



DENISON GAS LIMITED

AUDIT & RISK COMMITTEE CHARTER

This Charter sets out the authority, responsibilities, membership and operation of the Audit & Risk Committee established by the board of directors (**Board**) of Denison Gas Limited (**Company**¹).

1 AUTHORITY

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

2 PURPOSE

The purpose of the Committee is to assist the Board in 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, and in overseeing responsibility in relation to risk management. Its role is to review and recommend to the Board for their approval of the Company's financial reports and statements and audit and risk management processes.

3 OBJECTIVES

The main objective of the Committee 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;
- (c) the adequacy and effectiveness of the Company's financial, risk, compliance, administrative and operating controls, as well as internal accounting controls; and
- (d) the adequacy and effectiveness of the Company's risk management framework and risk appetite.

4 DUTIES AND RESPONSIBILITIES

The Committee, in carrying out its duties, must take into consideration applicable laws, regulations, listing rules (if listed) and corporate governance rules. The Committee's key responsibilities and functions are to assist the Board in discharging its statutory responsibilities, make recommendations, and where authority is delegated by the Board, approve relevant matters relating to financial and accounting matters and the audit and risk management 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 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 listing rules (if listed) and any other relevant statutory or regulatory requirements;

¹ For the purpose of this Charter, where relevant, 'Company' includes all existing subsidiaries of Denison Gas Limited

- (b) Reviewing significant financial reporting issues and judgments to ensure the integrity of the financial statements of the Company, 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 Company'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 Company'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 listing rules (if listed);
- (c) Reviewing the assurance from the Chief Executive Officer² and the Chief Financial Officer³ on the financial records and financial statements of the Company and that appropriate risk management and internal processes are in place to form the basis upon which the Chief Executive Officer and Chief Financial Officer execute their certifications under section 295A of the Corporations Act 2001 (Cth) (**Corporations Act**) and any applicable listing rules (if listed) 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
- (d) Reviewing the annual reserves and resources audit process, advise the Board of the outcomes of the review to ensure the reserves and resources 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 Committee 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 plan and audit report, and the

² The Chief Executive Officer is the person performing the chief executive function as defined in section 295A(4) and (5) of the Corporations Act, irrespective of the title. The Managing Director is assumed to hold such duties.

³ The Chief Financial Officer is the person performing the chief financial officer function as defined in section 295A(6) and (7) of the Corporations Act, irrespective of the title.

external auditor's evaluation of the system of internal accounting controls, including financial, operational, compliance and information technology controls, as well as reviewing the Company'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 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 listing rules (if listed), and concerns and issues arising from audits including any matters which the external 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;
- (b) Reviewing the disclosures in the Company's annual report and periodic and continuous disclosures with respect to:
 - (i) the nature and extent of the information to enable stakeholders to make an informed assessment of the risk management and internal control systems;
 - (ii) the description of principal risks (including financial, operational, compliance and information technology risk categories) and corresponding mitigation measures;
 - (iii) the Company's approach towards identifying, measuring and monitoring its key and emerging risks, and an elaboration of its approach towards the governance and management of these risks; and
 - (iv) other relevant disclosures.

4.4 *Internal audit*

- (a) Reviewing the adequacy, effectiveness, independence, scope and results of the internal audit function at least annually and ensure that:
 - (i) the primary reporting line of the internal audit function is to the Committee;
 - (ii) the internal audit function has unfettered access to all the Company's documents, records, properties and personnel, including the Committee, 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
 - (iv) the internal audit function meets the standards set by recognised professional bodies.
- (b) Reviewing the scope and results of the internal audit procedures, and at least annually, the adequacy and effectiveness of the internal audit function, including the adequacy and effectiveness of the risk management and internal controls systems, including financial, operational, compliance and information technology controls, and the implementation of risk treatment plans in relation to the foregoing; and
- (c) 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 Committee'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 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 rules – if listed) 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 *Risk appetite and framework*

- (a) Defining the type and level of risks (risk appetite) that the Company undertakes on an integrated basis to achieve its business objectives;
- (b) Developing the frameworks and policies for managing risks that are consistent with the Company's risk appetite and appropriately identifying the nature and the extent of business, operational, regulatory, sustainability and other risks that may have a significant impact on the reputation, financial position and business operations of the Company;
- (c) Overseeing the effectiveness of controls implemented to manage risks;
- (d) Developing appropriate mitigation measures; and
- (e) Annually reviewing the risk management framework to ensure it remains appropriate given the Company's operations, best practice, external issues and current regulations.

4.7 *Risk management*

- (a) Receiving reports from management on new and emerging sources of risk and risk controls and mitigation measures that management has put into place to deal with those risks;
- (b) Receiving reports from operational committees supervising health safety and environment, including the Health Safety and Environment (HSE) committee supervising production operations and projects, the Workplace Health Safety and Environment (WHSE) committee supervising office sites and the Drilling and Completions committee supervising drilling operations;

- (c) Monitoring management's performance against the Company's risk management framework, including whether it is operating within the risk appetite set by the Board;
- (d) Reviewing any material incident involving safety, fraud or a breakdown of the Company's risk controls and the "lessons learned";
- (e) Considering at each meeting whether any significant matters should be brought to the attention of the Board identifying if any action is needed and making recommendations as to the action to be taken; and
- (f) Monitoring and reviewing the measures undertaken by the Company to mitigate and to the extent possible remediate non-compliance by the Company, and having oversight of and reviewing such measures to monitor and to the extent possible prevent further recurrence of non-compliances.

4.8 Insurance

- (a) Providing oversight of the Company's insurance program, and annually review the strategy, scope, structure and adequacy of the Company's insurance program, having regard to the business, risks and available insurance.

4.9 Whistleblowing

- (a) Reviewing the policy and arrangements for concerns about possible improprieties in financial reporting, wrongdoing involving the Company's business or other matters to be safely raised in confidence, 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 whistle-blowing policy and procedures for raising such concerns;
- (b) 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
- (c) Reviewing the disclosure of the whistle-blowing policy in the annual reports, and publicly disclose the procedures for raising such concerns as appropriate.

4.10 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 manage 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 Company 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).

4.11 Other duties

- (a) Monitoring the use of the proceeds from fund-raising activities;

- (b) 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
- (c) Undertaking generally such other functions and duties as may be requested by the Board and reporting to the Board its findings from time to time on matters arising and requiring attention of the Committee or as may be required by law, any applicable listing rules (if listed), or corporate guidance rules.

5 COMPOSITION

Denison uses its best endeavours to comply with relevant corporate governance principles, including the ASX Corporate Governance Council Principles and Recommendations 4th ed or later editions, regarding the composition of the Audit Committee. Denison recognises however that strict compliance may not always be practical or practicable, and it may be necessary to depart from those principles from time to time dependent on the composition of the Board available at that time.

- (a) The members of the Committee are appointed by the Board and, where practical and practicable, comprise:
 - (i) at least three (3) Directors who are all non-executive Directors;
 - (ii) a majority of independent Directors;
 - (iii) an 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 (2) 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 Company 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. If at any meeting the Chair is not present within fifteen (15) minutes after the time appointed for holding the meeting, the members present may choose one of the other independent members to be the Chair of the meeting.
- (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.
- (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 (1) 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 and may only be amended with its approval.
- (c) This Charter is available on the Company’s website.

10 DOCUMENT HISTORY

Approval Date	19/06/2024
Approved by	The Board
Version Number	3