



**LANNA RESOURCES PUBLIC COMPANY LIMITED**

**AUDIT COMMITTEE CHARTER**

**REVISED EDITION AS OF December 18, 2023**

## Table of Contents

	<b>Page</b>
<b>Chapter 1 Objectives</b>	<b>1</b>
<b>Chapter 2 Introduction</b>	<b>1</b>
<b>Chapter 3 Composition, Qualifications, and Term of Office</b>	<b>6</b>
<b>Chapter 4 Scope and Authorities</b>	<b>8</b>
<b>Chapter 5 Meetings</b>	<b>12</b>
<b>Chapter 6 Miscellaneous</b>	<b>13</b>
<b>Appendix to Audit Committee Charter</b>	<b>14</b>

## LANNA RESOURCES PUBLIC COMPANY LIMITED

### AUDIT COMMITTEE CHARTER

#### Chapter 1 Objectives

The Board of Directors is determined to operate the business in accordance with the policy of good corporate governance and therefore, has appointed the Audit Committee to support the operation of the Board of Directors. The Audit Committee Charter has been established to specify the scope, authority and responsibility in order for the Company to thoroughly and appropriately review its internal control system, ensuring efficiency and effectiveness, along with the accuracy and reliability of financial reports. Moreover, it includes reporting any suspicious behavior by directors, executives, or individuals responsible for the Company's operations to prevent conflict of interest in compliance with the securities and exchange laws, regulations and best practices of the SEC Office and the Stock Exchange of Thailand, as well as relevant laws and regulations concerning with Company's business operation, building confidence among all stakeholders.

#### Chapter 2 Introduction

Clause (1) This Charter is called "The Audit Committee Charter of Lanna Resources Public Company Limited".

Clause (2) In this Charter:

"**Company**" means Lanna Resources Public Company Limited;

"**SEC Office**" means the Office of the Securities and Exchange Commission;

"**Connected Transaction**" means a transaction between the Company or its subsidiary, and its director, management member or related person according to the law on securities and exchange;

"**Connected Person**" means connected person and/or related person under the Securities and Exchange Act B.E. 2535 which includes:

(A) the director of the juristic person having control over the Company;

(B) the spouse, minor child or adopted minor child of the director under (A);

(C) the juristic person which the person under (A) or (B) has control;

(D) the person who acts with understanding or agreement that if the Company enters into any transaction which provides financial benefits for such person, the following persons will also gain financial benefits from such particular transaction:

(1) the director of the Company;

(2) the executive of the Company;

(3) the person having control over the Company;

(4) the director of the juristic person having control over the Company;

(5) the spouse, minor child or adopted minor child of the person under (1), (2), (3) or (4);

"**Parent Company**" means

(A) a company holding shares of the Company exceeding fifty percent of the total number of shares with voting right of the company;

(B) a company holding shares of the Company under (A) exceeding fifty percent of the total number of shares with voting right of such company;

(C) a company holding shares of other companies in all upward levels of shareholding, beginning with the company holding shares of the company under (B) and shareholding in each level exceeds fifty percent of the total number of shares with voting right of such companies;

(D) a company holding shares of the Company, whether directly or indirectly, by itself or combining with others exceeding fifty percent of the total number of shares with voting right of the company.

Such shareholdings of the company or company under (A), (B), (C) or (D) shall also include shares held by related persons;

**“Subsidiary Company”** means

(A) a limited company or a public limited company over which the Company has control;

(B) a limited company or a public limited company over which the subsidiary under (A) has control;

(C) a limited company or a public limited company under the chain of control beginning with that under control of the subsidiary under (B).

**“Associated Company”** means

(A) a company whose shares are held by the Company or subsidiary company with an aggregate holding of shares exceeding twenty percent but not exceeding fifty percent of the total number of shares with voting right of such company;

(B) a company which the Company or subsidiary company has power to take part in the decision concerning financial and business operation policies of the company but not to the level of controlling such policies and not considered as a subsidiary company or a joint venture.

