

## **AUDIT & RISK COMMITTEE CHARTER**

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### **1. ROLE**

The Audit & Risk Committee is responsible for considering the effectiveness of the system of risk management and internal controls, financial reporting and any other matters at the request of the Board.

The Committee will report to the Board on all matters relevant to its role and responsibilities.

### **2. RESPONSIBILITIES**

The responsibilities of the Audit & Risk Committee are to ensure that: -

- Relevant, reliable and timely information is available to the Board to monitor the performance of the business, and upon which important decisions are based;
- The half-year and annual announcements of results to the Stock Exchange have been properly prepared;
- The financial statements have been prepared with the required care, diligence and skill to ensure that all relevant information is taken into account;
- The financial statements are presented in a format which facilitates ease of understanding by shareholders and institutions;
- Ensure external audit arrangements are adequate to deliver an effective and efficient external audit. This will involve:
  - Reviewing the terms of the auditor's engagement, including approval of annual audit fees, the scope and quality of the audit and the auditor's independence,
  - Recommending to the Board the appointment and removal of the external auditor,
  - Ensuring the external auditor attends the annual general meeting and is available to answer questions from shareholders relevant to the audit, and
  - Reviewing the level and nature of non-audit services provided by the external auditor, and ensuring it does not adversely impact on audit independence.
- Monitor management's performance against the company's risk management framework, including whether it is operating within the risk appetite set by the board.
- Review any material incidents involving fraud or breakdown of company's internal controls.
- Review reports from management on new and emerging sources of risks and risk controls put in place by management to deal with those risks.
- Make recommendations to the board in relation to changes that should be made to the risk management framework or to the risk appetite set by the board.
- Oversee the entity's insurance program, having regard to the company's insurable risks associated with its business.

### **3. COMPOSITION OF THE COMMITTEE**

The Audit & Risk Committee is a committee of the Board of directors and comprises at least three independent directors.

A quorum shall be two members.

The Chairman of the Audit & Risk Committee will not be the chairman of the Board.

The Audit & Risk Committee members will have experience in financial and accounting matters and will include at least one member who has financial expertise.

### **4. MEETINGS**

The Audit & Risk Committee will meet at least three times per year.

An agenda will be prepared and issued prior to each meeting.

Minutes of each Meeting will be taken by the company secretary and copies of Minutes will be issued to each member of the Board.

The Audit & Risk Committee may have in attendance at its meeting other directors including the managing director as well as members of management as may be deemed necessary to provide appropriate information or explanations.

The external auditors attend meetings by invitation to report to the Committee.