

THESE RULES (the "**Rules**") were adopted by the Board of Directors (the "**Board**") of New World Resources Plc ("**NWR**") on 8 April 2011 and shall have effect from the time of admission of the A Shares of NWR to the Official List of the UK Financial Services Authority and to trading on the main market of the London Stock Exchange. These Rules were amended by the Board on 3 November 2014 and 21 January 2015.

THE AUDIT AND RISK MANAGEMENT COMMITTEE

1. Constitution

NWR shall establish an Audit and Risk Management Committee (the "**ARMC**"). The ARMC assists the Board in fulfilling its oversight responsibilities with respect to:

- (a) the integrity of NWR's financial statements and, where requested by the Board, the annual report as a whole;
- (b) NWR's internal control, compliance and risk management;
- (c) the compliance by NWR with legal and regulatory requirements;
- (d) the performance, qualifications and independence of the external audit function of NWR and its subsidiaries (the "**Group**") and the nomination of NWR's external auditor to the Annual General Meeting of Shareholders of NWR (the "**Annual General Meeting**");
- (e) reviewing the scope, resources, results and effectiveness of internal audit;
- (f) the supply of financial information to the Board and preparation of the Group budget;
- (g) overseeing and providing guidance to the NWR's CFO on all aspects of funding and treasury management, including management of interest rate and foreign exchange exposures;
- (h) monitoring and approving all related party transactions; and
- (i) opining and making proposals to the Board in all matters where an actual or potential conflict of interest between directors and NWR exists, especially in relation to any actual or potential conflicts arising from any actual or contemplated real estate transactions following the implementation of the Divisional Policy Statements of NWR.

2. Purpose

The ARMC advises the Board in its work and is responsible for ensuring the integrity of the consolidated financial statements and consolidated accounts of NWR, preparing resolutions of the Board in relation thereto, and taking decisions in accordance with authorities delegated by the Board. The ARMC also advises the Board on audit, accounting and financial disclosure matters regarding the Real Estate Division of NWR. The Board remains responsible for its decisions even if they were prepared by the ARMC.

3. Duties and Responsibilities

The responsibilities of the ARMC for NWR, major subsidiary undertakings and the Group as a whole, as appropriate, shall be to:

3.1 Integrity of Financial Reporting

Review with the Board and auditors the integrity of the financial statements, including the annual and interim financial statements and any other formal announcement relating to NWR's financial performance including its

annual report. In particular, the ARMC shall review and challenge the actions and significant financial reporting issues and judgements of management in relation to the financial statements before submission to the Board having regard to matters communicated to it by the auditor, paying particular attention to:

- 3.1.1. critical accounting policies and practices, and the consistency of and any changes to them both on a year on year basis and across NWR/the Group;
- 3.1.2. whether the Company has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditor;
- 3.1.3. management decisions requiring a significant element of judgement;
- 3.1.4. the extent to which the financial statements are affected by any significant or unusual transactions in the year and how they are disclosed;
- 3.1.5. the clarity and completeness of disclosures and the context in which statements are made, in particular (i) an explanation of the basis on which NWR generates or preserves value over the longer term (the business model) and the strategy for delivering the objectives of NWR, and (ii) the going concern statement and the supporting assumptions or qualifications as necessary;
- 3.1.6. any representation letter requested by the external auditor before it is signed on behalf of NWR;
- 3.1.7. compliance with legal and regulatory requirements; and
- 3.1.8. the financial statements (and all material information presented with them), accounting and reporting policies regarding the Real Estate Division and the Mining Division.

With regard to the review of the annual report and accounts, where requested by the Board, the ARMC should provide advice on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the NWR's performance, business model and strategy.

3.2 External Audit

- 3.2.1 Make recommendations to the Board, for it to put to shareholders for their approval in the Annual General Meeting, in relation to the appointment, re-appointment and removal of the external auditor.
- 3.2.2 Approve the remuneration and terms of engagement of the external auditor.
- 3.2.3 Review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration UK professional and regulatory requirements and the relationship with the auditor as a whole.
- 3.2.4 Develop and implement policy on the provision of non-audit services by the external auditor to NWR and its subsidiaries and the related fees, taking into account any relevant ethical guidance regarding the provision of non-audit services by the external auditor; and to report to the Board, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken.