Such shareholdings of the Company or subsidiary company shall also include shares held by related persons;

**“Same-level Subsidiary”** means any two or more subsidiary companies under the same parent company;

**“Executive”** means the director, chief executive officer, manager or the next four executives succeeding the chief executive officer, the persons holding equivalent position to the fourth executive and shall include the persons holding the position of executive or equivalent in accounting or finance departments;

**“Major shareholder”** means a shareholder who directly or indirectly holds shares in the company in an amount exceeding ten percent of the total number of shares with voting right of the company. Such shareholdings shall also include shares held by related persons;

**“Control”** means

(A) holding of shares with voting right of a juristic person in an amount exceeding fifty percent of the total number of voting rights of such juristic person;

(B) having control of majority voting rights in the Shareholders’ Meeting of any juristic person, whether directly or indirectly or any other reasons;

(C) having control over appointment or removal of at least half of all directors, whether directly or indirectly or any other reasons.

**“Government”** means Government office which is the Central Agency according to the regulations of the Administrative Organization of State;

**“Key Shareholder”** means a shareholder who holds shares in a business in an amount exceeding ten percent of the total number of shares with voting right of such business and such shareholdings shall also include shares held by related persons;

**“Related Person”** means a person having relationship in any of following manners under the Securities and Exchange Act B.E. 2535 which includes:

(1) the spouse of such person;

(2) the minor child of such person;

(3) an ordinary partnership in which such person or the person under (1) or (2) is a partner;

(4) a limited partnership in which such person or the person under (1) or (2) is an unlimited liability partner or a limited liability partner with an aggregate holding of shares exceeding thirty percent of the total shares of the limited partnership;

(5) a limited company or a public limited company in which such person or the person under (1) or (2) or the partnership under (3) or (4) holds an aggregate number of shares exceeding thirty percent of the total paid-up shares of such company; or

(6) a limited company or a public limited company in which such person or the person under (1) or (2) or the partnership under (3) or (4) or the company under (5) holds an aggregate number of shares exceeding thirty percent of the total paid-up shares of such company;

(7) a juristic person over which such person has power of management in the position of agent of such juristic person;

**“Independent Director”** means Company’s director with the following qualifications:

(A) Holding shares not more than one percent of all shares with voting rights of the Company, parent company, subsidiary company, associated company, major shareholder or controlling person of the Company, which shall be inclusive of the shares held by related persons of the particular independent director.

(B) Not being or used to be the director who takes part in the management, employee, staff or advisor who receives a regular salary or is a controlling person of the Company, parent company, subsidiary company, associated company, same-level subsidiary, major shareholder or controlling person of the Company, except having been out of the above position for at least two years prior to the appointment. Nonetheless, such prohibited characteristic does not include the case that the independent director who used to be a civil servant or an advisor to the Government, which is the major shareholder or controlling person of the Company.

(C) Not being a person who is related by blood or by law as a parent, spouse, sibling and child including spouse of the child, of any management member, major shareholder, controlling person or the person whom has been proposed to become the management member or controlling person of the Company or subsidiary company.

(D) Not having or used to have business relationship with the Company, parent company, subsidiary company, associated company, major shareholder or controlling person of the Company in a way which might obstruct the use of his/her independent judgment, as well as not being or used to be the key shareholder or controlling person of the person having business relation with the Company, parent company, subsidiary company, associated company, major shareholder or controlling person of the Company, except having been out of the above position for at least two years prior to the appointment.

The business relationship under the first paragraph includes business transactions which are of normal business operation, property rental, transactions related to assets or services, offer or receipt of financial assistance by receiving or providing loan, guarantee, putting up assets as debt guarantee, as well as other similar actions which result in the debt obligation between the company or contract parties for an amount above three percent of the net tangible assets of the Company or above Baht 20 million whichever amount is lower. Accordingly, the calculation of such debt obligation should follow the calculation procedure for the value of connected transaction according to the Notification of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions. Nevertheless, in consideration of such debt obligation, the total debt obligation shall be accounted for those which have occurred during a one-year period before having the business relationship with the same individual.

