

**Non-Audit Services Policy**

**Pre-approval of audit and non-audit services provided by the external auditor**

**Aeris Resources Limited**

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1. **Purpose and Scope**

1.1 The Audit Committee is responsible for the development and oversight of the company's policy on the engagement of the external auditor to supply non audit services and ensure compliance with the policy.

1.2 This policy applies to all services provided by the external auditor to Aeris and its controlled entities (collectively referred to as the Group). It applies to all engagements of the external auditor irrespective of the value of the services to be performed or the materiality of the entity receiving the service relative to the size of the Group taken as a whole.

1.3 This policy applies to the current external auditor and proposed external auditor during a transitional resignation or appointment period.

1.4 Non-audit services' means any services provided by the external auditor which are not included in, or are not necessarily incidental to, the terms of the audit engagement. 'Non-audit services' do not include 'prohibited non audit services' that are referred to below.

'Prohibited non-audit services' are services that, if provided by the external auditor to the company, would create a real or perceived threat to the independence of the external auditor.

1.5 Nothing in this principle is to be interpreted as removing or qualifying in any way the obligation of the external auditor not to undertake any services which are contrary to the applicable rules or policies of any relevant authority.

1.6 The purpose of this policy is to provide corporate direction and oversight to ensure that Aeris meets its legal/regulatory compliance obligations for audit and non-audit services provided by the external auditor. This policy applies to Aeris and its controlled entities.

2. **Key Requirements**

2.1 The Audit Committee has pre-approved certain audit and audit-related / taxation services where it has determined that the provision of such services does not impair the independence of the external auditor. These pre-approved services are detailed in Appendices A and B respectively.

**Pre-Approved Audit Services (Category A)** - all services set out in Appendix A are pre-approved by the Audit Committee.

**Pre-Approved Audit-Related, Taxation Services and Other Services (Category B)** - all services set out in Appendix B are pre-approved by the Audit Committee, subject to the following limitations:

* no individual engagement for services in this category can be approved (excluding GST) without the separate prior approval of the CFO or Managing Director/Chief Executive Officer; and
* the approval from the Audit Committee Chair is required prior to the engagement of the external auditor for services in this category in excess of $50,000 (excluding GST).

**External auditor may not provide prohibited non-audit services**

As a general rule, the external auditor may not provide any prohibited non-audit services to the company. Unless the Audit Committee decides otherwise, the external auditor is prohibited from providing the following services:

* providing appraisal, valuation and fairness opinions;
* performing internal audit services;
* providing advice on deal structuring and related documentation (excluding any tax related advice);
* providing IT systems services;
* providing design or implementation services for financial information systems including internal controls over financial reporting and accounting records
* performing senior management, executive or director recruitment or extensive human resources functions;
* acting as a broker dealer, promoter or underwriter; or
* providing legal services including litigation support.

However, even if a non-audit service is not listed above, it will still be prohibited if it creates a real or perceived threat to the independence of the external auditor. In addition, services will also not be allowed to be performed where they:

* create a mutual or conflicting business, financial or other interest between Aeris and the external auditor;
* result in the external auditor auditing its own work;
* result in the external auditor performing management functions (eg bookkeeping or preparation of financial statements) or acting as an employee (including secondment arrangements);
* place the external auditor in a position of acting as an advocate for Aeris; or
* involve the payment of a contingency fee, commission or success fee.

2.2 The specific approval of the Audit Committee is required before the external auditor is engaged to provide any services which are not within the pre-approved list of engagements or delegations set out above.

2.3 The approval process will be coordinated through the Chief Financial Officer or GM Finance.

2.4 During the transition of external auditors there may be services that would ordinarily be prohibited under this policy that commenced prior to the change in appointment of the external auditor. The Audit Committee may, subject to ensuring auditor independence in accordance with applicable laws and regulations, pre-approve the continuation of these services during the transitional resignation or appointment period.

