

1. Composition of the Audit Committee

The Board will strive to adhere to the following composition requirements for the Committee where at all possible. However, the Board acknowledges that the composition of the Board may not allow adherence to the following composition requirements from time to time:

- a) The Committee is to include at least three members, a majority of whom are Non-Executive Directors. The Chair of the Committee is not to be Chairman of the Board.
- b) At least one member is to have relevant financial qualifications and experience.

From time to time, non Committee members may be invited to attend meetings of the Committee, if it is considered appropriate.

2. Role of the Audit Committee

The role of the Committee is to:

- (a) monitor and review the integrity of the financial reporting of the Company, reviewing significant financial reporting judgments¹;
- (b) review the Company's internal financial control system and, unless expressly addressed by a separate risk committee or by the Board itself, risk management systems and assessments;
- (c) monitor, review and oversee the external audit function including matters concerning appointment and remuneration, independence and non-audit services;
- (d) monitor and review compliance with the Company's *Code of Conduct* and *Whistleblower Policy*²; and
- (e) perform such other functions as assigned by law, the Company's Constitution or the Board.

3. Operations

The Committee meets at least half yearly, with further meetings on an as required basis. Minutes of all meetings of the Committee are to be kept and a report of actions taken or recommended are to be given at each subsequent meeting of the full Board. Committee meetings will be governed by the same rules, as set out in the Company's Constitution as they apply to the meetings of the Board.

4. Authority and Resources

The Company is to provide the Committee with sufficient resources to undertake its duties, including provision of educational information on accounting policies and other financial topics relevant to the Company, and such other relevant materials requested by the Committee.

¹ In particular, Annual and Interim Half Yearly Financial Statements, and Quarterly Activity and Cashflow Statements.

² Include as a standing agenda item at all Audit Committee Meetings and Board Meetings.

The Committee has rights of access to management and has the authority to seek explanations and additional information from the Company's external auditors, without management present, when required.

The Committee has the power to conduct or authorise investigations into any matters within the Committee's scope of responsibilities. The Committee has the authority, as it deems necessary or appropriate, to retain independent legal, accounting or other advisors.

5. Reporting to the Board and Shareholders

The Committee is to report to the Board at least half yearly on the following matters:

- assessment of whether external reporting is consistent with Committee members' information and knowledge and is adequate for shareholder needs;
- assessment of the management processes supporting external reporting;
- recommendations for amending the Company's *Procedures for the Selection and Appointment of the External Auditor* and procedures for the rotation of external audit engagement partners;
- recommendations for the appointment or, if necessary, the removal of the external auditor;
- assessment of the performance and independence of the external auditors. Where the external auditor provides non-audit services, the report should state whether the Audit Committee is satisfied that provision of those services has not compromised the auditor's independence; and
- the results of the Committee's review of risk management and internal control systems.

The Chair of the Audit Committee, if appointed, is to be present at the annual general meeting to answer questions, through the Chairman of the Board.

6. Responsibilities

Annual responsibilities of the Committee are as set out in the Audit Committee Charter – Annual Action Points (attached)

ANNUAL ACTION POINTS

The Audit Committee will monitor its obligations under the Audit Committee Charter by addressing the following action points at the designated quarterly meetings³, and documenting relevant information in Committee Minutes for presentation to the Board.

Item	Financial Reporting and Internal Controls	Q1	Q2	Q3	Q4
1.1	<input type="checkbox"/> Review half-year, annual and, if applicable, quarterly financial statements	✓	✓	✓	✓
1.2	<input type="checkbox"/> Assess management's selection of accounting policies and principles	✓		✓	
1.3	<input type="checkbox"/> Consider the external audit of the financial statements and the external auditor's report thereon including an assessment of whether external reporting is consistent with Committee members' information and knowledge	✓		✓	
1.4	<input type="checkbox"/> Consider internal controls including the Company's policies and procedures to assess, monitor and manage financial risks (and other business risks if authorised)	✓	✓	✓	✓
1.5	<input type="checkbox"/> Assess if the external auditors report is adequate for Shareholder needs	✓		✓	

Item	Annual meeting with External Auditor	Q1	Q2	Q3	Q4
2.1	<input type="checkbox"/> Discuss the Company's choice of accounting policies and methods, and any recommended changes	✓		✓	
2.2	<input type="checkbox"/> Discuss the adequacy and effectiveness of the Company's internal controls	✓		✓	
2.3	<input type="checkbox"/> Discuss any significant findings and recommendations of the external auditor and management's response thereto	✓		✓	
2.4	<input type="checkbox"/> Discuss any difficulties or disputes with management encountered during the course of the audit including any restrictions or access to required information	✓		✓	

Item	External Auditor	Q1	Q2	Q3	Q4
3.1	<input type="checkbox"/> Review the Company's <i>Procedure for the Selection, Appointment and Rotation of External Auditor</i>				✓
3.2	<input type="checkbox"/> Recommend to the Board to appoint and, if necessary, remove the external auditor and approve the terms on which the external auditor is engaged		✓		
3.3	<input type="checkbox"/> Establish/review permissible services that the external auditor may perform for the Company and pre-approve all audit/non-audit services		✓		
3.4	<input type="checkbox"/> Confirm the independence of the external auditor, including reviewing the external auditor's non-audit services and related fees	✓		✓	
3.5	<input type="checkbox"/> Assess the overall performance of the external auditor		✓		

Item	Internal Communications and Reporting	Q1	Q2	Q3	Q4
4.1	<input type="checkbox"/> Provide the report described in clause 5 of this Audit Committee Charter	✓		✓	
4.2	<input type="checkbox"/> Regularly update the Board about Committee activities and make appropriate recommendations	✓	✓	✓	✓
4.3	<input type="checkbox"/> Ensure the Board is fully aware of matters which may significantly impact the financial conditions or affairs of the business	✓	✓	✓	✓

Item	Other	Q1	Q2	Q3	Q4
5.1	<input type="checkbox"/> Verify the composition of the Audit Committee function is in accordance with the Audit Committee Charter	✓		✓	
5.2	<input type="checkbox"/> Review the independence of each Committee member based on the Company's <i>Policy on Assessing the Independence of Directors</i>	✓	✓	✓	✓
5.3	<input type="checkbox"/> Review and update the Audit Committee Charter and Action Points				✓
5.4	<input type="checkbox"/> Develop and oversee procedures for treating complaints or employee concerns received by the Company regarding accounting, internal accounting controls, auditing matters and breaches of the Company's Code of Conduct and effectiveness of Whistleblower Policy – report on compliance to Board	✓	✓	✓	✓

³ Quarterly meetings means meetings held in the financial year quarters as detailed below: (Q1 = July-September, Q2 = October-December, Q3 = January-March, and Q4 = April-June).