(E) Not being or used to be the auditor of the Company, parent company, subsidiary company, associated company, major shareholder or controlling person of the Company and not being a key shareholder, controlling person or partner of the audit office which employs the auditor of the Company, parent company, subsidiary company, associated company, major shareholder or controlling person of the Company, except having been out of the above position for at least two years prior to the appointment.

(F) Not being or used to be the service provider in any professions including legal advisor or financial advisor receiving the service fee exceeding Baht 2 million per year from the Company, parent company, subsidiary company, associated company, major shareholder or controlling person of the Company and not being a key shareholder, controlling person or partner of such professional service provider, except having been out of the above position for at least two years prior to the appointment.

(G) Not being the director who has been appointed as the representative of the Company, major shareholder or shareholder whom is related to the major shareholder of the Company.

(H) Not being an entrepreneur in any business similar to or material competing with the Company or its subsidiary company or not being the material partner in partnership, executive director, employee, staff, advisor who receives salary or holds more than 1 percent of total number of shares with voting right of the company similar to or material competing with the Company or its subsidiary company.

(I) Having no other characteristic which may prevent from giving independent opinions concerning with the business operation of the Company.

After having been appointed as an independent director following the qualifications specified under (A) through (I), the independent director may be assigned by the Board of Directors to make decisions on the operation of the Company, parent company, subsidiary company, associated company, same-level subsidiary, major shareholder or controlling person of the Company, which must be based on a collective decision basis.

In the event that the person appointed by the Company as the independent director is the person whom has or used to have business relationship or is a provider of professional service with service fee exceeding the amount under the first paragraph of (D) or (E), the Company shall receive an extension of such prohibition on having or used to have business relationship or providing professional service with service fee exceeding such amount, when the Company has arranged for opinions from the Company's Board of Directors, indicating that its consideration has been based on the principle under Section 89/7 that the appointment of such person has no impact on the performance of duties and independence of opinions, and that there will be an arrangement for disclosure of the following information within the invitation to the Shareholders' Meeting in the agenda concerning the consideration of the appointment of independent director.

(1) Characteristics of the business relationship or professional service, which have made such person to have the qualification not conforming to the established criteria.

(2) Reason and necessity for maintaining or appointing such person as the independent director.

(3) Opinions of the Board of Directors for proposing for the appointment of such person as the independent director.

For the benefit according to (E) and (F), the word "partner" means a person assigned and authorized from the audit office or professional service provider to sign the audit report or professional service report (depending on the case) on behalf of such juristic person;

**"Director Taking Part in the Management"** means the director having position as an executive and/or director who has any duties and responsibilities as an executive, including the authorized director of the Company, except when it can be shown that the authorized signature is done according to the transaction already approved by the Board of Directors and is co-signed with other director(s);

**"Independent opinion"** means the giving of opinions or making of report in a free and unrestricted manner in accordance with the entrusted task with no concern of benefit pertaining to property, position or duties, and free of influence of any person or group of persons including the force of any circumstance that prevents the giving of opinions in a desirable way;

**"Internal Control"** means the process, organization plan, work system and procedures available in the organization which have been designed by the Board of Directors and the Management of the organization with the main objective to bring about reasonable confidence in:

(A) the reliability and completeness of the information;

(B) the compliance with the policies, plans, work procedures, laws and regulations;

(C) the supervision, safeguard and care of property of the company

(D) the use of resources economically and effectively to meet the objectives and the goal of the operations or the established plan;

**"Internal audit"** means independently provide assurance and fair consulting to add value and improve an organization's operations. Internal audit helps an organization to accomplish its objectives by evaluation and improve the effectiveness and efficiency of risk management, control and governance processes with a systematic and disciplined approach.

### **Chapter 3**

#### **Composition, Qualifications and Term of Office**

##### Clause (3) Composition, Qualifications, and Term of Office

The Audit Committee shall consist of at least 3 (three) independent directors, whom possess the qualifications and have been appointed according to the criteria stated in the Clause 4) of this Charter.

