

AUDIT, RISK AND CORPORATE GOVERNANCE COMMITTEE CHARTER (adopted by the Board on 15 September 2009)

1. COMPOSITION OF THE AUDIT, RISK AND CORPORATE GOVERNANCE COMMITTEE

The Board has established an Audit, Risk and Management Committee. The Committee consists of:

- (i) non-executive directors;
- (ii) a majority of independent directors;
- (iii) an independent Chairman who is not the Chairman of the Board; and
- (iv) at least, three members.

2. ROLE OF THE AUDIT, RISK AND CORPORATE GOVERNANCE COMMITTEE

Audit

- (i) To monitor the integrity of the financial statements of the Company, reviewing significant financial reporting judgments. This will include, but not be limited to, the following:
 - a. Assess the appropriateness of accounting policies, practices and disclosures and whether the quality of financial reporting is adequate;
 - b. To review the half-year and annual financial statements before submission to the Board, focusing particularly on:
 - i. any changes in accounting policies and practices
 - ii. major judgmental areas
 - iii. significant adjustments resulting from the audit
 - iv. the going concern assumption
 - v. compliance with accounting standards
 - vi. compliance with stock exchange and legal requirements
 - c. To review the external auditor's management letter and management's response;
 - d. Review any related-party transactions; and
 - e. To consider any other topics as defined by the Board.
- (ii) To review the Company's internal financial control system;
- (iii) Maintain open lines of communication between the Board, external auditors and the Company's compliance officers;
- (iv) To consider the appointment of the external auditor and to approve the remuneration and terms of engagement of the external auditor;
- (v) To monitor and review the external auditor's independence, objectivity and effectiveness, taking into consideration relevant professional and regulatory requirements; and
- (vi) 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.

Risk

- (vii) To ensure the development of an appropriate risk management policy framework that will provide guidance to management in implementing appropriate risk management practices throughout the Company's operations, practices and systems;
- (viii) To define and periodically review risk management as it applies to the Company and clearly identify all the stakeholders;

- (ix) To ensure that the committee clearly communicate the Company's risk management philosophy, policies and strategies to directors, senior executives, employees, contractors and appropriate stakeholders;
- (x) To ensure that directors and senior executives establish a risk aware culture which reflects the Company's risk policies and philosophies;
- (xi) To ensure that senior executives have the opportunity to report to the Board as to the effectiveness of the Company's risk management policy framework;
- (xii) To review methods of identifying broad areas of risk and set parameters or guidelines for business risk reviews; and
- (xiii) To consider capital raising, treasury and market trading activities with particular emphasis on risk treatment strategies, products and levels of authority.

Corporate Governance

- (xiv) Ensure appropriate corporate governance practices are in place to meet the requirements of the Company;
- (xv) Review and assess the adequacy of the Company's corporate governance compliance policies; and
- (xvi) Promote throughout the business best practice in the area of Corporate Governance and business conduct.

3. OPERATIONS

- (i) Meetings shall be held as frequently as required but not less than twice a year. A quorum shall be two members.
- (ii) Other Board members shall also have the right of attendance.
- (iii) Minutes of all meetings of the committee are to be kept.
- (iv) 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.
- (v) The committee will undertake an annual review to assess the adequacy of its Charter.

4. RESOURCES

- (i) The Company is to provide the committee with sufficient resources to undertake its duties.
- (ii) The committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the committee.
- (iii) The committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

5. REPORTING PROCEDURES

- (i) The Secretary shall circulate the minutes of meetings of the committee to all members of the committee and the Board.
- (ii) The directors' report to contain a separate section that describes the role of the committee.
- (iii) The Chair of the Audit, Risk and Corporate Governance Committee shall report on committee deliberations and recommendations to the next full Board meeting.