

# AUDIT COMMITTEE CHARTER

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## 1. COMPOSITION

An Audit Committee is to be maintained comprising at least two non-executive directors with at least one director also being independent, if possible.

The Audit Committee should be of sufficient size, independence and technical expertise to discharge its mandate effectively.

At the discretion of the Board, subject to the Board's size, independence and technical expertise, the Board in its absolute discretion, may from time to time take on the responsibilities of the Audit Committee and the Risk Committee.

The Audit Committee will appoint a Secretary to the Committee.

## 2. ROLE

The role of the Audit Committee is to safeguard the integrity of the Company's financial reporting and oversee the independence of the external auditors.

At the discretion of the Board, the Audit Committee may take on the responsibilities of the Risk Committee (see Risk Management Policy), which would then act as an Audit and Risk Committee.

## 3. OPERATIONS

The Committee is to meet at least annually and otherwise as required. Minutes of all meetings of the Committee are to be kept.

## 4. RESPONSIBILITIES

The charter of the Audit Committee is to:

- review the annual, half-year and concise (if any) financial reports and other financial information distributed externally, including new accounting policies to ensure compliance with International Accounting Standards and generally accepted accounting principles;
- monitor corporate risk assessment processes;
- consider whether non-audit services provided by the external auditor are consistent with maintaining the external auditor's independence. The external auditor is to provide an annual declaration of independence;
- review the nomination and performance of the external auditor;
- monitor the establishment of appropriate ethical standards;
- monitor the procedures to ensure compliance with the Corporations Act 2001 (Cth) (**Corporations Act**) and the ASX Listing Rules and all other regulatory requirements;
- address any matters outstanding with auditors, Australian Taxation Office, Australian Securities and Investments Commission (**ASIC**), ASX and financial institutions;
- review the performance of the external auditors on an annual basis and meet with them during the year as follows:
  - to discuss the external audit, identifying any significant changes in structure, operations, internal controls or accounting policies likely to impact the financial statements and to review the fees proposed for the audit work to be performed;
  - to review the half-year and preliminary final report prior to lodgement with the ASX, and any significant adjustments required as a result of the auditor's findings;
  - to recommend Board approval of these documents and to finalise half-year and annual reporting;
- review the results and findings of the auditor, the adequacy of accounting and financial controls and to monitor the implementation of any recommendations made;

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- organise, review and report as required on any special reviews or investigations deemed necessary by the Board.

### **5. COMMITTEE'S 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.

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

### **6. CONFLICT**

In the event of any conflict between this charter and any other relevant legal requirements, including those of the ASX, the Corporations Act and applicable securities laws, the Committee shall immediately bring the conflict to the attention of the Board which shall resolve such conflict upon consultation with the Company's legal advisors.

### **7. REPORTING TO THE SHAREHOLDERS**

The chair of the Audit Committee is to be present at the annual general meeting to answer questions, through the Chair of the Board