



TERRA FIRMA

AUDIT & RISK
COMMITTEE CHARTER



TERRA FIRMA EQUITY LIMITED

ACN 675 999 747



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Audit & Risk Committee Charter

Terra Firma Equity Limited (ACN 675 999 747)

1. Purpose

The Audit & Risk Committee (“Committee”) is established by the Board of Terra Firma Equity Limited (“Terra Firma”, “the Company”) to assist the Board in fulfilling its responsibilities relating to:

- Financial reporting integrity
- Internal control systems
- Risk management framework
- Compliance with legal and regulatory requirements
- Oversight of external audit (where appointed)
- Corporate governance and accountability

The Committee operates under delegated authority from the Board but does not replace the Board’s ultimate responsibility for governance oversight.

2. Authority

The Committee is authorised by the Board to:

- Investigate any matter within its terms of reference
 - Obtain independent professional advice at the Company’s expense
 - Access all Company records, personnel and information necessary to perform its duties
 - Require attendance of management at meetings
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3. Composition

The Committee shall:

- Be comprised of at least two non-executive directors (or such number as determined appropriate by the Board)
- Include members with financial literacy and relevant industry experience
- Be chaired by an independent non-executive director (where practicable)

The Chair of the Committee shall not be the Chair of the Board unless otherwise determined appropriate by the Board.

4. Meetings

The Committee will meet at least twice per year, or more frequently as required.

A quorum shall consist of a majority of Committee members.

Minutes of each meeting shall be prepared and circulated to the Board.

5. Financial Reporting Responsibilities

The Committee shall:

- Review annual and interim financial statements prior to Board approval
- Assess whether financial statements provide a true and fair view
- Review significant accounting policies and judgments
- Monitor financial reporting processes and internal controls
- Oversee integrity of financial disclosures

Where external auditors are appointed, the Committee shall:

- Review audit plans and scope
 - Assess auditor independence
 - Review audit findings and management responses
 - Recommend appointment, removal and remuneration of external auditors
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6. Risk Management Oversight

The Committee is responsible for reviewing and monitoring the Company's risk management framework.

This includes oversight of:

- Operational risk
- Commodity price volatility
- Supply chain disruption
- Environmental and regulatory risk
- Biosecurity and compliance risk
- Financial and liquidity risk
- Capital and funding risk
- Reputational and governance risk

The Committee will review risk registers and risk mitigation strategies periodically and report to the Board.

7. Internal Controls & Compliance

The Committee shall:

- Monitor effectiveness of internal controls
 - Review compliance with laws and regulatory obligations
 - Oversee whistleblower reporting mechanisms
 - Review any material incidents of fraud, misconduct or control failure
 - Ensure appropriate escalation procedures exist
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8. Capital & Funding Oversight

Given Terra Firma's capital-intensive strategy and development programs, the Committee shall review:

- Debt and equity funding structures
- Financing covenant compliance
- Liquidity management
- Capital allocation frameworks
- Major investment proposals

The Committee provides oversight but final approval of major capital decisions remains with the Board.

9. Environmental & Sustainability Risk

The Committee shall oversee environmental compliance and sustainability-related risks relevant to:

- Processing facilities
 - Waste management
 - Water usage
 - Emissions and environmental approvals
 - Regulatory compliance
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10. Reporting to the Board

The Committee Chair shall report to the Board following each meeting and provide:

- Summary of matters reviewed
 - Recommendations for Board approval
 - Any material concerns or emerging risks
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11. Review of Charter

This Charter shall be reviewed periodically by the Committee and approved by the Board to ensure it remains appropriate to the Company's scale, complexity and strategic direction.

Approved by the Board of Terra Firma Equity Limited

ACN 675 999 747

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25-February 2026

Terra Firma Equity Limited

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