



## **PURPOSE**

Westgold Resources Limited and its subsidiaries (**Group**) are subject to taxation and reporting obligations established by the Australian Taxation Office (ATO), and other regulatory authorities (e.g. Offices of State Revenue). The purpose of this Tax & Duties Risk Governance Policy is to formally document the Group's approach to manage compliance with these requirements.

The Group's Risk Management Policy outlines the program implemented by the Group to maintain appropriate risk management within its systems, people and culture. The Group's risk management program comprises a series of processes, structures and guidelines that assist the Group to identify, assess, monitor and manage its business risk, including material changes to its risk profile.

## **THE GROUP'S APPROACH TO TAX**

The Group is committed to transparently complying with and disclosing all its tax obligations and payments made in Australia. The Group focuses on integrity in compliance, reporting, engaging with tax authorities and enhancing shareholder value. The Board does not sanction or support any activities that aggressively seek to structure the tax affairs of the Group to deliberately avoid the payment of taxes or duties.

Specifically, the Group:

- (a) Only operates in one tax jurisdiction;
- (b) Pays tax where the underlying economic activity occurs;
- (c) Applies carried forward tax losses where tax legislation enables the Group to do so; and
- (d) Trades in land rich mineral assets that may invoke state duties on transfer.

The Group discloses the following in the audited financial statements, which form part of the Annual Report:

- A reconciliation of accounting profit to tax expense and to income tax payable; and
- Identification of material temporary and non-temporary differences.

The Group engages specialist advisors in the field of Tax & Duties to provide it guidance and ensure compliance with laws and regulations in these fields.





## RESPONSIBILITIES OF THE BOARD & RISK AND AUDIT COMMITTEE

The Group's Board of Directors (Board) is responsible for oversight of this Policy. The Board has delegated responsibility for monitoring compliance with this Policy to the Risk and Audit Committee. The responsibilities of the Risk and Audit Committee are set out in its Risk and Audit Committee Charter and described in the Risk Management Policy, which sets out additional responsibilities of the Risk and Audit Committee to:

- Assist the Board to fulfil its oversight responsibilities for the financial reporting process, the system of internal control relating to all matters affecting the Group's financial performance, and the audit process;
- Assist the Board in monitoring compliance with laws and regulations;
- Assist the Board to adopt and apply appropriate ethical standards in relation to the management of the Group and the conduct of its business;
- Oversee, review and supervise the Group's risk management program;
- Review the adequacy of the Group's insurance policies; and
- Provide regular reporting of tax risks to keep the Board informed of significant tax related matters.

## RESPONSIBILITIES OF MANAGEMENT

Responsibility for the signing and approval of all significant reporting obligations is that of the Group's Public Officer.

Group Management is responsible for designing and implementing risk management and internal controls relating to tax risk governance, including:

- Testing of internal controls;
- Identifying, assessing and monitoring tax and duties risks from significant transactions, systems, tax compliance and financial statement processes; and
- Effecting changes required by changes to tax law.

Group Management is responsible for reporting any significant tax and/or duty risks and potential liability to the Public Officer and to the Risk and Audit Committee. Group Management is also responsible for engaging with external tax and duty advisors to ensure that lodgement and compliance requirements are satisfied. External tax advisors are also engaged to provide advice on changes to tax laws to ensure compliance with all legislation. In addition, the Group's financial statements are externally audited, and lodged with the Australian Securities Limited and the Australian Securities and Investments Commissions.