



**CHARTER OF THE
AUDIT & RISKS COMMITTEE
OF THE BOARD OF DIRECTORS
OF BKV CORPORATION**

(Adopted on September 25, 2024)

I. PURPOSE OF THE COMMITTEE

The purpose of the Audit & Risks Committee (the "Committee") of the Board of Directors (the "Board") of BKV Corporation (the "Company") shall be to assist the Board in its oversight of: (1) the integrity of the Company's financial statements, (2) the Company's compliance with legal and regulatory requirements, including, but not limited to the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), and subsequent amendments thereto, (3) the independent auditor's qualifications and independence, (4) the appointments, compensation, and oversight of the independent auditor, (5) the performance of the Company's internal audit function and independent auditors, each in accordance with the duties and responsibilities set forth below, and (6) the preparation of the disclosure required by the U.S. Securities and Exchange Commission (the "SEC") to be included in the annual proxy statement. Additionally, the Committee shall prepare the report required to be included in the Company's annual proxy statement pursuant to rules promulgated by the Securities and Exchange Commission (the "SEC") and shall perform other duties as assigned by the Board.

II. COMPOSITION OF THE COMMITTEE

The Committee is established as a standing committee of the Board. The Committee shall be comprised of at least three (3) directors. The members of the Committee shall satisfy the requirements for independence under applicable law and regulations of the SEC (including Section 10A(m)(3) of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (the "Exchange Act") and Rule 10A-3(b)(1) under the Exchange Act) and the New York Stock Exchange (the "NYSE") standards for directors and audit committee members, as determined by the Board and subject to any exceptions or grace periods from such requirements available to the Company. All members of the Committee must also be "financially literate" in accordance with NYSE rules, as determined in the Board's business judgment, or become so within a reasonable period of time after appointment to the Committee. At least one member of the Committee must be a "Financial Expert" under the Sarbanes-Oxley Act and applicable SEC regulations.

The Committee will disclose which of its members qualify as a "Financial Expert," and which such members are independent, under the Sarbanes-Oxley Act and applicable SEC regulations in the Company's Annual Report on Form 10-K ("Form 10-K") and proxy statement.

No Committee member shall simultaneously serve on the audit committees of more than two (2) other public companies unless the Board determines that such simultaneous service would not impair the ability of such member to



effectively serve on the Committee and the Company discloses such determination in its annual proxy statement or, if the Company does not file an annual proxy statement, in the Company's Form 10-K filed with the SEC.

Committee members shall be appointed by the Board annually and when a vacancy exists, in each case, in accordance with the Company's certificate of incorporation and may be removed by a majority vote of the Board at any time for any reason with or without cause.

III. MEETINGS AND PROCEDURES OF THE COMMITTEE

The Committee shall meet at least four (4) times per year or more frequently as circumstances require, either in person or telephonically (if appropriate). The Board shall designate one member of the Committee as its Chairperson. The Committee is governed by the same requirements regarding meetings (including meetings by person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.

The Committee may form subcommittees for any purpose within its authority that the Committee deems appropriate and may delegate to such subcommittees such power and authority of the Committee as the Committee deems appropriate; provided, however, that no subcommittee shall consist of fewer than two (2) members; and provided further that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or applicable listing standard to be exercised by the Committee as a whole.

The Committee may request that any directors, officers, managers or employees of the Company, or other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information as the Committee requests. As part of its responsibility to foster open communication, the Committee shall meet on a periodic basis with management, the General Counsel, Internal Audit, and the independent auditors in separate sessions to discuss any matters that the Committee or each of these groups believes should be discussed privately. However, the Committee shall also meet without such individuals present as it sees fit.

The Committee shall make regular reports to the Board regarding the execution of its duties and responsibilities. Written minutes of all Committee meetings shall be kept and the minutes shall be maintained with the books and records of the Company.

IV. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

Among its specific duties and responsibilities, the Committee shall, consistent with and subject to applicable law and rules and regulations promulgated by the SEC, the NYSE or other regulatory authority:

Financial Statement and Disclosure Matters

1. Review and discuss with management and the independent auditor the annual audited financial statements, including disclosures made under "Management's Discussion and Analysis of Financial Condition and Results of Operations," and recommend to the Board whether the audited financial statements should be included in the Company's Form 10-K.