3. **Responsibilities and Accountabilities**

3.1 The Approval process of individual engagements within Category B are as follows:

3.2 The delegated employee engaging the external auditor is responsible for negotiating with the external auditor terms and conditions for the work that is to be undertaken. GM Finance will approve the “Request to Engage PwC” form submitted by the delegated employee and provide to the Chief Financial Officer.

3.3 The Chief Financial Officer is required to ensure that any approvals required by the executive team or Audit Committee are received before signing the engagement letter with the external auditors.

4. **Recording and Reporting**

4.1 The Chief Financial Officer is responsible for monitoring the services provided by the external auditor. A report in relation to the external auditor's services, will be provided to the Audit Committee twice a year.

4.2 The external auditor will also report to the Audit Committee on an annual basis regarding the audit and non-audit services it is providing, including the status of such services and the effect of providing those services on their independence obligation. In preparing the annual independence letter to the Audit Committee, the external auditor will obtain internal clearance from its independence office on compliance with the applicable independence rules in relation to all the services approved and provided during the financial year.

5. **Interpretation**

5.1 **“Control**” generally means, with respect to a particular entity, when the entity is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

5.2 **“Group”** means Aeris Resources Ltd and its controlled entities.

5.3 **“Significant Influence”** means the power to participate in financial and operating policy decisions but not control them.

**Appendix A: Pre-Approved Assurance Services (“Category A”)**

All services in this category as set out below are pre-approved by the Audit Committee.

**Audit Services**

1. Statutory audits or financial audits and interim reviews as required or permitted by applicable companies and securities legislation.
2. Audit, review and attest services (other than those described in 1, above) associated with the registration and/or filing of documents with regulatory or supervisory authorities and stock exchanges, where it is mandatory or more practical for the external auditor to provide those services.
3. Audit required by other regulatory bodies.

**Other Audit and Assurance Services**

1. Agreed upon procedures, comfort letters, accounting opinions, consents and other forms of attestation (including services provided in the capacity as an adviser to Due Diligence Committees) provided by the external auditor (including to third parties) in collection with debt or equity raisings, financing activities, note issue programs or other related compliance activities.
2. Reports to external parties where it is market practice for the external auditor to provide such reports. An example includes assurance/reporting on environmental, social and governance reporting made by Aeris.

**Appendix B: Pre-Approved Non-Audit Services (“Category B”)**

Services in this category as set out below are pre-approved subject to the following limitations:

* No individual engagement for services in this category can be approved (excluding GST) without the separate prior approval of the CFO or Managing Director/Chief Executive Officer; and
* The approval from the Audit Committee Chair is required prior to the engagement of the external auditor for services in this category in excess of $50,000 (excluding GST).

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| **Type of Service** | **Description** |
| **Advice and Recommendations** | |
| Accounting Consultations | Inquiries and related consultations by Aeris’ management performed outside the course of the audit provided that these are limited to generic and/or high level advice and recommendations that require management to develop their own implementation plans as to the accounting or disclosure treatment of transactions or events and/or the actual or potential impact of final or proposed rules, standards, or interpretations by regulatory bodies, the IASB or other standard setting bodies. |
| Employee Benefit Plan Consultations | Consultation by management on accounting issues regarding employee benefit plans and programs. |
| G/L Data Insights | Services that include the use of PwC’s Halo and other data usage software that provide segmented visualizations of Aeris’ journal entry and other transactional data.  Discussions of observations, high-level advice/recommendations, and comparisons to datasets available to PwC. |
| Sale and purchase agreements (including completion accounts) | Advice and assistance, on sale and purchase agreements and completion accounts including benchmarking, recommendations, and advice on price adjustment mechanisms and processes. |

