company Secretary	Board of Directors