

Form to Report on Names of Members and Scope of Work of the Audit Committee

The Board of Directors' meeting / ~~shareholders' meeting~~ of Lanna Resources Public Company Limited

No. 6/2023 dated December 18, 2023 has resolved the meeting's resolutions in the following manners:



Appointment of the audit committee:

Chairman of the audit committee Member of the audit committee

As follows:

(1).....

(2).....

(3).....

the appointment shall take an effect as of



Determination/Change in the scope of duties and responsibilities of the audit committee with the following details:

Amendment of the Audit Committee Charter aims to enhance good corporate governance and sustainability within listed companies, focusing on measures to prevent potential issues and improve regulatory frameworks, including measures to optimize the performance of the listed companies and all relevant parties, especially the Audit Committee, which plays important role in listed companies, by amending the scope of authorities, duties, and responsibilities of the Audit Committee, with the details provided at the end of this form.

the determination/change of which shall take an effect as of December 18, 2023

The audit committee is consisted of:

- | | | | |
|------------------------------------|--------------------------------|--------------------------|------------------|
| 1. Chairman of the audit committee | <u>Mr. Adul Tantharatana</u> | remaining term in office | <u>10 Months</u> |
| 2. Member of the audit committee | <u>Mr. Ralph Robert Tye</u> | remaining term in office | <u>10 Months</u> |
| 3. Member of the audit committee | <u>Mrs. Duangkamol Suchato</u> | remaining term in office | <u>10 Months</u> |
| Secretary of the audit committee | <u>Mrs. Wanna Chomkhokkrud</u> | | |

Enclosed hereto is copies of the certificate and biography of the audit committee. The audit committee number(s) has/have adequate expertise and experience to review creditability of the financial reports.

The Audit Committee of the Company has the scope of duties and responsibilities to the Board of Director on the following matters:

Clause (9) The Audit Committee has the scope of duties, roles, and responsibilities as follows:

(1) To review that the Company's financial reports are correct and the disclosure of information is adequate.

(2) To review that the Company has established appropriate and effective internal control system and internal audit system, **and to oversee crucial internal management functions, in order to ensure efficiency, effectiveness, adequacy, and continuity. This facilitates the Board of Directors and the Audit Committee to perform its duties successfully and achieve its objectives.**

In the event of the Company acquiring businesses overseas or establishing subsidiary companies to operate new ventures, etc., the Board of Directors and the Audit Committee are required to consistently and regularly review and enhance the internal control systems of the Company and its subsidiaries, both domestically and overseas, to align with any changes that may have occurred.

In situations where the Company conducts significant operations overseas, the Audit Committee is required to conduct audits to ensure that the overall internal control system can identify irregularities and prevent corruption that may arise from transactions of the subsidiary companies overseas. This may involve tasks such as having the Company's internal auditor to inspect the operations, or considering the engagement of an overseas internal audit outsource to conduct audits on important internal control systems and report directly to the Audit Committee on a continuous and regular basis, etc.

(3) To review that the Company abides by the law on Securities and Exchange, including regulations of the SEC Office and/or the Stock Exchange of Thailand, and any other relevant laws governing the Company's business.

(4) To review the correctness of reference documents concerning the Company's anti-corruption measures according to the Thailand's Private Sector Collective Action Coalition Against Corruption.

(5) The Audit Committee and the Management should work in collaboration to review and provide opinions to define a clear and appropriate scope of authority, duties, and responsibilities related to employment matters. This includes evaluating the independence and competence of the auditor, as well as the duration of the auditor's engagement in accordance with the guidelines established by the SEC Office. Additionally, the Audit Committee is responsible for proposing the audit fee, deciding on the re-appointment or removal of a continuing auditor, and attending a meeting with the auditor without the presence of the Management at least once a year.

(6) To participate in considering and providing opinions regarding the connected transactions or transactions that may involve conflicts of interest, and transactions related to the acquisition or disposal of assets with significant value in accordance with the laws and regulations of the SEC Office and/or the Stock Exchange of Thailand. The objective is to ensure that such transactions are appropriate and most beneficial to the Company. The Audit Committee is responsible for considering and/or taking action on the following matters:

(A) The Audit Committee is required to participate in the consideration and to provide opinions regarding transactions involving the acquisition or disposal of assets, as well as transactions with significant connected persons, which must obtain approval either through the Board of Directors' meeting and/or the shareholders' meeting. The Audit Committee is responsible for evaluating the reasonableness of engaging in proposed transactions, including details and identities of contracting parties, assessing returns and associated risks, especially, legal risks, and examining the potential impact on the Company's financial position and operating results, particularly, in the context of overseas transactions, changes to the core business, and significant expansion into new business.