- 3.2.5 Review and approve the annual audit plan, before the audit commences, and ensure that it is consistent with the scope of the audit engagement. The review should include the external auditor's quality control procedures and steps taken by the external auditor to respond to changes in regulatory and other requirements.
- 3.2.6 Review annual reports by the external auditor on internal control system and procedures as well as any letters and communications by the external auditor to management.
- 3.2.7 Review such reports prepared by the external auditor as the ARMC shall require. The ARMC shall meet regularly with the external auditor, including at the planning stage of the audit and, after the audit, at the reporting stage. The ARMC shall meet with the external auditor at least once a year, without management being present, to discuss their remit and any issue arising from the audit. At least once a year the ARMC shall report to the Board on developments concerning the relationship with the external auditor, in particular its independence. The report shall address, *inter alia*, the desirability of rotation of partners within a firm of external auditors that is responsible for NWR's audit, and the desirability of any non-auditing work for NWR by the external auditor. The selection and recommendation of the external auditor will also take into account the outcome of this report.
- 3.2.8 At least every four years, the Board, shall, together with the ARMC, thoroughly assess the functioning of the external auditor in the various entities and capacities in which the external auditor operates. The main conclusions of the assessment shall be notified to the Annual General Meeting for the purpose of considering the (recommendation for the appointment of) external auditor of NWR.
- 3.2.9 Ensure that at least once every ten years the audit services contract is put out to tender to enable the ARMC to compare the quality and effectiveness of the services provided by the incumbent auditor with those of other audit firms; and in respect of such tender oversee the selection process and ensure that all tendering firms have such access as is necessary to information and individuals during the duration of the tendering process.
- 3.2.10 The external auditor shall receive the financial information underlying the adoption of the quarterly or half yearly accounts and other interim financial reports and shall be given the opportunity to respond to all information.

3.3 Internal Audit

- 3.3.1 Approve the charter of the Group internal audit division (the "**Internal Audit Division**") and review at least annually the adequacy of this Charter and recommend any proposed changes to the Board for approval.
- 3.3.2 Regularly monitor and review the effectiveness of the Internal Audit Division.
- 3.3.3 Review the remit of the Internal Audit Division and the annual audit plan, and ensure that the Internal Audit Division is adequately resourced and has appropriate standing and independence within NWR.

- 3.3.4 Ensure that the Internal Audit Division includes in its annual report a review of the effectiveness of the Divisional Policy Statements of NWR and their implementation on the Real Estate Division throughout the Group.
- 3.3.5 Approve the appointment and dismissal of the Group Internal Auditor.
- 3.3.6 Approve the compensation of the Group Internal Auditor.
- 3.3.7 Receive all reports from the Group Internal Auditor, review management's response to any recommendations and follow up on timetables and actions taken towards the implementation of such recommendations.
- 3.3.8 Ensure the internal auditor has direct access to the Board Chairman and to the ARMC chairman, and is accountable to the ARMC.
- 3.3.9 Meet regularly with the Group Internal Auditor and discuss, at least once a year, without management being present, his remit and any issues resulting from the internal audits.

3.4 Internal Control, Risk Management and Compliance

- 3.4.1 Review regularly the effectiveness of NWR and the Group's systems for internal control, compliance, budgeting/forecasting and financial reporting, ensuring both qualitative and quantitative metrics are used, and report annually to the Board on the adequacy of the systems. Especially focus on the integrity of controls over the Real Estate Division.
- 3.4.2 Review regularly the effectiveness of the procedures for identifying strategic and business risks and controlling their financial impact on the Group and the operational effectiveness of the policies and procedures related to risk management, and report annually to the Board on their adequacy.
- 3.4.3 Review reports on any material breaches of risk limits and the adequacy of proposed actions.
- 3.4.4 Review compliance issues that have arisen during the past year. The Company Secretary/Compliance Officer may request a meeting with the ARMC or its chairman at any time.
- 3.4.5 Review the adequacy and security of the NWR's arrangements for its employees and contractors to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The ARMC shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up actions.
- 3.4.6 Prepare recommendation to the Board on conflicts of interests, related party transactions and loans to directors in accordance with NWR's Corporate Governance Policy and Chart of Authorities.
- 3.4.7 Monitor and review the effectiveness of NWR's Whistleblower Procedure. The ARMC receives regular reporting from the Company Secretary/Compliance Officer on the implementation of the Whistleblower Procedure and reported suspected irregularities.
- 3.4.8 Review the NWR's procedures for detecting fraud and any breaches arising under the Code of Ethics and Business Conduct and policies to be adopted under the UK Bribery Act 2010.
- 3.4.9 Review the NWR's procedures for the prevention of bribery.

