

Policy on Selection, Appointment and Rotation of External Auditors

1. Selection of external auditors

- 1.1 Should there be a vacancy for the position of external auditor, Sarama Resources Ltd. (**Company**), through the Board, will conduct a formal process, either general or selective, to select which audit firm will fill the vacancy and be put to shareholders for subsequent approval.
- 1.2 Audit firms are evaluated from time to time in accordance with appropriate criteria and are not assessed solely on the basis of who is cheapest, but on a number of issues such as:
- (a) skills and knowledge of the team proposed to do the work;
 - (b) quality of work;
 - (c) independence of the audit firm;
 - (d) lead signing partner and independent review partner rotation and succession planning policy;
 - (e) value for money;
 - (f) ethical behaviour and fair dealing; and
 - (g) auditor requirements under applicable laws and regulations.

2. Appointment of external auditors

The Board identifies and recommends an appropriate external audit partner for appointment by the Board and/or the shareholders of the Company in general meeting. The appointment is made in writing.

3. Rotation of external audit partners

The external auditor is required to rotate its audit partners so that no partner of the external auditor is in a position of responsibility in relation to the Company's accounts for a period of more than five consecutive years.