Conrad Asia Energy Ltd

Company Number: 201026677K (incorporated in the Republic of Singapore)

Australian ARBN 656 246 678

Audit & Risk Management Committee Charter

29 May 2026

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Audit & Risk Management Committee Charter

Conrad Asia Energy Ltd ("CAE")
and its subsidiaries (together the "Company")

1. Introduction

1.1 Purpose of Charter

This is the Charter of the Audit & Risk Management Committee established by the Board of the Company (the **Charter**). The Charter governs the operations of the Audit & Risk Management Committee. It sets out the Committee's role and responsibilities, composition, structure and membership requirements.

1.2 Purpose of Committee

The Committee has been established to assist the board of the Company (**Board**) in fulfilling its corporate governance and oversight responsibilities in relation to the Company's financial reports and financial reporting process and internal control structure, risk management systems (financial and non-financial) and the external statutory audit process. Accordingly, the Committee will meet regularly to:

(a) review and approve internal audit and external statutory audit plans;

(b) update the internal and external statutory audit plans;

(c) review financial reports and recommend their approval to the Board;

(d) review reports arising from any risk assurance activities;

(e) assess the independence and performance of, and recommend the appointment or removal of, external auditors or an internal head of audit;

(f) review the adequacy of the Company's corporate reporting processes and internal control and risk framework; and

(g) review the effectiveness of the Company's compliance and risk management functions.

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2. Membership

2.1 Composition of Committee

The Committee will:

(a) comprise only of members of the Board of Directors (**Directors**) and members will be appointed and removed by the Board;

(b) be of sufficient size, independence and technical expertise to discharge its mandate effectively;

(c) consist of:

(i) at least three members;

(ii) only non-executive directors;

(iii) a majority of independent[1] directors (**Independent Directors**); and

(iv) an independent[2] Chair, who will be nominated by the Board from time to time, but who will not be the Chair of the Board;

(d) comprise members who are financially literate (as in, members who are able to read and understand financial statements); and

(e) include at least one member, preferably the Chair, who has accounting and/or related financial management expertise (as in, a member who is a qualified accountant or other financial professional with experience of financial and accounting matters) and some members who have an understanding of the industries in which the Company operates.

2.2 Ceasing to be a Member of the Committee

A person will cease to be a member of the Committee if:

(a) the person gives reasonable notice in writing to the Committee Chair of the person's resignation as a member of the Committee;

(b) the Committee Chair gives the person notice in writing that the person is to cease to be a member of the Committee; or

(c) the person ceases to be a Director, in which case the person automatically ceases to be a member of the Committee.

2.3 Secretary

(a) The Committee will have a secretary, which is to be the Company Secretary or such other person as nominated by the Board (**Committee Secretary**).

(b) The Committee Secretary will attend all Committee meetings.

(c) The Committee Secretary, in conjunction with the Chair of the Committee, must prepare an agenda to be circulated to each Committee member at least 2 full working days prior to each meeting of the Committee.

(d) The Committee Secretary will distribute a meeting timetable for each forthcoming calendar year.

3. Meetings & Authority of the Committee

3.1 Meetings

(a) The Committee will meet often enough to undertake its role effectively, being at least 2 times each calendar year.

(b) The Committee will meet in private session at least annually to assess management's effectiveness.

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[1] Refer to the meaning of independent as discussed in the Corporate Governance Principles and Recommendations (4th edition) of the ASX Corporate Governance Council and outlined in Schedule 1.

[2] See note 1

(c) The quorum for any meeting will be 2 members.

(d) Special meetings may be convened as required. The Chair will call a meeting of the Committee if requested to do so by any member of the Committee, by the external statutory auditors or by the Chair of the Board.

(e) The Committee may invite such other persons (for example, staff, Managing Director / Chief Executive Officer (**CEO**), Chief Financial Officer (**CFO**), external parties) to its meetings, as it deems necessary, whether on a permanent or ad hoc basis.

(f) The proceedings of all meetings will be minuted. The minutes will be included in the papers for the next Board meeting after each Committee meeting.

3.2 Authority

The Board authorises the Committee, within the scope of its responsibilities, to:

(a) investigate any matter brought to its attention with full access to all books, records and facilities;

(b) seek any information it requires from an employee (and all employees are directed to co-operate with any request made by the Committee) or external parties;

(c) obtain outside accounting, legal, insurance, compliance, risk management or other professional advice as it determines necessary to carry out its duties;

(d) interview management and internal and external auditors (with or without management present);

(e) ensure the attendance of Company officers at meetings as it thinks appropriate; and

(f) from time to time, where circumstances dictate, operate outside of the current risk appetite set by the Board, provided that any such matters are brought to the attention of the Board.

