

AUDIT COMMITTEE CHARTER



ROLE

1. The Board of Directors (**Board**) is responsible for overseeing the management of Minara Resources Limited (**Company**) and its subsidiaries (**Group**), including its control and accountability systems.
2. The role of the Audit Committee (**Committee**) is to assist the Board in:
 - (a) ensuring the integrity of the Group's financial statements and the financial reporting and internal control systems;
 - (b) the appointment, remuneration, qualifications, independence and performance of the external auditor and the integrity of the audit process;
 - (c) fulfilling its obligations in relation to its financial compliance framework and systems; and
 - (d) ensuring that the Company complies with its continuous disclosure obligations.

MEMBERSHIP

3. The Committee will comprise at least three members, all of whom must be non-executive directors. The Chairman of the Board, whilst able to be a member of the Committee, may not be the Chairman of the Committee.
4. A majority of the Committee's members will consist of independent directors.
5. Members of the Committee shall be appointed for an initial three-year term of office after which their appointment may be subject to annual rotation.

RESPONSIBILITIES

6. The Committee shall:

Financial statements

- (a) evaluate the appropriateness of, and changes to, the Group's significant accounting and business policies and practices;
- (b) evaluate the effectiveness of the Group's systems of internal control over financial reporting, including the performance and objectivity of any internal audit function;
- (c) review and discuss the Group's financial statements with the external auditors and report to the Board on the results of its review prior to the Board approving the financial statements;
- (d) review significant or unusual transactions or events and their implications for the financial statements;
- (e) review management sign-offs and certifications in relation to the financial statements;

Internal controls

- (f) evaluate the effectiveness of the Group's systems of internal control over financial reporting to ensure the reliability of financial reporting and financial statements for external purposes in accordance with generally accepted accounting principles and for the protection of the Group's assets;
- (g) evaluate the effectiveness of the Group's budgeting and forecasting systems, financial reporting systems and controls;
- (h) review and monitor the propriety of related party transactions involving directors and senior management and their external disclosure;
- (i) ensure compliance with the Group's Securities Trading Policy;

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External audit

- (j) evaluate the expertise and experience of potential auditors and will recommend to the Board the party that, subject to shareholder approval, be appointed;
- (k) determine the terms of engagement and remuneration of the external auditor and recommend to the Board for the Board's approval such terms of engagement and remuneration;
- (l) facilitate the independence of the external audit process, monitor the performance, integrity and independence of the external auditor, address any issues arising from the external audit process and, if necessary, make recommendations to the Board for the removal of the external auditor;
- (m) review representation letters provided to external auditors;

Framework of financial compliance

- (n) monitor and review the Group's processes and procedures for ensuring compliance with the Corporations Act, the ASX Listing Rules, the Income Tax Assessment Act and, in respect of financial statements, generally accepted accounting principles;
- (o) review all declarations and representations submitted by accountable management;
- (p) review the Group's compliance with the Corporations Act, the ASX Listing Rules, the Income Tax Assessment Act and all other applicable legal and regulatory requirements; and
- (q) review the Company's compliance with the ASX Corporate Governance Council Recommendations.

COMMITTEE PROCEDURES

7. The Company Secretary shall be appointed Secretary of the Committee.
8. Meetings shall be held as frequently as required but at least twice a year to coincide with the approval of the Company's half year and full year financial statements.
9. Any Committee member or the Secretary may call a meeting of the Committee.
10. Any person may be invited to attend meetings of the Committee. All directors have a standing invitation to attend meetings of the Committee. The Chief Financial Officer will generally attend meetings as an observer.
11. All meetings of the Committee shall be governed by the provisions of the Company's Constitution.
12. A quorum of the Committee shall be two members.
13. The Committee is authorised by the Board to investigate any matter within the scope of its responsibility and will provide recommendations to the Board based on the outcome of its investigations.
14. The Committee shall have the authority to seek any information it requires from any office or employee of the Group and such officers or employees shall be instructed by the Board to respond to such enquiries.
15. The Committee is authorised to take such independent professional advice as it considers the necessary, at the Group's cost, to assist the Committee in undertaking its duties.
16. The Chairman of the Committee shall report the findings and recommendations of the Committee to the Board after each Committee meeting.
17. The minutes of all Committee meetings shall be circulated to members of the Board.
18. The Chairman shall submit an annual report to the Board summarising the Committee's activities during the year and the related significant results and findings. The report shall address all matters relevant to the Committee's role and responsibilities.