

RISK, SAFETY AND ENVIRONMENT COMMITTEE CHARTER

1. Composition of the Risk, Safety and Environment Committee ("Committee" or "Risk, Safety and Environment Committee") of Carpentaria Resources Limited ("CAP" or "Company")

- 1.1 The Committee as it currently stands was constituted at a meeting of the board of directors held on 12 December 2019 in accordance with the constitution of the Company.
- 1.2 The Risk, Safety and Environment Committee's current members are Mr Cholakos, Mr Hill and Mr Parker. The chairman of the Committee is to be decided.
- 1.4 From time to time, non-Committee members may be invited by the Committee to attend meetings of the Committee, if it is considered appropriate. At least one company secretary is to attend meetings of the Committee unless the Committee determines otherwise.

2. Role of the Risk, Safety and Environment Committee

- 2.1 The Company is committed to the consistent, proactive and effective monitoring and management of risk throughout each of its business divisions as a whole. Risk management is fundamental to the enhancement of shareholder value and the implementation of the business and financial objectives of the Company.

2.2 Specifically, the Risk, Safety and Environment Committee must:

(a) Ensure that each of its business divisions and the Company as a whole:

- Identify actual and potential risks which would have a material impact on the Company;
- Assess their impact on business and financial objectives of the Company; and
- Implement effective and appropriate strategies and actions to address risk issues; and

(b) Clearly identify responsibility and accountability for financial, operational and risk management and compliance and control issues; and

(c) Ensure the continued review and assessment of the Company's approach to risk management.

- 2.3 The board has determined that the Company's risk management methodology and assessment of risk should consider the materiality of all risks from a Company perspective. This assessment requires identification of:

- The likelihood of an event occurring; and perform such other functions as are assigned by law, the Company's constitution or the board.
- The potential consequences for the Company and their magnitude.

- 2.4 This assessment, combined with a qualitative and quantitative approach to the analysis of the potential consequences, provides the basis for the Company's approach to risk and the developing of effective and appropriate strategies and actions to address these risks.
- 2.5 The independent review process and the reporting lines ensure that where significant risks arise they are identified and addressed in a timely and effective manner at the appropriate level within the Company.

3. Responsibility

- 3.1 Ultimate responsibility for the effectiveness, oversight and implementation of the Company's approach to risk management and compliance and control resides with the board. The board has structured the implementation and oversight of the Company's approach to risk management and compliance and control on two key principles:
- Focus on Company risk management needs – Company management is responsible for the day to day identification and assessment of risks applicable to the Company and the implementation of risk management and compliance and controls policies and procedures appropriate for the Company;
 - Independent review of risk management – the assessment of the risk management and compliance and control practices of the Company and the Company as a whole is conducted by persons independent of the Company (including the External Auditors, and the Audit Committee).

5. Risk profile

- 5.1 CAP is a minerals exploration company focused on the development of the Hawsons Iron Project based on the magnetite deposit of the same name situated near Broken Hill in New South Wales. It also holds other minerals exploration licences and interests in New South Wales and South Australia. It is therefore subject to diverse types of risk including:
- Legal and regulatory compliance;
 - Government policy;
 - Commodity prices; and
 - Trading conditions.
- 5.2 The nature of the business and operations of the Company:
- Means that any single risk apparent to the company must be considered in the context of Company materiality; and

- Is a key reason for the board's commitment to a company-based responsibility for the implementation of risk management policy and the primary identification of risk management issues.

- 5.3 The Company's approach to risk management and compliance and control is assessed on a continual basis with the Board considering risk management issues regularly through the report of the Managing Director. The Company's statutory auditor, in consultation with the Audit Committee of the board, reviews risk management issues applicable to the Company.

- 5.4 The Managing Director will make available to the Committee necessary staff resources to complete its mandate, as prescribed through board policy and direction. Other resources as assigned to the Committee by the board.