Audit and Risk Committee Charter

1 Role

The role of the Audit and Risk Committee is to assist the Board to meet its oversight responsibilities in relation to the Company's corporate reporting and risk management framework.

1 Composition

The Board has not established a separate Audit and Risk Committee, but rather the full Board performs the role of the Audit and Risk Committee. References in this Audit and Risk Committee Charter to the "Audit and Risk Committee" are references to the full Board's function as the Audit and Risk Committee.

2 Responsibilities

The Audit and Risk Committee has the following responsibilities:

2.1 Financial reporting

(a) Review the adequacy of the Company's corporate reporting processes.

(b) Review compliance with relevant statutory and regulatory requirements in relation to the Company's financial statements.

(c) Review the half-year and annual financial statements to determine whether the Company's financial statements reflect the understanding of the Audit and Risk Committee members, and otherwise provide a true and fair view of, the financial position and performance of the Company.

(d) Review the appropriateness of the accounting judgments or choices exercised by management in preparing the Company's financial statements.

(e) Ensure that the declaration referred to in Recommendation 4.2 of the Principles and Recommendations is given before the Board approves the Company's financial statements for each half-year and full year.

2.2 External auditor

(a) Meet with the external auditor at least twice each year, and any other time considered appropriate.

(b) Review the Company's Procedure for the Selection, Appointment and Rotation of External Auditor set out in the Appendix to this Charter.

(c) Carry out the functions ascribed to the Audit and Risk Committee in the Procedure for the Selection, Appointment and Rotation of the External Auditor.

(d) Assess the scope and adequacy of the external audit.

(e) Review the independence and performance of the external auditor.

(f) Review any proposal for the external auditor to provide non-audit services and whether it might compromise the independence of the external auditor.

(g) Ensure that the external auditor is given notice of all general meetings, and attends the Company's annual general meeting.

2.3 Monitoring

Monitor:

(a) the Company's compliance with applicable legal and regulatory requirements associated with financial reporting; and

(b) changes in the legal and regulatory framework in relation to financial reporting.

2.4 Risk management

(a) Evaluate the adequacy and effectiveness of the Company's risk management framework.

(b) Identify material changes to the Company's risk profile.

(c) Formulate an action plan to address areas of perceived risk and monitor implementation programs.

(d) Review and make recommendations on the strategic direction, objectives and effectiveness of the Company's risk management policies.

(e) Consider internal controls, including the Company's policies and procedures to assess, monitor and manage risks.

(f) Review the Company's insurance program, having regard to the Company's business and the insurable risks associated with its business.

2.5 Other

Perform such other functions as assigned by law or the Company's constitution.

3 Operations

When matters within the responsibility of the Audit and Risk Committee are considered, they are marked as separate agenda items at meetings of the Board. The Board deals with any conflicts of interest that may occur by ensuring that the director with a conflicting interest is not party to the relevant discussions.

4 Authority and resources

The Audit and Risk Committee may seek provision of educational information on accounting policies and other financial topics relevant to the Company, to assist in fulfilling their duties. Further, the Audit and Risk Committee may seek explanations and additional information from the Company's external auditors, without management present, when required.

When considered necessary or appropriate, the Audit and Risk Committee may conduct or authorise investigations and may retain independent legal, accounting or other advisors.

5 Reporting

The Chairperson of the Committee will report to the Board, at the following Board meeting, on the proceedings of each meeting of the Audit and Risk Committee, bringing forward all recommendations of the Committee which require Board approval.

6 Review

The Audit and Risk Committee Charter will be reviewed at least annually, and updated as required.

Appendix – Procedure for the Selection, Appointment and Rotation of External Auditor

1 The Board is responsible for the initial appointment of the external auditor and the appointment of a new external auditor when any vacancy arises, as per the recommendations of the Audit and Risk Committee (or its equivalent). Any appointment made by the Board is subject to confirmation by shareholders at the next annual general meeting of the Company. In recommending the appointment of an auditor to members, the Board may consider the matters outlined in Australian Securities and Investments Commission Information Sheet 196 *Audit quality: The role of directors and audit committees* under the headings "Recommending the appointment of an auditor" and "Assessing potential and continuing auditors".

2 Candidates for the position of external auditor of the Company must be able to demonstrate complete independence from the Company, and an ability to maintain independence through the engagement period. Further, the successful candidate must have arrangements in place for the rotation of the audit engagement partner in accordance with professional standards as current from time to time, including part 2M.4 Division 5 of the *Corporations Act 2001* (Cth).

3 Other than the mandatory criteria set out in paragraph 2 above, the Board may select an external auditor based on criteria relevant to the business of the Company such as experience in the industry in which the Company operates, references, cost, internal governance processes and any other matters deemed relevant by the Board. The Board may consider the matters outlined in the Australian Securities and Investments Commission Information Sheet 196 *Audit quality: The role of directors and audit committees* under the heading "Assessing potential and continuing auditors".

4 The Audit and Risk Committee (or its equivalent) will review the performance of the external auditor on an annual basis and make any recommendations to the Board. The Audit and Risk Committee (or its equivalent) may refer to the matters outlined in the Australian Securities and Investments Commission Information Sheet 196 *Audit quality: The role of directors and audit committees* under the heading "Assessing potential and continuing auditors" when reviewing the performance of the external auditor.