

Schedule 3 – Audit and Risk Committee Charter

1. INTRODUCTION

The role of the audit and risk committee is to assist the Board in monitoring and reviewing any matters of significance affecting financial reporting and compliance. This charter sets risk parameters and defines the audit and risk committee's function, composition, mode of operation, authority and responsibilities.

2. OBJECTIVES

The primary objectives of the committee are to assist the Board to discharge its obligations with respect to:

- the integrity and quality of interim and annual financial reporting and disclosures of the Company;
- the integrity of the external audit of the Company (as applicable);
- identification of key business, financial and regulatory risks relevant to the Company;
- updating and implementing the risk management framework for the Company;
- compliance by the Company with relevant laws, regulations, standards and codes; and
- the adequacy of the internal financial and risk management controls of the Company.

3. RESPONSIBILITIES

The responsibilities of the committee are to assist the Board in performing the following functions:

3.1 Financial Reporting

- Review the appropriateness of the accounting principles adopted by management in the financial reports and the integrity of the Company's financial reporting.
- Oversee the financial reports and the results of the external audits of those reports.
- Assess whether external reporting is adequate for shareholder needs.
- Assess management processes supporting external reporting.
- Establish procedures for treatment of accounting complaints.
- Review the impact of any proposed changes in accounting policies on the financial statements.
- Review the half yearly and annual results and the reports and financial statements before they are released.
- Ensure that, before the Board approves the Company's financial statements for a financial period, the Company's Chief Executive Officer/ Managing Director and Chief Financial Officer (or, if none, the person(s) fulfilling those functions) have declared that, in their opinion, the financial records of the Company have been properly maintained and that the financial statements comply with the appropriate accounting standards and give true and fair view of the financial position and performance of the Company and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively

3.2 External audit

- Recommend to the Board procedures for the selection and appointment of external auditors and for the rotation of external auditor partners.
- Review performance, succession plans and rotation of the auditor's lead engagement partner.
- Approve the external audit plan and fees proposed for audit work to be performed.
- Discuss any necessary recommendations to the Board for the approval of half-yearly and annual reports
- Review the adequacy of accounting and financial controls together with the implementation of any recommendations of the external auditor in relation thereto.
- Meet with the external auditors at least twice in each financial year and at any other time the committee considers appropriate.
- Provide pre-approval of audit and non-audit services that are to be undertaken by the external auditor.
- Ensure that the external auditor prepares and delivers an annual statement as to their independence which includes details of all relationships with the Company.
- Receive from the external auditor their report on, among other things, critical accounting policies and alternative accounting treatment, prior to the filing of their audit report in compliance with the *Corporations Act 2001* (Cth).
- Ensure that the external auditor attends the Company's annual general meeting and is available to answer questions from shareholders relevant to the audit.

3.3 Internal audit

- Monitor the need for a formal internal audit function and its scope.
- Assess the performance and objectivity of any internal audit procedures that may be in place.
- Review risk management and internal compliance procedures.
- Monitor the quality of the accounting function.
- Review the internal controls of the Company via consideration of any comments from the Company's internal and/or external auditors and/or commissioning an independent report on the Company's internal controls.

3.4 Risk management

- Oversee the Company's risk management systems, practices and procedures to ensure effective risk identification and management and compliance with internal guidelines and external requirements.
- Assist in identifying and managing potential or apparent business, economic, environmental and social sustainability risks (if appropriate).
- Review the Company's risk management framework on a regular basis to satisfy itself that it continues to be sound.
- Review reports by management on the efficiency and effectiveness of the Company's risk management framework and associated internal compliance and control procedures.

3.5 Other responsibilities

- Oversee the Company's environmental risk management and occupational health and safety processes.
- Oversee procedures for whistleblower protection.

- As contemplated by the ASX Corporate Governance Council's Corporate Governance and Principles (4th Edition), approve any deviation or waiver from the Company's Code of Conduct to the extent that such deviation or waiver does not result in any breach of the law. Any such waiver or deviation will be promptly disclosed where required by applicable law.
- Monitor transactions between the Company and related parties of the Company.