- 3.4.10 Consider and approve the remit of the risk management function and ensure it has adequate resources and appropriate access to information to enable it to perform its function effectively and in accordance with the relevant professional standards. The ARMC shall also ensure the function has adequate independence and is free from management or other restrictions.
- 3.5 The ARMC shall prepare and publish, on an annual basis, a report of its deliberations and findings which shall be part of the annual report of NWR, including an explanation of: (i) how NWR has addressed the effectiveness of the external audit process and the approach taken to the appointment or reappointment of the external auditor, and information on the length of tenure of the current audit firm and when a tender was last conducted; (ii) the significant issues considered in relation to the financial statements and how these were addressed; and (iii) if the external auditor provides non-audit services, an explanation of how auditor objectivity and independence is safeguarded.
- 3.6 Before a decision to proceed is taken by the Board, the ARMC shall advise the Board on proposed strategic transactions including acquisitions or disposals, ensuring that a due diligence appraisal of the proposition is undertaken, focussing in particular on risk aspects and implications for the risk appetite and tolerance of the Company, and taking independent external advice where appropriate and available.

4. Authority

The ARMC is authorised by the Board to investigate any matter within its terms of reference, using, at NWR's expense, resources from within NWR or from external legal, accounting or other advisers as the ARMC considers necessary. The ARMC is authorised to seek information from any director, corporate officer or employee, and from any adviser, agent or representative of NWR, for the purpose of fulfilling its duties and the Board shall, if so requested, direct such persons to cooperate with the ARMC. The ARMC also exercises the authorities set out in 3.3.1 and 3.3.6.

5. Membership

- 5.1 The ARMC is wholly composed of independent non-executive directors appointed by the Board. The Board shall determine whether a director qualifies as 'independent', in accordance with the independence criteria contained in NWR's Corporate Governance Policy. The Chairman of the Board cannot be member of the ARMC. The ARMC must have at least three members.
- 5.2 One member of the ARMC shall be a 'financial expert'. The Board determines whether a director qualifies as having sufficient 'financial expertise', with due observance of the legal requirements, and the relevant codes of practice.
- 5.3 Appointments to the ARMC shall be for a period of up to three years, extendable by no more than two additional three-year periods, so long as the members continue to be independent.

6. Meetings

- 6.1 Meetings are held at least four times per year at appropriate intervals in the financial reporting and audit cycle and as often as the chairman of the

ARMC considers appropriate. The meetings shall generally be held at the offices of NWR, but may also take place elsewhere in the Netherlands. In addition, all or any members of the ARMC may participate in meetings by telephone or videoconference (so long as the members participating in such meetings by telephone or videoconference are not present in the UK), provided that all participants can hear each other simultaneously. A person so participating is deemed to be present in person at the meeting and shall be counted in a quorum accordingly. All members of the ARMC are expected to attend each meeting.

- 6.2 Meetings are convened by written notice (which should include the agenda and supporting documents) sent to all members by the Company Secretary at the request of any of its members or at the request of the external audit lead partner or head of internal audit if they consider necessary, with due observance of a notice period of at least three days prior to the meeting unless otherwise agreed. The chairman shall determine the agenda of each meeting in consultation with the Company Secretary. Other members of the ARMC may submit to the chairman items to be discussed in the meeting. An item to be discussed which has not been submitted on time or is not supported by sufficient documentation shall not be placed on the agenda.
- 6.3 At the request of a member of the ARMC and with the agreement of the majority of other members of the ARMC, urgent matters may be discussed immediately or in an additional meeting.
- 6.4 The quorum for meetings is at least half of the members of the ARMC (which shall at all times be not less than two members of the ARMC). Formal decisions are made by a simple majority vote. If there is a tie, the chairman shall decide.
- 6.5 The Company Secretary attends the meetings of the ARMC. Otherwise no one other than the chairman and members of the ARMC may attend ARMC meetings unless invited. They may be attended by the chief executive officer (if appointed), the Chairman of the Board, the lead partner of the external auditor, and other directors and (senior Group) executives only at the invitation of the chairman of the ARMC as and when appropriate and necessary.
- 6.6 The ARMC shall meet with the external auditor at least once a year and may also meet routinely with any of the external auditor and management, or any combination of these.

7. Reporting, Self-Assessment and Performance Evaluation

- 7.1 The ARMC reports to the Board after each meeting on all matters within its duties and responsibilities and shall make whatever recommendations to the Board it deems appropriate on any area within its remit.
- 7.2 The Company Secretary prepares minutes of all meetings of the ARMC and these minutes are promptly circulated to all members of the ARMC. Once approved, minutes should be circulated to all other members of the Board unless in the opinion of the chairman of the ARMC it would be inappropriate to do so.
- 7.3 The ARMC periodically reviews and assesses its own performance and at least annually reviews the adequacy of these Rules, and confirms that all the responsibilities set out in the current Rules have been carried out to

ensure it is operating at maximum effectiveness, and recommends any changes it considers necessary to the Board.

7.4 The ARMC will ensure that its Rules are made available on NWR's external website.

7.5 The ARMC shall be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.

8. Annual General Meeting

The chairman of the ARMC or, failing him, a member of the ARMC attends the Annual General Meetings and is available to answer any questions referred to him by the chairman of the Annual General Meeting.