

Audit and Risk Committee Charter

Approved by the Board with effect 16 June 2026

1. Introduction

The Board of Minerals 260 Limited ("Minerals 260" or the "Company") has established a committee of the Board to be known as the Audit and Risk Committee ("Committee").

The primary purpose of the Committee is to assist the Board in discharging its oversight responsibilities in relation to the Company's financial reporting, external audit, internal controls, risk management, compliance, internal audit or equivalent assurance processes, insurance, tax and related governance matters.

This Audit and Risk Committee Charter ("Charter") sets out the role, responsibilities, composition and operation of the Committee.

2. Scope

- 2.1 The role of the Committee is to assist the Board with oversight of:
- (a) the financial reporting process and systems, including any Treasury reporting or climate-related financial disclosure processes required under applicable law or reporting standards;
 - (b) the scope, performance and independence of the external audit function;
 - (c) the Company's internal control, risk management, compliance and assurance processes;
 - (d) the Company's tax affairs;
 - (e) the Company's insurance program; and
 - (f) any other matters referred to the Committee by the Board.
- 2.2 Where there is potential overlap with another Board committee, the relevant committee Chairs will confer with the Board to agree responsibility for the matter.

3. Membership and Composition

- 3.1 The Committee must comprise at least three members, all of whom must be non-executive Directors and a majority of whom must be independent Directors.
- 3.2 The Committee will be chaired by an appropriately qualified independent non-executive Director who is not the Chair of the Board. The Chair of the Committee will be appointed by the Board.
- 3.3 The appointment and removal of Committee members is the responsibility of the Board. If a Committee member ceases to be a Director of the Company, their appointment as a member of the Committee automatically terminates.

- 3.4 All members of the Committee must be financially literate, meaning that they are able to read and understand financial statements. At least one member must have relevant financial qualifications or experience, and the Committee members collectively should have a reasonable understanding of the Company's business and the industry in which it operates.

4. Responsibilities of the Audit and Risk Committee

4.1 Financial Reporting

The Committee will review and make recommendations to the Board in relation to:

- (a) the Company's annual financial statements, half-year financial statements and any other financial statements or financial reports requiring Board approval;
- (b) whether the financial statements reflect the Committee's understanding of, and otherwise provide a true and fair view of, the financial position and performance of the Company;
- (c) significant accounting policies, estimates, judgements and choices applied by management;
- (d) compliance with accounting standards, ASX requirements and other applicable legal and regulatory requirements;
- (e) significant matters raised by management or the external auditor, including significant audit adjustments, unadjusted differences and unresolved issues;
- (f) the adequacy and effectiveness of the Company's financial internal controls, including controls relating to tax, treasury and financial reporting;
- (g) the Company's debt arrangements, treasury matters and compliance with debt covenants, if applicable; and
- (h) the CEO and CFO declaration provided to the Board before approval of the financial statements for a financial period, including that the declaration has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

4.2 External Audit

The Committee will oversee the external audit function and make recommendations to the Board in relation to:

- (a) the appointment, reappointment or removal of the external auditor;
- (b) the remuneration, independence and performance of the external auditor;
- (c) the rotation of the audit engagement partner;
- (d) the scope, adequacy and effectiveness of the external audit plan, including whether key financial reporting and risk areas are appropriately addressed;
- (e) reports, management letters and independence declarations provided by the external auditor;

- (f) management's responses to matters raised by the external auditor and the timely implementation of agreed actions;
- (g) the approval or pre-approval of non-audit services provided by the external auditor, including whether those services may compromise auditor independence;
- (h) fees payable to the external auditor for audit and non-audit work;
- (i) whether there are any management restrictions on the external auditor; and
- (j) statements to be made in the directors' report regarding non-audit services in accordance with the Corporations Act.

The Committee will meet with the external auditor without management present at least annually, or otherwise as the Committee considers appropriate.

