

## **AUDIT COMMITTEE CHARTER**

The Audit Committee is established by the Board of Directors to review, evaluate and make recommendations to the Board in relation to:

- Assessing the risk management, compliance and control environment as it relates to the external audit plan;
- Overseeing financial reporting; and
- Evaluating external audit.

The Committee will be appointed by the Board and consist of a minimum of two members. All members must be non executive directors of the company. The majority of members of the Committee should be independent directors.

The Chairperson of the Committee should not be the Chairperson of the Board. The Board will appoint the Committee Chairperson.

The Committee is entitled to consult with expert advisers and seek expert advice at the expense of the company where it is necessary to carry out its duties.

The Committee will have unlimited rights to access the external auditors and to senior management. The Committee will also meet separately with the external auditors and senior management from time to time as necessary.

The Committee will report to the Board on all matters relating to its roles and responsibilities which are summarised below.

The Committee has a responsibility in the first instance to assess the company's risk, internal control and compliance systems as they relate to the external audit plan as approved from time to time.

Management will provide information to the Committee to allow the Committee to:

- Evaluate those aspects of the company's risk management framework which are impacted by the external audit plan.
- Evaluate compliance with external reporting requirements.
- Consider the appropriateness of the company's accounting policies and principles and how those principles are applied.
- Ensure that accounting policies and principles are consistent with Accounting Standards.

- Assess the significance of estimates in judgments in financial reports by evaluating the process management used in making material estimates and judgments.
- Be made aware of any unusual transactions, including provisioning and abnormal charges and credits.
- Adequately consider taxation issues and make recommendations to the Board as appropriate.

The Committee will also:

- Make recommendations to the Board on the appointment, and where necessary, the removal of the external auditor.
- Review the external auditors fees in relation to the quality and scope of the audit with a view to ensuring that an effective comprehensive and complete audit can be conducted for the fee and at the start of each audit agree the terms of engagement with the auditor.
- Invite the external auditor to attend Committee meetings to review the audit plan, discuss audit results and consider the implications of the external audit findings for the control environment; and together with the external auditor review the scope of the external audit particularly any identified risks.
- Assess the independence of the external auditor on an annual basis and require the external auditor to confirm that they have complied with all professional and regulatory requirements relating to auditor independence.