

CHAARAT GOLD HOLDINGS LTD

TERMS OF REFERENCE OF THE TECHNICAL COMMITTEE

Revised and adopted by the Board on 21 November 2019

CONSTITUTION AND PURPOSE

1. The Technical Committee has been established by the Board. Its purpose is to assist the Board in discharging governance responsibilities in respect to technical matters including; operational aspects, resource and reserve disclosures, technical aspects of mergers and acquisitions and high value and/or technically complex projects. The membership, responsibilities and authorities of the Committee are set out in these revised Terms of Reference, which may be amended by the Board from time to time.

MEMBERSHIP

2. The Technical Committee shall be appointed by the Board and shall preferably comprise of at least two independent non-executive directors. The Chairman of the Technical Committee shall be appointed by the Board.
3. Appointment to the Technical Committee shall be for a period of up to 3 years, which may be extended for two further periods, provided that the director in question remains independent. The Board shall have the power at any time to remove any members from the Committee and to fill any vacancies so created and, in any event, shall review the composition of the Technical Committee annually.
4. Only members have the right to attend Committee meetings. The Chair of the Board and the CEO may be invited to attend for all or part of any meeting as considered appropriate, but have no right to vote.
5. The Company Secretary or its nominee shall be the Secretary of the Technical Committee.
6. The membership of the Technical Committee shall be set out in the Annual Report of the Company.

AUTHORITY AND SCOPE

7. The Technical Committee:
 - (a) is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek information it requires from employees engaged in technical activities for the Company and employees are required to fully co-operate with any request made by the Technical Committee;
 - (b) is authorised by the Board to have unrestricted access to the company's technical consultants and to obtain, at the company's expense, outside legal or other independent professional advice on any matter within its terms of reference and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary;
 - (c) shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed;
 - (d) shall consider such other matters as may be requested by the Board.

8. In discharging its responsibilities, the Technical Committee shall:
- (a) have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required;
 - (b) 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;
 - (c) draw on other Board committees for expertise or refer matters to other Board committees for their consideration whenever it considers this appropriate;
 - (d) provide recommendations to the Board about further development, modification, and the technical and operational interpretation of the Company standards and criteria and the application of these interpretations;
 - (e) give due consideration to applicable laws and regulations, the provisions of the Combined Code, the QCA Corporate Governance Guidelines for AIM companies and the requirements of the London Stock Exchanges rules for AIM companies as appropriate.
 - (f) Members of the Committee shall not, unless expressly authorised by the Company, represent the Company to external stakeholders. All representation of the Company to external stakeholders is the responsibility of the Chair of the Board, the CEO and the Company Secretariat

ACCOUNTABILITY

9. As a sub-committee of the Board, the Technical Committee is answerable to the Board and shall report to it on a regular basis.
10. The Technical Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities. The Technical Committee may, in addition, at any time request a full meeting of the Board at which its conclusions shall be reported.
11. At least once a year, the Technical Committee shall review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

CONDUCT OF MEETINGS

Attendance and quorum

12. A quorum of the Technical Committee shall be two members, attending either in person or by telephone or other similar means of communication.
13. Other Board members and members of management may be invited by the Technical Committee to attend all or part of any meeting as and when appropriate. The Technical Committee may invite any outsiders to attend its meetings as it deems appropriate.

Frequency of meetings

14. Meetings shall be held not less than three times a year and at such other times as the Chairman of the Technical Committee shall deem necessary.
15. Meetings will be arranged as far as possible to tie in with publication of the Company's financial statements.
16. Sufficient time should be allowed to enable the Technical Committee to undertake as full a discussion as may be required and a sufficient interval should be allowed between Technical

Committee and Board meetings to allow for the Committee to undertake such work as is necessary in preparation for each Board meeting.

Notice of meetings

17. Meetings of the Technical Committee shall be summoned by the Company Secretary at the request of any of its members.
18. Unless otherwise agreed notice of each meeting confirming the venue, time and date together with an agenda of the matters to be discussed at the meeting shall be forwarded to each member and any other person required to attend no later than 3 working days before the date of the meeting. Any supporting papers shall be sent to each member of the Technical Committee (as appropriate) at the same time.

Voting arrangements

19. The Technical Committee should seek wherever possible to reach agreement by consensus. In exceptional circumstances where unanimity cannot be reached, each member of the Technical Committee shall have one vote which may be cast on matters considered at the meeting. Votes can only be cast by members attending the meeting.
20. If a matter that is considered by the Technical Committee is one where a member of the Technical Committee, either directly or indirectly has a personal interest, that member shall not be permitted to vote at the meeting.
21. Save where he has a personal interest, the Chairman will have a casting vote.
22. No invited attendees shall have a vote at meetings of the Committee.

Minutes

23. Minutes of meetings shall be taken by the Secretary of the Committee and shall be reviewed and approved by members of the Committee.
24. The secretary shall circulate the minutes of meetings of the Technical Committee to all members of the Board and in any case shall be submitted to the Board as soon as possible. Finalised minutes of the meetings of the Technical Committee will be circulated to the members of the Board of directors as part of the Board papers for each full meeting of the Board of directors.

DUTIES AND TERMS OF REFERENCE

25. The Technical Committee shall monitor the integrity of technical matters of the company including, operations, resources and reserve statements, technical due diligence for mergers and acquisitions and material projects. The Technical Committee shall also review operational practices and reports, reports on resource calculations, feasibility studies and reserve statements and reports, due diligence plans and reports for mergers and acquisitions and development and execution of material projects.
26. The Technical Committee shall review and challenge where necessary:
 - (a) operational performance and reporting of operational results.
 - (b) the consistency of and any changes to, disclosure policies related to resources, reserves or both on a year on year basis and across the company;
 - (c) whether the company has followed appropriate standards and made appropriate estimates and judgements related to reporting resources and reserves, considering the views of any external resource or reserve consultants;

- (d) feasibility studies where reserves are calculated and declared based on the feasibility study;
- (e) the clarity of disclosure in the company's resource and reserve statements and the context in which said statements are made;
- (f) all material information presented with resource and reserve statements, such as metals pricing, cut-off grades and costs.
- (g) the findings and conclusions of due diligence reports on technical and operational aspects related to mergers and acquisitions.
- (h) the development and execution of technically complex or high value projects with the potential to materially impact the company's value or market performance. High value projects shall be defined as projects greater than \$50 million USD in value or cost. This criterion shall be reviewed and adjusted as deemed necessary by the Board of Directors. The Committee shall consider project organization, policies and strategies related to projects, the projects portfolio, its alignment with strategic goals and its potential impact on Group's results, project proposals including economic analysis and sensitivities, project milestones, project key indicators, deviations in cost and schedule from approved plans and project transition from development to operation.
- (i) the scope of all the Company's various technical standards within the company's working groups
- (j) such technical functions as are delegated by the Board

HONORARIUM, TRAVEL and SUBSISTENCE EXPENSES

- 27.** Members are eligible for reimbursement of reasonable travel and subsistence expenses according to the Company's travel policy.
- 28.** Invited guests and experts can be eligible for honorarium on a case by case basis and are eligible for reasonable travel and subsistence expenses according to the Company's travel policy.
- 29.** Refunds will be made against evidence of expenditure according to Company travel cost refunding procedures.