The Committee will ensure that the external auditor attends the Company's annual general meeting and is available to answer questions from security holders relevant to the audit.

4.3 Internal Audit

The Committee will periodically review whether the Company should have an internal audit function, having regard to the Company's size, complexity, risk profile and assurance needs.

If the Company has an internal audit function, whether internal or outsourced, the Committee will review and make recommendations to the Board in relation to:

- (a) the appointment or removal of the head of internal audit or outsourced internal audit provider;
- (b) the scope and adequacy of the internal audit charter and work plan;
- (c) the independence, objectivity, performance and resourcing of the internal audit function;
- (d) significant internal audit findings and management's responses; and
- (e) coordination between the internal audit function and the external auditor.

If the Company does not have an internal audit function, the Committee will review the alternative assurance processes used by the Company to evaluate and continually improve the effectiveness of its governance, risk management and internal control processes.

The Committee will also review the disclosures to be made by the Company in relation to its internal audit function or alternative assurance processes.

4.4 Risk Management

The Committee will review and monitor the adequacy and effectiveness of the Company's risk management practices, including the Company's Risk Management Policy, Risk Management Framework, risk appetite, risk matrix, risk registers and disclosure of any material exposure to risks.

The Committee will review the Company's risk register, including:

- (a) whether the Company is operating with due regard to the risk appetite set by the Board;

- (b) whether the Company's risk management practices address material current and emerging sources of risk; and
- (c) the risk controls, treatment plans and actions that management has put in place to address identified risks.

The Committee will review the Company's Risk Management Framework at least annually to satisfy itself that the framework continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board.

The Committee will report the outcome of that review to the Board and will make recommendations to the Board in relation to any changes that should be made to the Company's Risk Management Framework or risk appetite.

The Committee will also consider the disclosure to be made by the Company in relation to whether such review has taken place for the relevant reporting period.

The Committee will review any material incident involving fraud, material non-compliance, a material breakdown of risk controls or a material breach of the Company's risk appetite, and consider lessons learned and any remedial actions.

4.5 Compliance

The Committee will review and monitor the adequacy and effectiveness of the Company's compliance practices, including the Company's compliance policies, procedures and controls.

The Committee will review material matters arising under the Company's Code of Conduct, Whistleblower Policy, Anti-Bribery and Anti-Corruption Policy and other material governance policies relevant to the Committee's responsibilities.

The Committee will oversee the Company's financial controls and systems designed to support compliance with applicable laws, regulations, ASX requirements and the Company's Code of Conduct.

The Committee will oversee procedures for complaints and reports regarding accounting, internal accounting controls, auditing matters, fraud, bribery, corruption and other material compliance matters, including mechanisms for confidential and anonymous reporting where appropriate.

The Committee will perform any other compliance-related functions assigned to it by law, the Company's Constitution or the Board.

4.6 Governance

The Committee will:

- (a) review the adequacy of governance practices, charters, policies and internal standards relevant to the Committee's responsibilities;
- (b) consider whether the Company's annual Corporate Governance Statement reflects the Committee's understanding of the Company's governance practices and make a recommendation to the Board regarding approval of the Corporate Governance Statement;

- (c) assist the Board in relation to the entry into, approval and disclosure of related party transactions, where applicable; and
- (d) review the process used to verify the integrity of any periodic corporate report released to the market that has not been subject to audit or review by the external auditor, to the extent the report relates to financial, tax, risk or other matters within the Committee's responsibilities.

4.7 Insurance

The Committee will review the Company's insurance program, having regard to the Company's business, risk profile and the insurable risks associated with its business.

4.8 Tax

The Committee will review and monitor the Company's tax affairs, including significant tax risks, tax governance, tax strategy, tax policies, tax compliance and the tax implications of significant transactions.

5. Secretary

- 5.1 The Company Secretary, or their nominee, will act as secretary of the Committee and will be responsible for issuing and storing meeting notices, agendas, minutes and supporting papers.

