

Terms of Reference for the Audit Committee

These Terms of Reference set out the specific responsibilities delegated by the Board to the Audit Committee and details the manner in which the Committee will operate.

1. Overview

The objective of the Committee is the provision of oversight and effective governance over:

- (i.) The appropriateness of the financial and regulatory reporting of the Company and its corporate group (together, the "Group"), including the adequacy of related disclosures;
- (ii.) The Group's systems of internal controls;
- (iii.) The Group's risk management system and monitoring of business risks;
- (iv.) The Group's compliance activities; and
- (v.) The performance of the external auditors.

2. Membership

- 2.1. Members of the Committee shall be appointed by the Board. The Committee shall comprise at least two Independent Directors.
- 2.2. At least one member of the Committee shall have recent and relevant financial experience.
- 2.3. The Board shall appoint the Committee Chairman who shall be an Independent director. In the absence of the Committee Chairman and/or an appointed deputy, the remaining Members present shall elect one of themselves to chair the meeting.

3. Secretary

The Company Secretary or their nominee shall act as the Secretary of the Committee.

4. Quorum

The quorum for Committee meetings shall be two members, who must be independent directors.

5. Meetings

- 5.1. The Committee shall meet not less than twice a year.
- 5.2. Only members of the Committee have the right to attend Committee meetings. By invitation of the Committee Chairman, the following individuals shall normally be invited to attend Committee meetings: the Chief Executive Officer, the Chief Financial Officer, and representatives of the Group's external auditors.
- 5.3. The attendance of any other person at the meeting shall be at the invitation of the Committee Chairman.

6. Annual General Meeting

The Chairman of the Committee shall attend the Annual General Meeting and shall answer any questions on the Committee's activities and its responsibilities.

7. Financial and regulatory reporting

The Committee shall:

- 7.1. monitor and discuss with management and the external auditors the integrity of the financial statements including its annual and half-yearly reports and certain regulatory returns, reviewing and reporting to the Board on significant financial reporting judgements which they contain, focusing particularly on:
 - (i.) the quality and appropriateness of accounting policies and practices;

- (ii.) the methods used to account for significant or unusual transactions where different approaches are possible.
 - (iii.) whether the Company has adopted appropriate accounting policies and made appropriate estimates and judgements;
 - (iv.) material information presented with financial statements, including the Strategic Report;
 - (v.) significant implemented adjustments resulting from the audit review;
 - (vi.) misstatements reported to the Committee by the external auditor that have not been corrected and management's explanations as to why they have not been adjusted;
 - (vii.) possible impairments of the Group's assets; and
 - (viii.) the basis for the going-concern assumption identifying any material uncertainties to the Company's ability to continue to operate on the basis over a period of at least twelve months from the date of approval of the annual financial statements;
- 7.2. where requested by the Board, advise on whether the Annual Report taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's financial position and performance, business model and strategy; and
- 7.3. monitor and approve other formal Company announcements requiring Board approval which contain financial reporting by the Company.

8. Internal controls

The Committee shall:

- 8.1. review the Group's internal financial controls and internal control systems and advise on the relevant statement included in the Annual Report;
- 8.2. consider management's response to any material external recommendations; and
- 8.3. review management's reports on the effectiveness of systems for internal control and financial reporting.

9. Risk Management

The Committee shall:

- 9.1. monitor the Group's risk management system and, at least annually, carry out a review of its effectiveness, and advise on the relevant statement included in the Annual Report;
- 9.2. review the principal risks facing the Group in achieving its strategic objectives, including the management and mitigation of those risks;
- 9.3. advise the Board, based on the assessment of the Group's financial position and principal risks, on how the prospects of the Group may be impacted; and
- 9.4. at least annually, advise the Board on whether there is a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period under review, drawing attention to any qualifications or assumptions.

10. Compliance, Whistleblowing and Fraud

The Committee shall:

- 10.1. review the adequacy of the Company's arrangements for its employees and contractors to raise concerns, in confidence, and possible wrong doings in financial or regulatory reporting or other matters. The Committee shall ensure that these arrangements allow proportionate follow up action;
- 10.2. periodically review and approve changes to the Company's Code of Conduct and secure reasonable assurance as to the appropriate implementation and operation of the Code;
- 10.3. review the Company's procedures for detecting fraud;
- 10.4. review the Company's systems and controls for the prevention of bribery and corruption, and receive reports on non-compliance;

11. External Audit

The Committee shall oversee the Company's relationship with the external auditor (which shall report directly to the Committee) and shall:

- 11.1. make recommendations to the Board in relation to the appointment, re-appointment and removal of the external auditor including initiating and supervising any related tender process;
- 11.2. discuss and agree with the external auditor the nature and scope of the external audit;
- 11.3. approve the external auditor's engagement fee following the Chief Financial Officer's negotiation;
- 11.4. annually review the activities, findings, conclusions and recommendations of the external audit (including reviewing the management letter);
- 11.5. review and Monitor the external auditor's independence and objectivity and the effectiveness of the external audit process in light of relevant professional and regulatory requirements. This will include reviewing and monitoring the external auditor's quality control procedures; how it complies with regulatory and other requirements; and the experience and qualifications of the senior members of the external audit team (including rotational procedures);
- 11.6. approve of the appointment of the lead external audit partner;
- 11.7. ensure the resolution of any disagreements between management and the external auditor regarding financial reporting;
- 11.8. review communications between the external auditor and the Company on audit planning and findings and on significant deficiencies and material weaknesses in accounting, risk management and internal control systems that the external auditor has identified: and
- 11.9. approve the policy for permitted non-audit services (taking into account relevant ethical standards and guidance) that potentially could be undertaken by the external auditor and monitor compliance with this policy;

12. Reporting

The Committee shall:

- 12.1. report, through the Committee Chairman, on its activities and how it has discharged its responsibilities to the Board after each Committee meeting;
- 12.2. oversee and approve a report on its activities to be included in the Annual Report including an explanation of how the Committee has addressed the effectiveness of the external audit process and the significant issues that it considered in relation to financial statements and how such issues were addressed.

13. Authority and legal advice

The Committee shall:

- 13.1. undertake any other duties as requested by the Board from time to time and to investigate any activities it deems necessary to carry out its duties and seek information from any employee; and
- 13.2. obtain external legal or other professional advice as it sees fit at the cost of the Company.
- 13.3. private sessions with the external auditor and management as often as the Committee deems appropriate but at least [once/twice] a year with the external auditor and management (without the others being present).

14. Terms of Reference

The Committee shall review these Terms of Reference periodically and consider whether to recommend changes to the Board.

These Terms of Reference were approved by the Board on 18 September 2020.