When the Audit Committee member has completed the office term or cannot remain until the end of office term, resulting in the number of the Audit Committee to be less than 3 (three) members, the Board of Directors or the Shareholders' Meeting must appoint a new Audit Committee member immediately or the latest within 3 (three) months counting from the day the number of the Audit Committee members has become less than the minimum requirement, to ensure continuity of operation of the Audit Committee.

Clause (4) The Audit Committee members must have the following qualifications.

(A) Appointed by the Board of Directors or the Shareholders' Meeting of the Company to become the Audit Committee member

In the event where the Audit Committee member is proposed for the appointment, the Company must disclose the name list and curriculum vitae, including clarification that the appointed person has qualifications and being independent as established in this Charter, within the invitation to Shareholders' Meeting which will consider the appointment of such Audit Committee member.

(B) Must be the independent director of the Company and

(1) Must not be the director whom has been assigned by the Board of Directors to make decision in the business operation of the Company, parent company, subsidiary company, associated company, same-level subsidiary, major shareholder or controlling person of the Company.

(2) Must not be a director of the parent company, subsidiary company or same-level subsidiary that is a listed company.

(C) Having duties similar to those stipulated in the Notification of the SEC Office and/or the Stock Exchange of Thailand Re: Qualifications and Scope of Work of the Audit Committee.

(D) Possesses sufficient knowledge and experience to perform duties as the Audit Committee member. Nonetheless, at least one Audit Committee member must have graduated or have financial accounting expertise being able to review the creditability of the financial statements.

Clause (5) The Audit Committee member must be able to dedicate adequate time for the operation of the Audit Committee and should be regularly and constantly trained and built with knowledge concerning with the work of the Audit Committee, to be in time for any changes that may occur and to continuously increase effectiveness and efficiency of the Audit Committee.

Clause (6) The Shareholders' Meeting or the Board of Directors or the Audit Committee shall consider and appoint one Audit Committee member to become the Chairman of the Audit Committee.

The nomination of the Audit Committee Chairman should be prudently considered by observing the leadership qualification, since the Audit Committee Chairman is the person who provides assurance to the overall effectiveness of the Audit Committee, which will have an impact on effective planning and be the leadership in the meeting guiding into the right direction.

Clause (7) The Audit Committee shall appoint a suitable person to become the secretary and assistant secretary of the Audit Committee as deemed appropriate, to have duties in the arrangement of the Audit Committee's meetings as well as being the coordinator for reporting to the Company's Board of Directors, investors, shareholders, Stock Exchange of Thailand and other relevant units (if any).

The secretary and assistant secretary of the Audit Committee have duty to attend the Audit Committee's meetings but have no right to vote in any case.

Clause (8) The Audit Committee members including the Audit Committee Chairman are assigned to an office term of 3 (three) years each. The Audit Committee member who is retired by rotation may be re-appointed.

Besides being retired by rotation, the Audit Committee member may be retired for the following reasons.

(1) Death;

(2) Resignation;

In the case that the Audit Committee member resigns before the end of office term, the Audit Committee member must notify the Company in advance for at least 1 (one) month before, including reasons for the resignation, in order for the Company's Board of Directors or the Shareholders' Meeting to consider appointing another member with complete qualifications to replace the resigning member.

(3) Retired from Company's position of the independent director;

(4) Expelled or relieved by the resolution of the Shareholders' Meeting or the Board of Directors of the Company;

(5) Lack of qualifications or having prohibited characteristics as stipulated by laws.

In the event that the Audit Committee member position becomes vacant due to other reasons besides being retired by rotation, the Shareholders' Meeting or the Board of Directors may appoint the person whom possesses complete qualifications to become the Audit Committee member for the remaining office term of the Audit Committee member being replaced.

In the event that the Audit Committee member is retired before the end of office term, the Company is required to immediately notify the Stock Exchange of Thailand, including reason for such retirement.

#### **Chapter 4** **Scope and Authority**

Clause (9) The Audit Committee has important duties as delegated by the Shareholders' Meeting and/or by the Company's Board of Directors 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 accuracy of references of the Company's Anti-Corruption measure according to 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 obtaining 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 supervise 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 behavior, 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.

