

INDEPENDENT LIMITED ASSURANCE REPORT TO THE MANAGEMENT OF WESTERN AUSTRALIAN MINT ON ITS REFINER'S COMPLIANCE REPORT FOR THE LONDON BULLION MARKET ASSOCIATION'S RESPONSIBLE GOLD GUIDANCE AND RESPONSIBLE SILVER GUIDANCE FOR THE YEAR ENDED JUNE 30, 2022

To the Board of Directors of Western Australian Mint

We were engaged by Western Australian Mint – trading name The Perth Mint (hereinafter “the Perth Mint” or the “Refiner”) to perform a limited assurance engagement of the accompanying Refiner’s Compliance Report prepared on the basis of the London Bullion Market Association (“LBMA”) Responsible Gold Guidance - version 8 - and Responsible Silver Guidance - version 1 - for the year ended June 30, 2022 (hereinafter “Refiner’s Compliance Report”).

Management’s Responsibilities for the Refiner’s Compliance Report

The management of the Perth Mint is responsible for the preparation and presentation of the Refiner’s Compliance Report for the year ended June 30, 2022 in accordance with the requirements of the LBMA Responsible Gold Guidance - version 8 - and the LBMA Responsible Silver Guidance - version 1 - (the “Guidances”) and for such internal control as management determines is necessary to enable the preparation of the Refiner’s Compliance Report that is free from material misstatement, whether due to fraud or error.

The criteria identified by the management as relevant for demonstrating compliance with the Guidances are those described within the Refiner’s Compliance Report.

Independence and quality control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies *International Standard on Quality Control 1 (“ISQC Italia 1”)* and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

In conducting our engagement, we confirm that we satisfy the criteria for assurance providers as set out in the LBMA Responsible Sourcing Programme - Third Party Audit Guidance V1 for ISAE 3000 Auditors (the "LBMA Audit Guidance") to carry out the assurance engagement.

Auditor's Responsibility

Our responsibility is to express a conclusion on the conformity of the Refiner's Compliance Report with the requirements of the Guidances based on the procedures performed. We conducted our work in accordance with "International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (hereinafter also "ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board ("IAASB") for limited assurance engagements and the LBMA Audit Guidance. This standard requires that we plan and perform procedures in order to obtain limited assurance as to whether the Refiner's Compliance Report is free from material misstatement.

The procedures performed on Refiner's Compliance Report have been based on our professional judgment and have included inquiries primarily with the Perth Mint personnel responsible for the preparation of information included in the Refiner's Compliance Report, analysis of documents, recalculations and other procedures to obtain supporting evidence.

Specifically, we carried out the following procedures:

- Inquiries with the management and the relevant staff to gain an understanding of the Perth Mint's processes and risk management protocols in place in the refinery business and of the process for the preparation of the Refiner's Compliance Report relevant to the engagement;
- Inquiries with the management and the relevant staff for obtaining information about the production process and the process adopted by the Perth Mint in order to comply with the requirements of the Guidances;
- Site visit to the Refiner's venue and operating sites for observing the traceability system and obtaining information on the process adopted by the Perth Mint in order to comply with the requirements of the Guidances;
- Obtain supporting documentation in order to analyze the consistency of the qualitative information included in the Refiner's Compliance Report with the available evidence;
- Review of a selection of additional supporting documentation, including supplier counterparty due diligence file and transaction's documentation.

The procedures performed are less in extent than for a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement.

Inherent limitations

Information included in the Refiner's Compliance Report is subject to more inherent limitations than financial information, given the more qualitative characteristics of the subject matter and the methods used for determining such information. The criteria used by refiners to comply with the Guidances may differ and those used by the Refiner as relevant for demonstrating compliance with the Guidances are described within the Refiner's Compliance Report.

Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Refiner's Compliance Report for the year ended June 30, 2022 is not prepared, in all material respects, in accordance with the requirements of the LBMA Responsible Gold Guidance - version 8 - and LBMA Responsible Silver Guidance - version 1.

Emphasis of matter

As explained in the introductory paragraph of the Refiner's Compliance Report, during the reporting period the Perth Mint received a compliance assessment report ("AUSTRAC Report") from the Australian Transaction Reports and Analysis Centre ("AUSTRAC") regarding compliance with the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) ("AML/CTF Act") and associated Rules. The AUSTRAC Report highlighted concerns regarding the Perth Mint's compliance with certain of its obligations under the AML/CTF Act, including proper customer identification, customer risk assessment, ongoing and enhanced customer due diligence and transaction monitoring. Following the assessment, AUSTRAC ordered the appointment of an external auditor to further assess the Perth Mint's compliance with the AML/CTF Act and associated Rules, for the period between January 2021 and August 2022. The related audit is currently ongoing and the Perth Mint expects the audit process to be completed by the middle of calendar year 2023.

In this context, the Perth Mint informs that there is the potential risk that the assessment undertaken by the external auditor will identify instances of non-compliance in the Perth Mint's implementation of its wider AML/CTF Program, currently not identified, that may also be relevant to the supply chain due diligence standards required under the LBMA's Responsible Sourcing Programme which have not currently detected and therefore not reported in the Refiner's Compliance Report. Moreover, The Perth Mint points out that if any such matters are identified, the Perth Mint will develop a remediation plan to address those issues in FY24.

Furthermore, as described in the Refiner's Compliance Report in Step 1, Step 2 and Step 3, The Perth Mint acknowledges for the year ended June 30, 2022 some partial non-compliance with respect to the requirements of the Guidances.

Our conclusion is not modified with respect to the matters described above.

Limitation on Use

The Refiner's Compliance Report is prepared in order to satisfy the terms of the Guidances. As a result, the Refiner's Compliance Report may not be suitable for another purpose. Accordingly, this independent limited assurance report is intended solely for the management of Western Australian Mint in accordance with the terms of the engagement and is not to be used for another purpose or to be distributed, in whole or in part, to third parties, other than LBMA.

DELOITTE & TOUCHE S.p.A.



Monica Palumbo
Partner

Milan, Italy
March 28, 2023