4. POWERS AND AUTHORITY

4.1 Access

The committee has rights of access to the Company's management and to the Company's books and records.

The committee may meet and communicate with the Company's auditors (internal and external) without management present, for the purposes of performing its function under this document.

The committee may request any Company records or other information it requires from any officers, employees, contractors or agents of the Company.

The Company's external auditor will have unlimited and free access to members of the committee.

4.2 Enquiries and access to advice

The committee has the power to conduct any enquiry or investigation relevant to its function under this charter, including to interview any officers, employees, contractors or agents of the Company, and to seek explanations and additional information.

The committee may engage appropriate independent experts, legal counsel or other professional advisors that it considers necessary at the cost of the Company.

4.3 Resources

The committee may seek provision of educational information on topics relevant to the Company and the functions of the committee, to assist in fulfilling the committee's duties.

5. RELIANCE

The committee may rely on information, or professional or expert advice, to the extent permitted by law, given or prepared by:

- an employee of the Company whom the committee reasonably believes to be reliable and competent in relation to the matters concerned;
- an expert or professional advisor to the Company in relation to matters that the committee reasonably believes to be within the person's expert or professional competence; or
- another Director or officer of the Company in relation to matters within the Director's or officer's authority.

6. COMPOSITION

The Board will strive to adhere to the following composition requirements for the committee where at all possible. However, the Board acknowledges that the composition of the Board may not allow adherence to the following composition requirements from time to time.

- The committee must comprise at least three members.

- All members of the committee must be non-executive Directors.
- A majority of the members of the committee must be independent non-executive Directors.
- The Board will appoint members of the committee. The Board may remove and replace members of the committee by resolution.
- All members of the committee must be able to read and understand financial statements.
- The Chairperson of the committee must not be the Chairperson of the Board and must be independent.
- The Chairman of the committee shall have leadership experience and a strong finance, accounting or business background.
- The external auditors, the other Directors, the Managing Director and/or Chief Executive Officer, Chief Financial Officer, Company Secretary and senior executives, may be invited to committee meetings at the discretion of the committee.

7. MEETINGS

- The committee will meet at least twice in each financial year and additionally as circumstances may require for it to undertake its role effectively.
- Meetings are called by the Secretary as directed by the Board or at the request of the Chairperson of the committee.
- Where deemed appropriate by the Chairperson of the committee, meetings and subsequent approvals and recommendations can be implemented by a circular written resolution or conference call.
- A quorum shall consist of two members of the committee. In the absence of the Chairperson of the committee or their nominees, the members shall elect one of their members as Chairperson of that meeting.
- Decisions will be based on a majority of votes with the Chairperson having a casting vote.
- The Chairperson of the committee, through the Secretary, will prepare a report of the actions of the committee to be included in the Board papers for the next Board meeting.
- Minutes of each meeting are included in the papers for the next full Board meeting after each committee meeting.

8. SECRETARY

- The Company Secretary or their nominee shall be the Secretary of the committee and shall attend meetings of the committee as required.
- The Secretary will be responsible for keeping the minutes of meetings of the committee and circulating them to committee members and to the other members of the Board.
- The Secretary shall distribute supporting papers for each meeting of the committee as far in advance as possible.

9. REPORT TO THE BOARD

The committee must report to the Board formally at the next Board meeting following from the last committee meeting on all matters relevant to the committee's roles and responsibilities.

The committee must brief the Board promptly on all urgent and significant matters.

10. REVIEW OF CHARTER

Due to the size and nature of the existing Board and magnitude of the Company's operations, a standalone audit and risk committee has not been established. The duties that would ordinarily be assigned to the committee are currently carried out by the full Board in accordance with this charter.

The Board will conduct an annual review of this charter to ensure that it has carried out its functions in an effective manner and will update this charter as required or as a result of new laws or regulations.

11. VERSION CONTROL

Version	Date	Changes
1	12 October 2021	Review and update consistent with 4 th Edition compliant Corporate Governance Plan