



DENISON GAS LIMITED

AUDIT COMMITTEE CHARTER

This Charter sets out the authority, responsibilities, membership and operation of the Audit Committee established by the Board of Denison Gas Limited (**Company**).

1 AUTHORITY

The Audit Committee (**AC**) has the authority delegated to it by the Board in matters of financial reporting, internal controls, external audit and other connected matters as set out in this Charter.

2 PURPOSE

The AC provides a basis for achieving and maintaining appropriate balance and independence in the relationship between the Company's management and the Company's internal and external auditors in carrying out their work. Its role is to review and recommend to the Board for their approval of the Company's financial reports and statements and audit processes.

3 OBJECTIVES

The main objective of the AC is to assist the Board in discharging its statutory and other responsibilities relating to:

- (a) the quality of the audit of the Company's internal audit function and of its external auditors;
- (b) the integrity of the financial information presented by management to shareholders, regulators and the general public; and
- (c) the adequacy of the Company's financial, compliance, administrative and operating controls, as well as internal accounting controls.

4 DUTIES AND RESPONSIBILITIES

The Committee's key responsibilities and functions are to assist the Board, make recommendations, and where authority is delegated by the Board, approve relevant matters relating to financial and accounting matters and the audit processes including:

4.1 *Financial reporting*

- (a) Reviewing the half-yearly and annual financial statements, and any other financial reports to be provided to regulatory authorities, with management and external auditors prior to submission to the Board of Directors for approval, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards and compliance with the rules of any relevant stock exchange and any other relevant statutory or regulatory requirements;
- (b) Reviewing significant financial reporting issues and judgments to ensure the integrity of the financial statements of the Company and its subsidiaries (the "**Group**"), which includes reviewing and discussing with the internal and external auditors any issues and concerns arising from the audits, any suspected fraud, irregularity or infringement of any relevant laws, rules and regulations, which has or is likely to have a material impact on the Group's financial performance or financial position and the management's response to such issues, and any formal announcements relating to financial performance and ensuring that the outcome of the review the Group's key

financial risk areas are disclosed in the annual reports, and if the findings are material, to be announced to the market in accordance with the rules of any relevant stock exchange;

- (c) Reviewing representation letters to be signed by management to ensure that all relevant matters are addressed;
- (d) Ensuring that appropriate processes are in place to form the basis upon which the Chief Executive Officer and Chief Financial Officer (or equivalent) execute their certifications under section 295A of the *Corporations Act 2001* (Cth) (**Corporations Act**) and any applicable securities exchange listing rules (if applicable) to the Committee at financial year end in relation to the systems of internal controls, and that that system is operating effectively in all material respects in relation to financial reporting risks; and
- (e) With the assistance of the Risk and Sustainability Committee, reviewing the annual reserves and resource audit process, advise the Board of the outcomes of the review to ensure the reserves are accurately reflected in the annual financial statements and recommend the annual reserves statement to the Board for approval.

4.2 External audit

- (a) Making recommendations to the Board on the selection, appointment, reappointment or replacement (subject to shareholder ratification, as required), remuneration, terms of service, monitoring of the effectiveness, and independence of the external auditors, including the rotation of the external audit engagement partner;
- (b) Reviewing the adequacy, effectiveness, independence, scope and results of the external audit and its cost effectiveness, on an annual basis;
- (c) Ensuring that the external auditors have direct and unrestricted access to the Chair of the AC and the Chair of the Board;
- (d) Considering the independence of the external auditor by reference to:
 - (i) The aggregate amount of fees paid to the external auditor for that financial year, and the breakdown of the fees paid in total for audit and non-audit services respectively; and
 - (ii) The nature, extent and costs of non-audit services performed by the external auditors, on an annual basis and prior to any new non-audit or assurance services that may impair or appear to impair the external auditor's judgment or independence in respect of the Company;
 - (iii) The report requested by the Committee from the external auditor setting out all relationships that may affect its independence,to ensure their independence and objectivity;
- (e) Reviewing at least annually the external auditor's audit scope, audit plan and audit report, and the external auditor's evaluation of the system of internal accounting controls, including financial, operational, compliance and information technology controls, as well as reviewing the Group's implementation of any recommendations to address any control weaknesses highlighted by the external auditor;
- (f) Reviewing the statements to be made in the directors' report regarding non-audit services in accordance with the Corporations Act and applicable securities exchange listing rules (if listed); and
- (g) Reviewing changes in accounting policies and practices, major risk areas and

significant adjustments arising from audits, compliance statutory and regulatory requirements including the accounting standards and applicable securities exchange listing rules (if listed), and concerns and issues arising from audits including any matters which the external and internal auditors may wish to discuss in the absence of the management.