4. Duties and Responsibilities

4.1 Understanding the Company's Business

The Committee will ensure it understands the Company's structure, business and controls to ensure that it can adequately assess the significant risks faced by the Company.

4.2 Corporate Reporting

The Committee's primary corporate reporting responsibility is to oversee the Company's corporate reporting process on behalf of the Board and to report the results of its activities to the Board. The Committee will:

(a) review and make recommendations to the Board regarding the adequacy of the Company's corporate reporting processes and internal control framework;

(b) review the Company's financial statements to determine whether they reflect the understanding of the Committee of, and otherwise provide a true and fair view of, the financial position and performance of the Company and other group entities and make any necessary recommendations to the Board;

(c) review significant accounting policies adopted by the Company to ensure compliance with International Financial Reporting Standards and Financial Reporting Standards in Singapore and generally accepted accounting principles;

(d) review and make recommendations to the Board regarding the appropriateness of the accounting judgments or choices exercised by management in preparing the Company's financial statements;

(e) ensure that before the Board approves the Company's financial statements for a financial period, that the Board and the Committee first receive from the CEO and the CFO a declaration that, in their opinion, the financial records of the Company and its controlled entities have been properly maintained and that the financial statements comply with the applicable accounting standards and give a true and fair view of the financial position and performance of the Company and its controlled entities and that the opinion has been formed based on a sound system of risk management and internal control which is operating effectively;

(f) consider financial matters relevant to half-yearly reporting in a timely manner; and

(g) review other financial information distributed externally as required.

4.3 Oversight of Risk Management Framework

(a) The Committee's primary risk management responsibility is to monitor and review the Company's risk management framework at least annually to assess whether it is sound and is operating in accordance with the nature and extent of the acceptable levels of risk determined by the Board and report to the Board on the results of those assessments.

(b) The Committee will:

(i) monitor the adequacy of the Company's processes for managing risk, including management's performance against the Company's risk management framework and whether management is operating with due regard to the risk appetite set by the Board, and whether the Company is adequately addressing financial and non-financial risk and contemporary and emerging risks such as conduct risk[3], digital disruption, cyber-security, privacy and data breaches, sustainability and climate change;

(ii) make recommendations to the Board regarding changes that could be made to the Company's processes for managing risk or to the risk appetite set by the Board;

(iii) receive reports from internal audit on its reviews of the adequacy of the Company's processes for managing risks;

(iv) review any material incident involving fraud, breakdowns of the Company's risk controls or other failure of the Company's internal controls, and the relevant "lessons learned";

[3] As stated in the report of APRA's Prudential Inquiry into the Commonwealth Bank of Australia (1 May 2018) at page 7: "Conduct risk is 'the risk of inappropriate, unethical or unlawful behaviour on the part of an organisation's management or employees.' At its simplest, conduct risk management goes beyond what is strictly allowed under law and regulation ('can we do it?') to consider whether an action is appropriate or ethical ('should we do it?')."; Also refer to Australian Securities and Investments Commission, Market Supervision Update Issue 57 – Conduct Risk, March 2015.

(v) receive reports from management on new and emerging sources of risk and the risk controls that management has put in place to deal with those risks; and

(vi) oversee the Company's insurance program, having regard to the business of the Company and its controlled entities and the insurable risks associated with the business.

4.4 Reporting to the Board

(a) The Committee will regularly report to the Board on all matters relevant to the Committee's role and responsibilities.

(b) The Chair will report and as appropriate, make recommendations to the Board after each meeting of the Committee on matters dealt with by the Committee.

(c) As and when appropriate, the Committee will seek direction and guidance from the Board on audit, risk management and compliance matters.

(d) The Committee will ensure that the Board is made aware of audit, financial reporting, internal control, risk management and compliance matters which may significantly impact the Company in a timely manner.

4.5 Assessment of Accounting, Financial and Internal Controls

Periodically, the Committee will meet separately with management, the internal auditors and the external statutory auditors to discuss:

(a) the adequacy and effectiveness of the accounting and financial controls, including but not limited to the Company's policies and procedures to assess, monitor, and manage business risk and legal and ethical compliance programs;

(b) the appropriateness of the accounting judgements and choices exercised by management in preparing the Company's financial statements; and

(c) issues and concerns warranting Committee attention, including but not limited to their assessments of the effectiveness of internal controls and the process for improvement.