(B) In regard to transactions related to the acquisition or disposal of assets and transactions with connected persons, which fall under the Management's authority to approve, the Audit Committee is required to establish a system or process that enables the Management to report such transactions, along with regular analysis of the reasonableness of such transactions.

(C) Transactions related to the acquisition or disposal of assets and transactions with connected persons possess specific characteristics that require specialized experts to provide opinions for consideration. The Board of Directors should provide support in various areas to enhance the efficiency and effectiveness of the Audit Committee's performance. This support includes the engagement of independent experts, such as legal advisors, auditors, financial advisors, etc., to provide valuable opinions for the decision-making process of the Audit Committee.

(D) After having obtained approval to engage in transactions related to the acquisition or disposal of assets and transactions with connected persons, the Audit Committee retains the responsibility to follow up and inquire about the progress of such transactions with the Management. This includes following up on investments and supervising the Company to ensure regular and appropriate disclosure and reporting of progress to shareholders.

(E) The Audit Committee is required to closely monitor the progress of transactions related to the acquisition or disposal of assets and transactions with connected persons by considering various information to detect abnormalities in the overall scenario. For example, news presented by executives, movements in the Company's share price, and stock trading activities by the Company's directors and executives, etc. If there is any suspicion that the Company's directors or executives have disseminated distorted and incorrect information, or engaged in transactions related to the acquisition or disposal of assets and transactions with connected persons with the intent of personal gain from manipulating stock prices, the Audit Committee must promptly take action to prevent such behaviors, and immediately report these facts to the SEC Office.

(7) To review that the Company has established appropriate and effective Risk Management System.

(8) To follow up on the utilization of fundraising to ensure alignment with the disclosed objectives, by considering details related to the use of the raised funds, including the feasibility of investing in the project, appropriateness of the value and funding channels, investment structure of the Company, and investment contracts, etc. It is important for the Company to establish a mechanism to supervise and monitor the use of funds, ensuring it is done correctly and in accordance with the disclosed objectives.

(9) The Audit Committee should encourage the Company to establish channels for receiving complaints or reports of inappropriate behavior or whistleblowing incidents that may occur within the Company. This includes the implementation of policies or procedures to address complaints and appropriately protect whistleblowers on a case-by-case basis.

(10) To annually assess performance of the Audit Committee and report the assessment results to the Company's Board of Directors for acknowledgment and consideration at least once (1) a year.

(11) To prepare the Report of the Audit Committee over the past year and disclose the report in the Annual Report (Form 56-1 One Report) of the Company. The report must be signed by the Chairman of the Audit Committee and must at least contain the following information:

(A) Opinions concerning with the correctness, completeness and trustworthiness of the financial reports of the Company;

(B) Opinions concerning with the adequacy of the Company's internal control system;

(C) Opinions concerning with the Company's compliance with the laws on Securities and Exchange, the regulations of SEC Office and/or the Stock Exchange of Thailand, or any relevant laws governing the Company's business;

(D) Opinions concerning with the appropriateness of the auditor;

(E) Opinions concerning with the connected transactions or transactions that may involve conflict of interest and acquisition or disposition of assets as stipulated by the laws.

(F) The number of the Audit Committee's meetings and the attendance record for each of the Audit Committee Members each year;

(G) Opinions or overall observation that the Audit Committee has received by performing according to the Charter as established by the Board of Directors;

(H) Other reports which should be acknowledged by the shareholders and general investors under the duties and responsibilities as assigned by the Board of Directors.

(12) To perform any other tasks as delegated by the Company's Board of Directors, with consent from the Audit Committee considering case-by-case.

(13) To periodically present the Report of the Audit Committee to the Company's Board of Directors for at least once (1) every quarter.

In performance of duties according to the first paragraph, the Audit Committee has direct responsibility toward the Company's Board of Directors and the Company's Board of Directors still has responsibility in the Company's business operation with the third party.

In the event of amendment of duties of the Audit Committee, the Company shall disclose the resolution on the amendment of duties and disclose the names of members and scope of work of the Audit Committee that have been amended in accordance with the form as stipulated by the Stock Exchange of Thailand to be submitted to the Stock Exchange of Thailand within 3 (three) days from the date of such amendment, according to the regulations of the Stock Exchange of Thailand governing reporting via electronic media.

