

APPENDIX 4.1

Audit Committee Charter

ROLES AND RESPONSIBILITIES

Effective Management of Financial Risks

- To be aware of the areas of greatest financial risk and require that management are effectively managing those risks.
- To satisfy itself that effective systems of accounting and internal control are established and maintained to manage financial risk.
- To satisfy itself as regards the integrity and prudence of management control systems, including the review of policies and/or practices.
- To make the Board aware of any matters that might have a significant impact on the financial condition or affairs of the entity.

Compliant and Reliable Financial Reporting

- To require that the entity's accounting policies and practices are appropriate and comply with the Corporations Act, Australian Accounting Standards, ASX requirements and generally accepted accounting principles. The Committee should discuss with the external auditor its view on the quality and acceptability of the entity's accounting principles.
- To review and discuss with management and the external Auditor, before submission to the Board, the semi-annual and annual financial statements, ASX forms and reports required by law to accompany financial statements, that are to be released to third parties.
- To assess the effects of any new or proposed accounting practices, principles or developments, disclosure requirements and legislative or regulatory pronouncements.

Maintenance of Effective and Efficient Audit Processes

- To recommend to the Board the appointment, re-appointment or replacement of the internal and external auditors.
- To confirm that there have been no unjustified restrictions or limitations placed on auditors.
- To review the efficiency, effectiveness and objectivity of the Auditors in relation to their respective responsibilities.
- To review the scope of the audit to establish that it is adequate, placing emphasis on areas where the Audit Committee, management and/or the auditors believe special emphasis is necessary.
- To review and assess the findings of the Auditors and the action taken and timetable proposed by management in response to the findings.
- To approve audit fees and non-audit services performed by the external Auditor. Non-audit services performed by the external auditor require pre-approval of the Audit Committee. The Committee may delegate authority to one independent member to approve any additional services as they arise to a limit as determined by the Committee.
- To consider the independence of the external Auditor and the level of non-audit services provided by the audit firm and report to the Board on the status of their independence and any issues arising. The Lead Audit partner for the external audit should be rotated every five years.

Other Responsibilities

- To report any matter identified during the course of carrying out its duties that the Audit Committee considers should be brought to the attention of the Board.
- To perform or undertake on behalf of the Board any such other tasks or actions as the Board may from time to time authorise.

ADMINISTRATION MATTERS

Membership and Attendance at Meetings

- The Audit Committee and its Chairperson shall be appointed by the Board. A quorum shall be two. It shall have at least three members and all members shall be independent non-Executive Directors.
- Decisions of the Committee shall be made by a majority of members present.
- Members of the Audit Committee should be financially literate in the opinion of the Board and at least one member should have financial expertise.
- The Chairperson of the Audit Committee may not be the Chairman of Directors.
- The Audit Committee Chairperson has the power to convene and conduct meetings of the Audit Committee.
- The Audit Committee may invite such other persons (e.g. the Managing Director and Chief Financial Officer) as it deems necessary. All Directors, including those directors not on the Audit Committee may attend Audit Committee meetings with the consent of the Chairman of the Audit Committee.
- The Auditors shall normally make presentations to the Audit Committee at its meetings.
- The Secretary of the Audit Committee shall be the Company Secretary or such other person as nominated by the Board.

Meetings

- Meetings shall be held not less than once a year.
- Special meetings of the Audit Committee may be convened as required.
- The auditors may request a meeting if they consider that one is necessary.
- Comprehensive papers and an agenda will be provided to Audit Committee members before each meeting.
- The proceedings of all meetings will be recorded in minutes.
- The minutes of each meeting will be submitted to the Directors and be considered at a subsequent meeting of the Board.

Review of Charter

This Charter will be reviewed annually by the Audit Committee to ensure its effectiveness and currency. Any changes are to be recommended to the Board for approval.

The Audit Committee Charter shall be available to shareholders and should be posted on the Company website.