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

(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 promptly report any initial suspicious circumstances to the SEC Office 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.

**Chapter 5**  
**Meetings**

Clause (12) The Audit Committee shall meet regularly at least 4 times a year to consider financial statements and other matters every quarter, having the secretary forwarding the meeting documents to the Audit Committee and other meeting participants in advance not less than 7 (seven) days prior to the meeting in order to have ample time to consider the matters or request for additional supporting documents.

In addition, the Audit Committee Chairman may summon the Audit Committee Meeting to consider other matters as deemed proper and appropriate.

Clause (13) The Audit Committee member who has any interest in the matter under consideration is prohibited from offering opinion or voting on such matter, of which the name of the Audit Committee member and the interest matter must be clearly specified within the meeting documents on such matter.

Clause (14) At each Audit Committee Meeting, there must be more than half of the Audit Committee members attending in person in order to constitute a meeting quorum for consideration of any matters.

In the event that the Audit Committee Chairman does not attend the meeting, the Audit Committee members attending the meeting shall appoint one of the Audit Committee members to preside as the chairman of the meeting.

Clause (15) The resolution of the Audit Committee Meeting shall be based on the majority votes with the Audit Committee Chairman having no right for a casting vote. Accordingly, the opinions of the Audit Committee members who approve of the matter and those who object must be recorded within the minutes of the meeting on such matter.

Clause (16) The Audit Committee Meeting may be conducted through electronic means in accordance with legal requirements.

**Chapter 6**  
**Miscellaneous**

Clause (17) All previous Audit Committee Charters shall be terminated and this Charter shall be used instead. Nonetheless, the provision in this Audit Committee Charter must be under the Company's Articles of Association and provision of relevant laws. In the event that the provision in this Charter violates or is in conflict with the Company's Articles of Association and/or provision of relevant laws, it will no longer be in effect.

Clause (18) The amendment, improvement and revision of this Audit Committee Charter in any case may only be done after having been approved by the Shareholders' Meeting or the Board of Directors.

Clause (19) This Audit Committee Charter shall be effective starting from March 6, 2018 onwards, until there is an amendment in writing.

Approved by the resolution of the Board of Directors' Meeting No. 6/2023 dated December 18, 2023.

(Mr. Vanchai Tosomboon)  
Chairman of the Board

(Mr. Adul Tantharatana)  
Chairman of the Audit Committee

## **LANNA RESOURCES PUBLIC COMPANY LIMITED**

### **Attachment to the Audit Committee Charter**

#### **The Roles, Duties and Responsibilities of Other Units Concerning with the Audit Committee**

##### **(A) Duties and responsibilities of the Board of Directors**

- (1) Approve of the Charter concerning with the Audit Committee to clearly specify its scope of authorities and responsibilities, and provide support in diverse fields, to facilitate the Audit Committee in carrying out its duties efficiently, effectively.
- (2) Establish the principles of good corporate governance and specify appropriate roles and scope of authorities for the Company's Board of Directors.
- (3) Establish the Internal Audit Department and set up internal control system, internal audit and risk management system which are appropriate and effective.
- (4) Supervise to have the Management and/or Company's secretary establish a registration of directors, including other items as required by the laws.
- (5) Annually assess performance of the Audit Committee at least once a year.

##### **(B) Duties and responsibilities of the Legal Department** (if any, but if not, the responsible unit shall take the responsibility of the operation)

- (1) Prepare summary report of litigation cases involving the Company, including the opinions to be periodically reported to the Audit Committee for its acknowledgement once every quarter.
- (2) Attend the meeting with the Audit Committee and outside legal advisor in the case of transaction having impact on the Company's operation and financial statements or in the case that the Audit Committee deems appropriate.