The Committee will provide sufficient opportunity for the internal auditors and the external statutory auditors to meet privately with the members of the Committee. The Committee will review any audit problems or difficulties regarding management's response with the external statutory auditor.

The Committee will receive regular reports from the external statutory auditor on the critical policies and practices of the Company, and all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management.

4.6 Appointment of External Statutory Auditors and Scope of External Statutory Audit

The Committee will:

(a) make recommendations to the Board on the appointment, reappointment or replacement, remuneration, monitoring of the effectiveness and independence of the external statutory

auditors and resolution of disagreements between management and the auditor regarding financial reporting[4];

(b) consider review and make recommendations to the Board regarding the rotation of the audit engagement partner of the external statutory auditors;

(c) review and make recommendations to the Board regarding fees payable to the external auditor for audit and non-audit services;

(d) consider the scope and adequacy of the external statutory audit;

(e) discuss with the external statutory auditors the overall scope of the external statutory audit, including identified risk areas and any additional agreed-upon procedures;

(f) make recommendations to the Board regarding any proposal for the external auditor to provide non-audit services and whether this might compromise their independence;

(g) make recommendations to the Board regarding disclosure (for example, in its corporate report, the governance disclosures in its annual report or on its website) of its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external statutory auditor; and

(h) ensure that the terms of appointment of the external auditors include a requirement to attend (including via telephone or videoconference) the annual general meeting (**AGM**) of the shareholders of the Company and that they are available at the AGM to answer any questions from shareholders relevant to the audit.

4.7 Pre-approval of Audit and Non-Audit Services Provided by External Statutory Auditors

(a) The Committee will pre-approve all audit and non-audit services provided by the external statutory auditors and will not engage the external statutory auditors to perform any non-audit/assurance services that may impair or appear to impair the external statutory auditor's judgement or independence in respect of the Company.

(b) The Committee may delegate pre-approval authority to a member of the Committee. The decisions of any Committee member to whom pre-approval authority is delegated must be presented to the full Committee at its next scheduled meeting.

4.8 Assessment of the External Audit

(a) The Committee, at least on an annual basis, will obtain and review a report by the external auditors describing (or meet, discuss and document the following with them):

(i) the audit firm's internal quality control procedures;

(ii) any material issues raised by the most recent internal quality control review, or peer review, of the audit firm, or by any enquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and

[4] When recommending the appointment of an auditor or assessing potential and continuing auditors, directors and members of the Audit & Risk Management Committee will have regard to best practices, including guidance outlined in ASIC's paper on Audit quality: The role of directors and audit committees (ASIC Information Sheet 196).

(iii) all relationships between the external auditor and the Company (to assess the auditor's independence).

(b) The Committee will set clear hiring policies for employees or former employees of the external auditor in order to prevent the impairment or perceived impairment of the external auditor's judgment or independence in respect of the Company. The Committee will review and assess the independence and performance of the external statutory auditor[5], including:

(i) a review of any relationships with the Company or any other entity that may impair or appear to impair the external statutory auditor's judgement or independence in respect of the Company;

(ii) a review of any appointments of the external statutory auditor to provide non-audit services and whether those appointments may impair or appear to impair the external statutory auditor's judgement or independence in respect of the Company.

(c) The Committee will draft an annual statement for inclusion in the Company's annual report as to whether the Committee is satisfied that the provision of non-audit services is compatible with external auditor independence.

4.9 Assessment of the Internal Audit

The Committee will:

(a) be responsible for the appointment and removal of the head of the internal audit function;

(b) consider and discuss the scope and adequacy of the internal audit with the internal auditor, including the internal audit plan, work program and quality control procedures; and

(c) consider the independence, objectivity and performance of the internal audit function.

The internal audit function is a centralised function, to facilitate the assessment of risks by each business unit and to report to the Committee on the material risks and actions being undertaken by each business unit to mitigate these risks to an acceptable level.

As part of its review, the Committee will review:

(d) the internal auditor's charter and resources to ensure no unjustified restrictions or limitations are imposed upon internal audit staff and that resourcing is adequate and consider and discuss the scope and adequacy of the internal audit with the internal auditor; and

(e) consider whether the head of the internal audit is suitably qualified and has a direct reporting line to the Committee to bring the requisite degree of skill, independence and objectivity to the role.

