

**DISCLOSURE ON COMPANY WEBSITE  
CORPORATE GOVERNANCE**

**AUDIT COMMITTEE CHARTER**

**1. Composition of the Audit Committee**

- The committee is to include at least two members, all independent non-executive directors.
- At least one member is to have significant, recent and relevant financial experience.

**2. Role of the Audit Committee**

- To monitor the integrity of the financial statements of the Company, reviewing significant financial reporting judgments.
- To 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.
- To monitor and review the effectiveness of the Company's internal audit function (if any).
- To make recommendations to the Board in relation to the appointment of the external auditor and to approve the remuneration and terms of engagement of the external auditor.
- To monitor and review the external auditor's independence, objectivity and effectiveness, taking into consideration relevant professional and regulatory requirements.
- To develop and implement policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm.

**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 the minutes and a report of actions taken 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 constitution as they apply to the meetings of the Board.

#### **4. 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.

#### **5. Reporting to the Shareholders**

- The directors' report to contain a separate section that describes the role of the committee and what action it has taken.
- The chairperson of the audit committee is to be present at the annual general meeting to answer questions, through the chairperson of the Board.

#### **6. Responsibilities**

- Responsibilities of the committee are as set out in the Audit Committee Responsibilities Calendar attached as Appendix A.

## Appendix A

### Audit Committee Responsibilities Calendar

Responsibility	When Performed Audit Committee Meetings		
	First Half	Second Half	As needed
1 The committee will perform such other functions as assigned by law, the Company's constitution, or the Board.			<input type="checkbox"/>
2 The committee will have the power to conduct or authorize 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.			<input type="checkbox"/>
3 The committee will meet bi-annually or more frequently as circumstances require. The committee may ask members of management or others to attend the meeting and provide pertinent information as necessary.			<input type="checkbox"/>
4 The agenda for committee meetings will be prepared in consultation between the committee chair (with input from the committee members), finance management and the independent auditor.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Provide an open avenue of communication between, the independent auditor, finance management and the Board. Report committee actions to the Board with such recommendations as the committee may deem appropriate.			<input type="checkbox"/>
6 Review and update the Audit Committee Charter and Responsibilities Calendar annually.		<input type="checkbox"/>	
7 Provide an annual report that includes the committee's review and discussion of matters with management and the independent auditor.	<input type="checkbox"/>		
8 Appoint and replace the independent auditor and approve the terms on which the independent auditor is engaged.	<input type="checkbox"/>		
9 Provide oversight of the independent auditor and resolve any disagreements between management and the independent auditor about financial reporting.	<input type="checkbox"/>	<input type="checkbox"/>	
10 Establish and oversee a policy designating permissible services that the independent auditor may perform for the Company and providing for pre-approval of those services by the committee.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Responsibility	When Performed Audit Committee Meetings		
	First Half	Second Half	As needed
11 Confirm annually the independence of the independent auditor, and quarterly review the firm's non-audit services and related fees.		<input type="checkbox"/>	
12 Verify the committee consists of a minimum of two members who are financially literate, including at least one member who has financial sophistication.	<input type="checkbox"/>	<input type="checkbox"/>	
13 Review the independence of each committee member based on ASX Corporate Governance Guidelines.		<input type="checkbox"/>	
14 Inquire of finance management, and the independent auditor about significant risks or exposures and assess the steps management has taken to minimize such risk to the Company.			<input type="checkbox"/>
15 Review with the internal auditor, the independent auditor and finance management the audit scope and plan, and coordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, the effective use of audit resources, and the use of independent accountants other than the appointed auditors of the Company.	<input type="checkbox"/>		<input type="checkbox"/>
16 Consider and review with finance management and the independent auditor:  (a) The Company's annual assessment of the effectiveness of its internal controls and the independent auditor's attestation and report about the Company's assessment. (Effective beginning fiscal year 2004).  (b) The adequacy of the Company's internal controls including computerized information system controls and security.  (c) Any related significant findings and recommendations of the independent accountants with management's responses thereto.	<input type="checkbox"/>  <input type="checkbox"/>  <input type="checkbox"/>	<input type="checkbox"/>  <input type="checkbox"/>  <input type="checkbox"/>	
17 Review with finance management any significant changes to financial policies or standards.	<input type="checkbox"/>	<input type="checkbox"/>	
18 Review with finance management and the independent auditor at the completion of the annual audit:  (a) The Company's annual financial statements and related footnotes.  (b) The independent auditor's audit of the financial statements and its report thereon.	<input type="checkbox"/>  <input type="checkbox"/>	<input type="checkbox"/>  <input type="checkbox"/>	<input type="checkbox"/>  <input type="checkbox"/>

Responsibility	When Performed Audit Committee Meetings		
	First Half	Second Half	As needed
(c) Any significant changes required in the independent auditor's audit plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(d) Any serious difficulties or disputes with management encountered during the course of the audit.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(e) Other matters related to the conduct of the audit which are to be communicated to the committee under generally accepted auditing standards.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19 Review with finance management and the independent auditor at least annually the Company's critical accounting policies.		<input type="checkbox"/>	<input type="checkbox"/>
20 Review policies and procedures with respect to transactions between the Company and officers and directors, or affiliates of officers or directors, or transactions that are not a normal part of the Company's business.		<input type="checkbox"/>	
21 Consider and review with finance management and the independent auditor:			
(a) Significant findings during the year and management's responses thereto.			<input type="checkbox"/>
(b) Any difficulties encountered in the course of their audits, including any restrictions on the scope of their work or access to required information.			<input type="checkbox"/>
(c) Any changes required in planned scope of their audit plan.			<input type="checkbox"/>
22 The chairperson of the Audit Committee will participate in a meeting with finance management and the independent auditor prior to earnings release.	<input type="checkbox"/>	<input type="checkbox"/>	
23 Review the periodic reports of the Company with finance management, and the independent auditor prior to filing of the reports ASX.	<input type="checkbox"/>	<input type="checkbox"/>	
24 In connection with each periodic report of the Company, review:			
(a) management's disclosure to the committee and the independent Principle 4 recommendation 1.1 of ASX Corporate Governance Guidelines; and	<input type="checkbox"/>	<input type="checkbox"/>	
(b) the contents of the Chief Executive Officer (or equivalent) and the Chief Financial Officer (or equivalent) certificates to be filed under the ASX Corporate Governance Guidelines.	<input type="checkbox"/>	<input type="checkbox"/>	

Responsibility	When Performed Audit Committee Meetings		
	First Half	Second Half	As needed
25 Review with the compliance officer legal and regulatory matters that may have a material impact on the financial statements, related Company compliance policies, and programs and reports received from regulators.	<input type="checkbox"/>	<input type="checkbox"/>	
26 Develop and oversee procedures for (i) receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls and auditing matters, and (ii) the confidential, anonymous submission of employee concerns regarding accounting or auditing matters.			<input type="checkbox"/>
27 Meet with the independent auditor in executive session to discuss any matters that the committee or the independent auditor believes should be discussed privately with the Audit Committee.	<input type="checkbox"/>	<input type="checkbox"/>	
28 Meet with finance management in executive sessions to discuss any matters that the committee or finance management believes should be discussed privately with the Audit Committee.			<input type="checkbox"/>
29 Each year request auditor to attend each Annual General Meeting of the Company and be available to answer questions from shareholders in the accounts of the audit.			<input type="checkbox"/>