##### **(C) Duties and responsibilities of the Accounting and Finance Department**

- (1) Prepare and complete the financial statements within the time period of the Audit Committee Meeting. Normally the financial statements should be forwarded to the Audit Committee within 30 (thirty) days after the end of each quarter.
- (2) Regularly observe the revision of new accounting standards and notify the Audit Committee for its acknowledgment when there is announcement of new accounting standards which may have impact on the Company.
- (3) Should there be any changes of the accounting policies, the Audit Committee must be notified for its acknowledgement and consideration of any relevant impact.
- (4) Monitor and audit the transaction that is qualified as significant acquisitions or dispositions of assets, transactions with connected person of the company, or transactions that may involve conflict of interest, and report such matter to respective superiors for appropriate corrective action as deemed necessary. Accordingly, the Audit Committee shall be notified for its acknowledgement and consideration for the related parts.

##### **(D) Duties and responsibilities of the Internal Audit Office**

- (1) Propose the audit plan to the Audit Committee to correspond with the risk by including the audit of electronics data processing and the audit of transactions between the related companies, as part of the audit plan.
- (2) Must recognize business risks and control risk in order to form appropriate audit plan and report of significant level of risk, as well as the risk mitigation actions.
- (3) Review, discuss and consider the scope of audit work, audit plan of the internal audit officer and the auditor together with the Audit Committee and the auditor in order to build relationship and cooperation on the parts concerning financial audit including other items to be audited, to reduce redundancy of audit work and effectiveness received from resources of the Internal Audit Department and the auditor.

- (4) Report to the Audit Committee to consider for the sufficiency of the following matters:
  - (4.1) Internal control system including the internal control system using computer or electronics system.
  - (4.2) Significant deficiencies in which the auditor, internal audit officer and management agree upon.
- (5) Report to the Management and the Audit Committee on the following topics:
  - (5.1) Significant deficiencies which are found during the year.
  - (5.2) Difficulties encountered during the audit work which may include the scope of work or obstacles in obtaining necessary information for the audit.
- (6) Report results of the audit, especially on the financial audit and compliance audit or any matters deemed appropriate to the Audit Committee within 30 (thirty) days after the end of each quarter.

**(E) Duties and responsibilities of the External Auditor**

- (1) Attend the meeting with the Audit Committee every year for audit planning and prior to the auditor endorsing the annual financial statement, as well as to attend a meeting with the Audit Committee without the presence of the management at least once a year.
- (2) Submit the financial statements for each quarter at least 5 (five) working days before the submission of financial statements to the Stock Exchange of Thailand and SEC Office.
- (3) Report on the significant level of risks as well as methods for risk management and/or mitigation of various risks.
- (4) Report on the services and other consultation works rendered by the auditor.
- (5) Report to the Management and the Audit Committee when the annual audit has ended to consider the following issues:
  - (5.1) Annual financial statement and notes to the financial statements.
  - (5.2) Report of the auditor.
  - (5.3) Remarks and additional suggestions concerning with the audit plan of the auditor.
  - (5.4) Significant difficulties or conflicts with the Management during the operating period of the auditor.
  - (5.5) Other important issues concerning with the auditing standard which the Audit Committee should recognize or communicate with the auditor.
- (6) Notify the Audit Committee for acknowledgement and investigation of the fact concerning suspicious behavior of the director, manager or person responsible for the operation whom may be committing wrongful conduct, and for the Audit Committee to report a preliminary investigation results to the SEC Office and the auditor for acknowledgement within 30 (thirty) days after being notified by the auditor.

In the event that the Audit Committee does not proceed according to the auditor's notification under the first paragraph, the auditor shall notify the SEC Office.

**(F) Duties and responsibilities of the Audit Committee Secretary**

- (1) Prepare and maintain the minutes of the Audit Committee Meetings correctly, completely and according to the standard.
- (2) Coordinate with personnel in other working units in the Company to provide information and make clarification in certain matters with the Audit Committee for each case.
- (3) Summarize and propose the Audit Committee report to the Board of Directors for its acknowledgement and consideration for each quarter.
- (4) Propose a draft of annual Audit Committee report to the Audit Committee for its consideration and approval before disclosing it within the Annual Report (Form 56-1 One Report).