Clause (10) In performance of duties of the Audit Committee, if it is found or suspected that there has been certain transaction or any of the following acts which may materially affect the Company's financial condition and operating results, the Audit Committee shall report to the Board of Directors for rectification within the period of time that the Audit Committee deems appropriate:

- (1) The transaction which causes a conflict of interest;
- (2) Any fraud, irregularity, or material defect in an internal control system;
- (3) An infringement of the law on Securities and Exchange, regulations of the Stock Exchange of Thailand, or any relevant laws governing the Company's business;

If the Company's Board of Directors or the executives fails to make a rectification within the period of time under the first paragraph, any Audit Committee member may report such transaction or act under the first paragraph to the SEC Office or the Stock Exchange of Thailand.

The Company is required to disclose information and/or submit documents via electronic media according to the procedures established by the Stock Exchange of Thailand.

Clause (11) In order for the Audit Committee to perform its duties successfully and achieve its objectives, the Audit Committee has been given the following authorities:

- (1) Authorities concerning with the Management:
 - (A) The Audit Committee has authority to invite the Management, relevant manager/department head or employee of the Company to join the meeting, provide clarification and opinion, or provide documents which are deemed relevant and necessary for any case.

(B) The Audit Committee is responsible for overseeing and supervising the Management to ensure the timely preparation of financial statements within the agreed-upon time period. This allows both the auditor and the Audit Committee to have sufficient time to review and make observations, ensuring the accuracy and transparency of the financial statements, and to disclose this information to investors within the timeframe specified by law.

(2) Authorities concerning with the Internal Audit Officer:

(A) To establish harmony to attain the same understanding and direction among the auditor, Board of Directors and Internal Audit Department;

(B) The internal audit department must maintain independence from the Management, by establishing the Company's organizational structure for the internal audit department to operate under the direct supervision of the Audit Committee. This ensures its ability to act independently and with maximum efficiency and effectiveness. Additionally, the Audit Committee is responsible for giving consent on the appointment, removal, transfer, termination and consideration of achievements of the Internal Audit Department head or any other units responsible for internal audit.

As for the issuance of order, the Internal Audit Department shall perform its duties according to such audit plan, and must be under the supervision of the Management or the chief executive officer since the report of essential audit results must be promptly corrected or improved so that the management or chief executive officer can issue order for correction or improvement instantly.

(C) The Audit Committee works in collaboration with the internal audit department to jointly plan the internal control system audit and conducts a review to give approval to the annual audit plan, by considering various types and levels of risks that could impact the Company. In the event of a high-risk situation, the Audit Committee is required to promptly initiate investigations and implement measures to immediately halt and/or prevent identified risks.

(3) Authorities concerning with the Auditor

(A) To review and assess the performance results of the auditor and give consent on the appointment, removal, and termination of auditors.

(B) To propose the name list of auditors to the Company's Board of Directors, including the audit fee for the yearly audit, for appointment from the Shareholders' Meeting, as well as to review and assess performance results of the auditor to propose for re-appointment or removal of continuing auditor.

(C) To determine the rate of fee for other services and advisory works rendered by the auditor.

(D) To comply with Section 89/25 of the Securities and Exchange Act, B.E. 2535, if the auditor discovers any suspicious circumstance that the director, chief executive officer, chief officer, manager, or any person responsible for the operation of the Company commits an offence, the auditor shall inform the facts relating to such circumstance to the audit committee in order to continue the inspection without delay and the audit committee shall report the result of preliminary inspection to the SEC Office and the auditor within 30 (thirty) days from the date that being notified by the auditor. To prevent inappropriate behavior by the Company that could lead to damage and undermine overall confidence in the capital market, the Audit Committee is obligated to initially report any suspicious circumstances to the SEC Office immediately upon notification by the auditor. Throughout the investigation period, the Audit Committee should also periodically provide progress report to both the SEC Office and the auditor.

In the event that the Audit Committee did not proceed with the matter as notified by the auditor under the first paragraph, the auditor shall notify the SEC Office for its acknowledgement.

(4) Other Parts of Authorities

The Audit Committee has authority to audit relevant person and matter within the scope of duties and responsibilities of the Audit Committee and has authority to hire an expert whom is specialized in particular field to provide consultation and opinions, as deemed appropriate and proper by the Audit Committee. Accordingly, all the working units shall conduct their roles and duties concerning with the Audit Committee according to the attachment to the Audit Committee Charter, which is considered as part of this Charter.

The company hereby certifies that

1. The qualifications of the aforementioned members meet all the requirements of the Stock Exchange of Thailand; and
2. The scope of duties and responsibilities of the audit committee as stated above meet all the requirements of the Stock Exchange of Thailand

For and on behalf of
Lanna Resources Public Company Limited

Signed Director
(Mr. Srihasak Arirachakaran)

Signed Director
(Mr. Anun Louharanoo)