2. Review and discuss with management and the independent auditor the Company's quarterly financial statements prior to the filing of its Quarterly Report on Form 10-Q ("Form 10-Q"), including disclosures made under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the results of the independent auditor's review of the quarterly financial statements.
3. Discuss with management and the independent auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles.
4. Review and discuss with management and the independent auditor any major issues as to the adequacy of the Company's internal controls, any special steps adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting.
5. Review and discuss with management (including the senior internal audit executive) and the independent auditor the Company's internal controls report and the independent auditor's attestation report prior to the filing of the Company's Form 10-K.
6. Review and discuss quarterly reports from the independent auditors on:
 - a. critical accounting policies and practices to be used;
 - b. alternative treatments of financial information within U.S. generally accepted accounting principles ("GAAP") that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor; and
 - c. other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
7. Discuss with management the Company's earnings press releases, including the use of "*pro forma*" or "adjusted" non-GAAP information, as well as financial information and earnings guidance provided to analysts and rating agencies. Such discussions may be general (consisting of discussing the types of information to be disclosed and the types of presentations to be made), and each earnings release or each instance in which the Company provides earnings guidance need not be discussed in advance.
8. Discuss with management and the independent auditor the effect of regulatory and accounting initiatives, as well as off-balance-sheet structures on the Company's financial statements.
9. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.

10. Discuss with the independent auditor the matters required to be communicated by the PCAOB standard AS 1301 (Communication with Audit Committees), including deficiencies in internal controls, fraud or illegal acts (as noted in section 10A(b) of the Exchange Act), the conduct of the audit including any difficulties encountered in the course of the audit work; any restrictions on the scope of activities or access to requested information; any audit adjustments; and any significant disagreements with management.
11. Review disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process for the Form 10-K and Form 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Oversight of the Company's Relationship with the Independent Auditor

12. The independent auditor shall report directly to the Committee. Before the engagement of an independent auditor and at least annually thereafter, review and discuss with the independent auditor the independent auditor's written communications to the Committee regarding the relationships between the auditor and the Company that, in the auditor's professional judgment, may reasonably be thought to bear on its independence and affirm in writing to the audit committee that the auditor is independent.
13. Appoint or replace the independent auditor.
14. Review and evaluate the lead partner of the independent auditor team.
15. Obtain and review a report from the independent auditor at least annually regarding: (a) the independent auditor's internal quality-control procedures; (b) any material issues raised by the most recent internal quality-control review, or peer review, of the independent auditor, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the independent auditor; (c) any steps taken to deal with any such issues; and (d) all relationships between the independent auditor and the Company. Evaluate the qualifications, performance and independence of the independent auditor, including considering whether the independent auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence, taking into account the opinions of management and internal auditors. The Committee shall present its conclusions with respect to the independent auditor to the Board.
16. Set policies for the Company's hiring of employees or former employees of the independent auditor.

17. Discuss with the independent auditor material issues on which the national office of the independent auditor was consulted by the Company's audit team.
18. Meet with the independent auditor prior to the audit to discuss the planning and staffing of the audit.
19. Engage in a dialogue with the independent auditor regarding the responsibilities of the auditor in relation to the audit, terms of the audit engagement, overview of the overall audit strategy and timing of the audit and observations arising from the audit that are significant to the financial reporting process.
20. Engage in a dialogue with the independent auditor to understand the nature of each identified critical audit matter, the auditor's basis for identifying a matter as a critical audit matter and how each such identified matter will be described in the auditor's report.
21. Appoint, retain, oversee, evaluate, compensate and terminate, on its sole authority, the Company's independent auditors and pre-approve all audit engagements and the scope, fees and terms of each engagement. In that regard, the Committee shall, at least annually, evaluate the independent auditor's qualifications, performance and independence.
22. Review and pre-approve, if appropriate, all audit and, as provided in Rule 2-01 of Regulation S-K, all permitted non-audit engagements and relationships between the Company and the independent auditors and/or establish policies and procedures of the Committee that provide for the approval (including automatic pre-approval) of specified services to be provided by the independent auditors.

