

EVER- GOTESCO RESOURCES AND HOLDINGS, INC.
AUDIT AND RISK OVERSIGHT COMMITTEE CHARTER

Purpose

The Audit and Risk Oversight Committee is responsible for overseeing the senior management in establishing and maintaining an adequate, effective, and efficient internal control framework. It ensures that systems and processes are designed to provide assurance in areas including reporting, monitoring compliance with laws, regulations, and internal policies, efficiency and effectiveness of operations, and safeguarding of assets.

Membership

The Committee shall consist of at least (3) directors, who shall preferably have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing, and finance. The Chairman of the Committee shall be an independent director and shall not be a Chairman of any of the other committees of the Company.

Meetings

The Committee shall meet upon the call of its Chairman. Meetings of the Committee shall be held at the principal office of the Company unless advised otherwise by the Chairman.

Notice of Committee meetings shall be sent to the Committee members at least one week prior to the scheduled meeting. Meetings may be held via teleconferencing or videoconferencing. The minutes of Committee meetings shall be submitted to the Board for information and ratification at the next succeeding meeting of the Board.

Duties and Responsibilities

The Committee has the following duties and responsibilities, among others:

- a. Recommending the approval and overseeing the implementation of the Internal Audit and Risk Oversight Charter, which shall formally define the role of Internal Audit and the audit plan;
- b. Monitoring and evaluating the adequacy and effectiveness of the corporation's internal control system, integrity of financial reporting, and security of physical and information assets.
Internal control procedures and processes that provides a system of checks and balances shall be placed in order to safeguard the company's resources and ensure its effective utilization, prevent occurrence of fraud and other irregularities, protect the accuracy and reliability of the company's financial data, and ensure compliance with applicable laws and regulations;
- c. Overseeing the Internal Audit Department.

The Committee shall recommend the appointment and/or grounds for the approval of an internal audit head and the terms and conditions of its engagement and removal. The Committee shall also approve the terms and conditions for outsourcing internal audit services;

- d. Establishing and identifying the reporting line of the Internal Auditor to enable him to properly fulfill his duties and responsibilities. For this purpose, he shall directly report to the Audit Committee;
- e. Reviewing and monitoring Management's responsiveness to the Internal Auditor's findings and recommendations;
- f. Discussing the nature, scope, and expenses of the audit with the External Auditor prior to the commencement of the audit and ensures the proper coordination of audit firms if more than one audit firm is involved in the activity;
- g. Evaluating and determining the non-audit work of the External Auditor, if any, and periodically reviews the non-audit fees paid to the External Auditor in relation to the audit fees paid to him and to the corporation's overall consultancy expenses;
- h. Reviewing and approval of the Interim Annual Financial Statements before their submission to the Board, with particular focus on the following matters:
 - Changes in accounting policies and practices
 - Areas where a significant amount of judgment has been exercised
 - Significant adjustments resulting from the audit
 - Compliance with accounting standards
 - Compliance with tax, legal, and regulatory requirements
- i. Reviewing the disposition of the recommendations in the External Auditor's management letter;
- j. Providing oversight on management activities in managing credit, market, liquidity, operational, legal, and other risks of the corporation;
- k. Perform oversight functions over the corporation's Internal and External Auditors. It should ensure that the Internal and External Auditors act independently from each other, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions;
- l. Coordinating, monitoring, and facilitating compliance with laws, rules, and regulations;
- m. Ensuring that the Internal Auditor shall be free from interference by outside parties;
- n. Recommending the appointment, reappointment, removal and fees of the External Auditor to the Board.