4.3 *Disclosures*

- (a) Ensuring that any periodic corporate report released to the market that has not been subject to audit or review by an external auditor discloses the process taken to verify the integrity of its content; and
- (b) Reviewing significant financial reporting issues and judgment so as to ensure the integrity of the financial statements of the company and any announcements relating to the Company's financial performance.

4.4 *Internal audit*

- (a) Reviewing the adequacy and effectiveness of the Internal Audit function at least annually and ensure that:
 - (i) the primary reporting line of the Internal Audit function is to the AC;
 - (ii) the Internal Audit function has unfettered access to all the Company's documents, records, properties and personnel, including the AC, and has appropriate standing within the Company,
 - (iii) the Internal Audit function is adequately resourced and staffed with persons with the appropriate qualifications and experience, and (d) the Internal Audit function meets the standards set by recognised professional bodies.
- (b) Ensuring that the AC is the primary reporting line of the internal audit function and ensuring that the internal audit function has direct, unrestricted and unfettered access to all the Group's documents, records, properties and personnel, including the Chairman of the Board of Directors and the Audit Committee;
- (c) Ensuring that the internal audit function is adequately resourced and staffed with persons with the relevant qualifications and experience and that the internal auditors comply with the standards set by internationally recognised professional bodies, where applicable;
- (d) Reviewing the scope and results of the internal audit procedures, and at least annually, the adequacy and effectiveness of the internal audit function; and
- (e) Approving the hiring, removal, evaluation and compensation of the head of the internal audit function, or the accounting/auditing firm or corporation to which the internal audit function is outsourced (if any).

4.5 *Internal controls*

- (a) Reviewing and reporting to the Board at least annually on the AC's opinion as to the adequacy and effectiveness of internal control systems established by management, including financial, operational, compliance, governance framework, risk management and information technology controls, and reviewing corresponding disclosures in the annual report;
- (b) Where necessary, commissioning and reviewing the findings of an independent audit on internal controls and risk management systems for the assurance of the Audit Committee, or where it is not satisfied with the systems of internal controls and risk

management;

- (c) Meeting with the internal and external auditors and in each case without the presence of management at least annually and review the assistance, coordination and co-operation given by the management to the internal and external auditors, where applicable;
- (d) Recommending the appointment of an independent financial adviser (where necessary under the Listing Manual) and its fees in respect of any transaction, matter or any other corporate action taken by the Company where such independent financial adviser is required;
- (e) Reviewing and approving all hedging policies implemented by the Group (if any) and conducting periodic review of foreign exchange transactions and hedging policies and procedures; and
- (f) Monitoring the use of the proceeds from financing (equity or debt).

4.6 *Whistleblowing*

- (a) Reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on, and in particular, ensuring the Company publicly discloses and clearly communicates to the employees the existence of a whistleblowing policy and procedures for raising such concerns;
- (b) Reviewing the policy and arrangements for staff and any other persons to raise concerns about possible improprieties in matters of financial reporting, wrongdoing involving the Company's business or other matters in confidence;
- (c) Ensuring that these whistleblowing arrangements allow concerns to be raised and that appropriate independent investigation of such matters, and follow up actions to be taken; and
- (d) Reviewing the disclosure of the whistle-blowing policy in the Annual Report, and publicly disclose the procedures for raising such concerns as appropriate.

4.7 *Transactions*

- (a) Reviewing any interested person transactions and any other transaction as required by applicable listing rules (if listed) and monitoring the procedures established to regulate interested person transactions, including ensuring compliance with the Company's internal control system and applicable listing rules (if listed) as well as all conflicts of interests to ensure that proper measures to mitigate such conflicts of interests have been put in place;
- (b) Reviewing and assessing from time to time whether additional processes are required to be put in place to manage any material conflicts of interest with the controlling shareholders of the Company and propose, where appropriate, the relevant measures for the management of such conflicts;
- (c) Reviewing and monitoring any potential conflict of interest that may arise in respect of any of the Directors, and resolving all conflicts of interest matters referred to it; and
- (d) Reviewing any significant transactions undertaken by the Group which, due to their quantum or their nature, require specific disclosure and/or Shareholder approval and/or other specific requirements pursuant to applicable listing rules (if listed).

4.8 *Other duties*

- (a) Assessing the performance of the Chief Financial Officer, for the relevant period, on

- an annual basis to determine his or her suitability for the position; and
- (b) Undertaking generally such other functions and duties as may be requested by the Board of Directors or as may be required by law or any applicable securities exchange rules.