Oversight of the Company's Internal Audit Function

23. Review the appointment and replacement of the senior internal auditing executive.
24. Review the significant reports to management prepared by the internal auditing department and management's responses.
25. Discuss with the independent auditor and management the internal audit department's responsibilities, budget and staffing, and any recommended changes in the planned scope of the internal audit.

Compliance Oversight Responsibilities

26. Obtain reports from management and the Company's senior internal auditing executive that the Company and its subsidiary/foreign affiliated entities are in conformity with applicable legal requirements and the Company's Code of Business Conduct and Ethics. Review reports and disclosures of insider and affiliated party transactions. Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations and with the Company's Code of Business Conduct and Ethics. Review requests from executive officers to engage in outside activities in accordance with the Company's Code of Business Conduct and Ethics.

27. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
28. Discuss with management and the independent auditor any correspondence with regulators or governmental agencies and any published reports that raise material issues regarding the Company's financial statements or accounting policies.
29. Discuss with the Company's General Counsel legal matters that may have a material impact on the financial statements or the Company's compliance policies and internal controls.
30. Review and approve or ratify all related-party transactions in accordance with the Company's Related Party Transactions Policy.
31. Proactively engage with management and the independent auditor with respect to the implementation of new accounting standards, including assessing whether sufficient time and resources have been devoted to develop sound accounting policies and whether appropriate controls and procedures have been established for the transition to the new standards.
32. Review and approve or ratify an annual summary of the Company's officer expense reports, assess the expenditures for reasonableness and compliance with the Company's expense reimbursement policies.

Oversight of the Cyber Security Function

33. Review and discuss with management the Company's cyber and data security risks, including:
 - a. The potential impact of those risks on the Company's business, operations, and reputation;
 - b. The steps that management has taken to monitor and mitigate such risks;
 - c. Compliance with SEC regulations and rules related to cyber security breaches.

Additional Oversight

The Committee may consider other matters and engage in other activities in furtherance of fulfilling the purposes and responsibilities described in Section I hereof as the Committee of the Board may deem appropriate.



V. ANNUAL REVIEW OF THE CHARTER

The Committee shall review and reassess the adequacy of this Charter on an annual basis. In conducting this review, the Committee shall evaluate whether this Charter appropriately addresses the matters that are or should be within its scope.

VI. EVALUATION OF THE COMMITTEE

The Committee shall, on an annual basis, evaluate its performance under this Charter.

The Committee shall present to the Board the results of its evaluation, including any recommended amendments to this Charter and any recommended changes to the Company's or the Board's policies or procedures.

VII. INVESTIGATIONS AND STUDIES, OUTSIDE ADVISORS, SUPPORT

In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention, with full access to all books, records, facilities and personnel of the Company and the power to engage and determine funding for independent counsel or other advisors as the Committee deems necessary for these purposes and with respect to its other duties. The Company shall provide appropriate funding, as determined by the Committee, for payment of compensation to the independent auditors and all such advisors, as well as for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

VIII. GENERAL LEGAL STANDARD

While the Committee has the duties, responsibilities and powers set forth in this Charter, it is not the duty or responsibility of the Committee to plan or conduct audits or determine that the Company's financial statements are prepared accurately and in accordance with GAAP. This is the responsibility of management and the independent auditors. The statements of responsibilities and processes contained in this Charter are in all respects qualified by this limitation. Consequently, in carrying out its oversight responsibilities, the Committee is not providing any expert or special assurances as to the Company's financial statements, or any professional certification as to the independent auditors' work including with respect to auditor independence. Each member of the Committee shall be entitled to rely on the integrity of people and organizations from whom the Committee receives information and the accuracy of such information, including representations by management and the independent auditors regarding non-audit services provided by the independent auditors. Nothing contained in this Charter is intended to (i) create, or should be construed as creating, any responsibility or liability of the Committee members, except to the extent otherwise provided under applicable law, and (ii) preclude or impair the protection provided in Section 141(e) of the Delaware General Corporation Law (or any successor provision thereto) for good faith reliance by members of the Committee on reports or other information provided by others.