[5] When assessing the quality of audits, directors and members of the Audit & Risk Management Committee will have regard to best practices, including guidance outlined in ASIC's paper on Audit quality: The role of directors and audit committees (ASIC Information Sheet 196).

4.10 Compliance with Laws and Regulations

The Committee will:

(a) gain an understanding of the current areas of greatest compliance risk (financial and non-financial) and review these areas on a regular basis;

(b) obtain regular updates from management, the Company's legal counsel, auditors and any external parties as it thinks fit regarding audit, risk management and compliance matters and regularly review existing compliance systems and consider any deficiencies in compliance risk measures;

(c) review any legal matters which could significantly impact the Company's compliance and risk management systems, and any significant compliance and reporting issues, including any recent internal regulatory compliance reviews and reports;

(d) review the effectiveness of the compliance function at least annually, including the system for monitoring compliance with laws and regulations and the results of management's investigations and follow-ups (including disciplinary action) of any fraudulent acts or non-compliance;

(e) be satisfied that all regulatory compliance matters have been considered in the preparation of the Company's official documents; and

(f) review the findings of any examinations by regulatory agencies and oversee all liaison activities with regulators.

(g) oversee the effectiveness of the Company's Whistleblower Policy, including ensuring appropriate processes exist for the confidential reporting and investigation of misconduct.

4.11 Review of Media Releases, Announcements and Complaints

The Committee will:

(a) regularly review the operation of the Company's Continuous Disclosure Policy and Communications Policy and discuss media releases, ASX announcements and assess any other information provided to analysts and whether any changes are required;

(b) review the appropriateness of processes management has in place to ensure that the information and representations contained in all representation letters signed by management, to ensure that the information provided is complete and appropriate;

(c) establish procedures for the receipt, retention, and treatment of complaints or incidents received by the Company regarding accounting, internal accounting controls, or auditing matters, and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;

(d) review corporate legal reports of evidence of a material violation of the Singapore Companies Act 1967, the ASX Listing Rules or breaches of fiduciary duties; and

(e) receive copies of any reports compiled by whistleblower protection officers in respect of any whistleblowing complaints (in accordance with anonymity and confidentiality requirements).

4.12 Committee Performance

(a) The Committee will perform an evaluation of its performance at least once a calendar year to determine whether it is functioning effectively by reference to current best practice.

(b) The Board will evaluate the performance of the Committee as appropriate.

5. Other Matters

5.1 Amendment of Charter

This Charter can only be amended with the approval of the Board.

5.2 Adoption of Charter and Periodic Review

This Charter was adopted by the Board on the date on the front cover of this Charter, and takes effect from that date and replaces any previous charter in this regard.

The Committee must review and reassess this Charter and the Risk Management Policy at least once each reporting period and, on each occasion, obtain the approval of the Board to any amendments to the Charter or Risk Management Policy. The Board will also review this Charter and the Risk Management Policy periodically. Such review should be undertaken to enable the Committee and the Board (as applicable) to satisfy itself that the Risk Management Policy and this Charter continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board.

The Company Secretary will communicate any amendments to employees as appropriate.

Schedule 1 - Independence as Defined by the ASX Corporate Governance Council in their Corporate Governance Principles and Recommendations (4th edition)

A director of a listed entity should only be characterised and described as an independent director if he or she is free of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party.

The ASX Corporate Governance Principles and Recommendations (4th edition) provide certain examples for assessing the independence of directors and outline relationships which may affect independent status. They provide that when determining the independent status of a director, the board should consider whether the director:

1. is, or has been, employed in an executive capacity by the entity or any of its child entities, and there has not been a period of at least three years between ceasing such employment and serving on the board;

2. receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of, the entity;

3. is, or has been within the last three years, in a material business relationship (e.g., as a supplier, professional adviser, consultant or customer) with the entity or any of its child entities, or is an officer of, or otherwise associated with, someone with such a relationship;

4. is, represents, or has been within the last three years an officer or employee of, or professional adviser to, a substantial holder;

5. has close personal ties with any person who falls within any of the categories described above; or

6. has been a director of the entity for such a period that their independence from management and substantial holders may have been compromised.

Where a director falls within one or more of these examples, the board should rule the director not to be independent unless it is clear that the interest, position or relationship in question is not material and will not interfere with the director's capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party.