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| **Accounting and Bookkeeping Services** | |
| General Information Services | General Information Services provided on a subscription basis such as technical research resources and checklists, accounting and disclosure software tools, benchmarking services (e.g., industry-wide or generic topics as opposed to a Aeris specific/customized benchmark), technical updates, publications, seminars and conferences, participation in surveys and survey results, and related information and tools. |
| Digital Fitness Assessment (as a General Information Service) | The General Information Service version of Digital Fitness Assessment is a software application that offers people educational courses to learn skills in digital technology. The assessment functionality allows individual users to complete the assessment and will provide them with their individual assessment results for their own use, without reporting results to Aeris. Individual users are able to select areas of interest and receive personalized suggested learnings based on the results of their assessment and on their stated preferences. |
| Stock Counts | Stock counts required under regulations for registered investment advisers and private equity funds of the firm. |
| **Administrative Services** | |
| Assisting with Routine or Mechanical Tasks Within the Normal Course of Operations | ● Word processing or document formatting not related to the preparation of the financial statements  ● Preparing administrative or statutory forms for Aeris approval  ● Submitting such forms as instructed by Aeris  ● Monitoring statutory filing dates and advising Aeris of those dates. |

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| **Tax Services** | |
| Tax Compliance Services | * Preparation and/or review and lodgement of tax compliance filings, including but not limited to:   + Preparation and/or review and lodgement of income tax return compliance filings   + Preparation and/or review and lodgement of Fringe Benefits Tax (FBT) return compliance filings   + Preparation and / or review and lodgement of Business Activity Statement (BAS) compliance filings   + Amendment of above mentioned returned as required   + Review of half year and year end tax effect accounting calculations * Assistance with Australian Taxation Office (ATO) examinations / reviews, where required. * Correspondence with the ATO on tax matters and forwarding ATO correspondence as required * International/Global Tax Compliance (Recurring)   ● Customs and Duties - Compliance  ● Other Indirect Taxes - Compliance   * Research & Development compliance * Preparation and/or review and lodgement of state and local tax compliance filings * Financial Acquisitions Threshold analysis and calculations * Tax Governance, including:   + Review of Tax Governance framework and tax policies   + Provide recommendations for best practice approach to Tax Governance frameworks. |
| Individual Tax Services | * Preparation of individual income tax returns * Advice on impact of changes in local tax laws and consequences of changes in compensation programs and practices |
| Benchmarking Services | * Surveys where companies pay a fixed fee to participate, submit their data and receive a report * Private surveys where Aeris’ data is compared to external data |
| Tax Valuation Services | Preparation of “tax-purpose only” valuations that will be used solely for the purpose of preparing or supporting tax returns and related filings |
| Allocable Cost Allocation and Tax Group Consolidation | Preparation of tax consolidation calculations for an entity / entities joining or exiting the Aeris income tax consolidated group and advice regarding the same. |
| Tax consulting and opinions | Advice and opinions interpreting Australian and foreign tax legislation, law and practice. This will include providing tax advice on deal structuring and related documentation, providing tax planning and strategic advice. |
| Buyside Tax Due Diligence Services (Provided to Aeris as the Potential Acquirer) | Advice and assistance, commissioned by the acquirer, in analysing the tax situation of the target company in conjunction with a proposed acquisition |
| Sell-Side Tax Due Diligence Services (Provided to Aeris as the Potential Seller) | Advice and assistance on the tax situation from the perspective of a hypothetical acquirer and Potential Seller |
| People and Organisation Services | Advise and assist Aeris in tax aspects of people management  Tax advice in relation to incentive plans offered to Aeris personnel |
| Other Integral Services Components and Activities | ● Additional tax-related services performed in conjunction with and to support the provision of the aforementioned services   * General advice regarding statutory, regulatory or administrative taxation developments linked to a pre approved service above. |

This is subject to prohibitions on certain types of transactions that are "potentially abusive", "confidential" or "aggressive" and therefore classified as Prohibited Services.

Other services including but limited to tax planning and tax dispute support are allowable services but given their scope is unique to each engagement they will require Audit Committee approval on an adhoc basis before work commences as per section 2.2 above.