5 COMPOSITION

- (a) The members of the Committee are appointed by the Board and comprise:
 - (i) at least three (3) Directors who are all non-executive Directors;
 - (ii) a majority of independent Directors;
 - (iii) independent non-executive director Chair who is not the Chair of the Board, and who has leadership experience and is qualified and experienced in accounting or finance; and
 - (iv) at least two (2) members who have recent and relevant accounting or related financial management expertise or experience.
- (b) Persons who may not act as members of the Committee are:
 - (i) Any related person of an Executive Director; and
 - (ii) Any former partners or directors of the Company's existing auditing firm: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation
- (c) All Committee members must have an understanding of the content of financial statements and the key financial issues facing the entity.
- (d) A member who wishes to retire or resign from the Committee must notify the Board in writing, giving not less than two (2) months' notice.
- (e) The Board may add to or replace committee members. Other Denison personnel and external advisers may attend meetings of the Committee at the invitation of the Committee Chair on an as-needs basis.

6 MEETINGS AND ACCESS

- (a) The Committee will meet not less than twice annually or as frequently as is required to undertake its audit role effectively.
- (b) Additional meetings of the Committee may be called, as determined by the Committee Chair who must take into account any request from the Board, any Committee member, the internal auditors or the external auditors, the Managing Director/Chief Executive Officer, the Chief Financial Officer or the Chief Operations Officer.
- (c) Meetings:
 - (i) may be held in person, using virtual meeting technology or a mix of both, provided that all persons participating in the meeting can participate and hear each other;
 - (ii) may be convened by any Committee member regarding the Committee's duties;
 - (iii) are convened by notice of meeting, confirming the venue, electronic facilities,

date and time and enclosing an agenda of items to be discussed, to be, other than under exceptional circumstances, forwarded to each member of the Committee at least three (3) working days prior to the date of the meeting; Committee members may however consent to shorter notice by unanimous vote;

- (iv) are subject to a quorum of at least two (2) Committee members, present physically or by virtual meeting technology; and
- (v) are presided by the Committee Chair.
- (d) The Committee will meet with the internal auditors and external auditors without the presence of the Company's management at least once annually.
- (e) The Committee may meet in private with the Chief Financial Officer and external/internal auditor.
- (f) The Committee may invite any Executive Director, executive or other staff member to attend all or part of a committee meeting. Non-executive Directors who are not a member of the Committee have a standing invitation to attend Committee meetings.
- (g) The Committee has a right to access management and to seek additional information and explanations where it considers it appropriate, and access to internal and external audit without management present, subject to agreement with the Audit Committee.
- (h) The Committee has access to the General Counsel and the Company Secretary for advice and may seek independent advice from external advisers to enable it to properly carry out its functions and meet its objectives.
- (i) The Committee has the right to obtain information, have full access to and co-operation by management or carry out any task that may be necessary to enable it to properly to carry out its role and meet its objectives. It has the right to interview the external and internal auditors.
- (j) The proceedings of all Committee meetings are minuted by the Company Secretary or nominee. The minutes are confirmed and signed by the Chair of the meeting within one (1) month and circulated to all members of the Committee. All minutes are available for inspection by any Director.
- (k) A written resolution signed or approved by a majority of the members of the Committee is as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held. Any such resolution may consist of several documents each signed by one or more members. The expressions "in writing" and signed include approvals by any electronic communication.
- (l) Any member is required to abstain from voting, approving or making a recommendation on any resolutions of the Committee in which such member has a conflict of interest in the subject matter under consideration.
- (m) Matters will generally be decided by consensus or, if consensus cannot be reached, by a majority of votes from the members present. Where votes are equal, the Committee Chair has a casting vote.

7 REPORTING

- (a) The Committee Chair will report to the Board following each meeting of the Committee regarding any significant matters relevant to its role and responsibilities under this Charter, Committee advice, recommendations identifying any action needed and/to be undertaken and on how it has discharged its responsibilities and whether it was

able to discharge its duties independently.

- (b) Minutes of meetings will be included in the papers for the next full Committee meeting and will be provided to the Board at the next Board meeting, for the information of the Board.

8 REMUNERATION

Having regard to the functions performed by members of the Committee in addition to their functions as Directors and pursuant to the specific power conferred upon the Board by the Constitution of the Company, members of the Committee may be paid such special remuneration in respect of their appointment as determined by the Board.

9 REVIEW

- (a) The Committee will, at least once a year, review this charter of the Committee to review its purpose and responsibilities and assess its adequacy and effectiveness.
- (b) This Charter is authorised by the Board of Denison Gas Limited and may only be amended with its approval.
- (c) This Charter is available on the Company's website.

10 DOCUMENT HISTORY

Approval Date	2 May 2023
Approved by	The Board
Version Number	1