

## External Auditor Selection and Rotation Policy

### 1. Selection and appointment of external auditors

#### Overview

The purpose of the Auditor Selection & Rotation Policy (“Audit Policy”) for Alliance Resources Limited is to provide guidance in relation to the appointment of an independent external auditor with the appropriate skills, knowledge and experience as this will contribute to the integrity of the Company’s financial reporting.

Importantly, the Audit Policy focuses on satisfying the Company’s obligations as set out under Principle 4 of the ASX Corporate Governance Principles and Recommendations (“ASX Guidelines”). Principle 4 seeks to safeguard the integrity of financial reporting and a key objective of this is to ensure the independence and competence of the Company’s external auditors. Further, the ASX Guidelines recommend that information on procedures for the selection and appointment of the external auditor, and the rotation of external auditor engagement partners be made publicly available on the Company’s website.

#### 1.1 Assessment

The following factors are assessed as part of the external auditor selection process:

- (a) Professional standing and reputation.
- (b) Ability to provide quality and efficient audit services, including audit approach and methodology.
- (c) Relevant experience.
- (d) Independence.
- (e) Global resources, including relevant (mining) industry and technical expertise.
- (f) Key personnel.
- (g) Cost.

#### 1.2 Appointment

The selection process involves selecting not less than two reputable firms (in addition to the incumbent external auditor) to tender by invitation. The tender involves the submission of a formal proposal and presentation.

Once the review process has taken place the Audit & Compliance Committee provides the Board with information concerning the process adopted in undertaking the review, the recommended external auditor and the reasons for the final recommendation.

The Board of Directors is responsible for appointing the external auditor. The appointment of the external auditor is subject to confirmation by shareholders at the Company’s next Annual General Meeting.

### 2. Rotation of external audit engagement partners

2.1 It is the responsibility of the Audit & Risk Committee to make recommendations to the Board on the rotation of external audit engagement partners.

2.2 The lead partner involved in the external audit will not remain in a key audit role beyond 5 years and cannot be re-engaged to play a significant role in the audit of the company for at least another two successive years. This is consistent with current professional standards.

**This External Auditor Selection and Rotation Policy was adopted by the Board on 28 September 2010.**

**Reviewed by the board on 10 December 2020**