

RED 5 LIMITED

RISK AND ENVIRONMENT COMMITTEE CHARTER

SCOPE

The Risk and Environment Committee (R&E Committee) is a committee of the Board of Directors of the Company with the specific powers delegated under this charter. The charter sets out the R&E Committee's function, composition, mode of operation, authority and responsibilities.

FUNCTION

The R&E Committee has been established to assist the Board in its oversight and review of issues relating to Risk and the Environment as they affect the Company's employees, contractors and the communities in which the Company operates.

The function of the R&E Committee is to advise the Board and the Managing Director on the effectiveness of risk management and the systems supporting environmental compliance, performance and improvement in the operations of the business.

OBJECTIVES

The R&E Committee will seek to promote the following Company objectives:

- to develop and sustain industry-recognised best practice in risk and environmental management across the Company's operations; and
- wherever possible, to prevent or otherwise minimise, mitigate and remediate any adverse effects of the Company's operations on the environment in which the Company operates.

AUTHORITY

The R&E Committee is established as an advisory committee to the Board and does not have executive powers to commit the Board to the implementation of any recommendations.

The R&E Committee has unrestricted access to management and the Company's mining and exploration sites, in order to fulfil its purpose and undertake its duties.

ROLES AND RESPONSIBILITIES

The R&E Committee is responsible for providing independent advice to the Board on risk management, governance and environmental management and performance.

The function of the R&E Committee is oversight of policy development and management implementation under the terms of this charter.

Management's responsibilities

The Company's management is responsible for:

- the planning, implementation and assessment of the Company's risk and environmental management systems, policies and strategies;
- ensuring compliance by the Company and its subsidiaries with all relevant environmental legislation; and
- development of effective risk management oversight and reporting.

R&E Committee duties

The duties of the R&E Committee comprise:

- reviewing the Company's environmental and risk management policies and advising on changes thereto;
- monitoring the Company's compliance with its environmental and sustainable development (where relevant) policies;
- monitoring the Company's compliance with relevant legislation pertaining to environmental management and performance;
- monitoring the adequacy of the Company's risk management framework including the policies and procedures regarding identification, assessment, reporting and management of risks;
- review reports from management on any significant risk or environmental incident, deviation or breach of the Company's policies, standards or procedures; and
- support the Board in review of the risk and environmental disclosures in annual reports and other information for public release.

In fulfilling these duties, the R&E Committee may, from time to time:

- conduct site reviews and engage with management for the purposes of identifying specific risks and exposure;
- obtain independent legal, professional or other advice as necessary; and
- assess management performance in controlling the Company's risk and environmental performance and risk management profile.

MEMBERSHIP

The members of the R&E Committee shall be appointed by the Board. The R&E Committee shall be composed of three non-executive directors, at least one of whom shall be an independent director and Chair of the R&E Committee, and with the permanent invitation and participation of the Managing Director.

The Company Secretary shall be the Secretary of the R&E Committee and the Chair of the R&E Committee shall be the co-ordinator of the R&E Committee.

The R&E Committee may invite, at its discretion, any other individuals it deems appropriate to attend its meetings and report to it.

MEETINGS

The R&E Committee shall meet at least two times annually and more frequently as deemed necessary.

Only R&E Committee members and others by the R&E Committee's invitation are entitled to attend meetings. Members of the Board are invited under a standing invitation.

The Chair shall report to the full Board after every R&E Committee meeting.