6. Other attendees

- 6.1 All Directors have a standing invitation to attend meetings of the Committee. Other persons, including members of management, the external auditor, internal auditor or assurance provider, and other advisers, may be invited to attend meetings where considered appropriate.
- 6.2 Attendees who are not Committee members do not have voting rights.

7. Quorum

- 7.1 A quorum will be two members, at least one of whom should be an independent Director.

8. Meetings

- 8.1 Audit and Risk Committee meetings will be held not less than two times a year so as to enable the Committee to undertake its role effectively.
- 8.2 In addition, the Chair is required to call a meeting of the Audit and Risk Committee if requested to do so by any member of the Audit and Risk Committee, the Board, an Executive Director or the external auditor.
- 8.3 Meetings of the Committee may be held in person, by telephone, by videoconference or by other electronic means. The Committee may also make decisions by circular resolution in accordance with the Company's Constitution.
- 8.4 Decisions will be based on a majority of votes. If there is an equality of votes, the matter will be referred to the Board for determination.

- 8.5 Minutes of Committee meetings must be tabled at a subsequent Board meeting, together with a report from the Committee Chair on material matters considered by the Committee.

9. Committee Effectiveness

- 9.1 The Board will review the membership of the Committee at least annually to determine whether the Committee has the appropriate composition, independence, skills and experience to discharge its responsibilities.
- 9.2 The Board will evaluate the performance of the Committee periodically, and at least annually, to determine whether the Committee is functioning effectively by reference to this Charter and applicable governance standards.
- 9.3 The Committee may make recommendations to the Board in relation to its membership, responsibilities, functions or operation.

10. Reliance on information or professional or expert advice

- 10.1 Each member of the Committee is entitled to rely on information, or professional or expert advice, to the extent permitted by law, given or prepared by:
- (a) an employee of the Company or its subsidiaries ("Group") whom the member believes on reasonable grounds to be reliable and competent in relation to the matters concerned;
 - (b) a professional adviser or expert in relation to matters that the member believes on reasonable grounds to be within the person's professional or expert competence; or
 - (c) another Director or officer of the Group in relation to matters within the Director's or officer's authority.

11. Access to Information and Independent Advice

- 11.1 The Company will provide the Committee with access to adequate internal and external resources to undertake its duties, including relevant financial, risk, audit, compliance and governance information requested by the Committee.
- 11.2 The Committee has rights of access to management, employees, records, advisers, the external auditor and the internal auditor or assurance provider, if any. The Committee may seek explanations and additional information from management, employees, auditors and advisers, with or without management present.
- 11.3 The Managing Director, Chief Financial Officer and Company Secretary will have direct access to the Committee.
- 11.4 The Committee may conduct or authorise investigations into any matter within its responsibilities. The Committee may obtain independent legal, accounting, financial, risk, technical or other professional advice as it considers necessary or appropriate. The costs of such advice will be borne by the Company.

12. Report to the Board

- 12.1 The Committee will:
- (a) regularly report to the Board on all matters relevant to the Committee's role and responsibilities and, where appropriate, make recommendations to the Board;
 - (b) advise the Board in a timely manner of audit, financial reporting, internal control, risk management, insurance, tax, compliance or governance matters that may significantly impact the Company;
 - (c) seek direction and guidance from the Board on matters within the Committee's responsibilities, where appropriate; and
 - (d) consider whether any material matter arising from a Committee meeting should be referred to another Board committee and, if so, recommend to the Board that this occurs.
- 12.2 The Chair of the Committee should attend the Company's annual general meeting and be available to answer questions from security holders through the Chair of the Board.

13. Review of Charter

- 13.1 The Committee will review this Charter at least annually and recommend any proposed changes to the Board for approval.
- 13.2 The Board may amend this Charter, including the responsibilities of the Committee, from time to time by resolution.
- 13.3 This Charter will be made available on the Company's website.