SCHEDULE 3 | AUDIT AND RISK COMMITTEE CHARTER

1. Purpose

The primary purpose of the audit and risk committee (**Committee**) is to assist the Board in fulfilling its statutory and fiduciary responsibilities relating to:

(a) the quality and integrity of the Company's financial statements, accounting policies and financial reporting and disclosure practices;
(b) compliance with all applicable laws, regulations and Company policy;
(c) the effectiveness and adequacy of internal control processes, risk frameworks and risk management;
(d) the performance of the Company's external auditors and their appointment and removal;
(e) the independence of the external auditor and the rotation of the lead engagement partner;
(f) oversee the policies and procedures for ensuring the Company's compliance with relevant regulatory and legal requirements and escalate to the Board any breaches of these policies and procedures;
(g) the identification and management of business, economic, environmental, climate-related and social sustainability risks and ensuring corrective action is taken where necessary;
(h) the review of the Company's risk management framework at least annually to satisfy itself that it continues to be sound and to determine whether there have been any changes in the material business risks the Company faces and to ensure that they remain within the risk appetite set by the Board; and
(i) make recommendations to the Board in relation to each of the areas listed above where necessary

A secondary function of the Committee is to perform such special reviews or investigations as the Board may consider necessary.

2. Responsibilities

The role of the Committee is to assist the Board in monitoring and reviewing any matters of significance affecting financial reporting, compliance with legal and regulatory requirements, setting the risk appetite of the Company and overseeing the Company's systems of internal control and risk management. This Charter sets risk parameters and defines the Committee's function, composition, mode of operation, authority and responsibilities.

3. Composition

The Board will strive to adhere to the following composition requirements for the Committee if possible:

(a) the Board will appoint members of the Committee. The Board may remove and replace members of the Committee by resolution;
(b) the Committee must comprise at least three members all of whom are non-executive Directors and a majority of whom are independent Directors (in accordance with the criteria set out in Annexure A);
(c) all members of the Committee must be able to read and understand financial statements and possess sufficient technical skills or professional qualifications and experience in relation to risk management;
(d) the chair of the Committee must not be the Chair of the Board and must be independent; and
(e) shall have leadership experience and a strong finance, accounting or business background.

The external auditors, the other Directors, the Managing Director, Company Secretary and senior executives, may be invited to Committee meetings at the discretion of the Committee.

Members of the Committee will have access to training as necessary to ensure that they remain equipped to fulfil their responsibilities, including maintaining risk management awareness for the duration of their appointment as a member.

4. Duties and Responsibilities of the Committee

4.1 Financial Reports

The Committee has the following duties in respect of the audited annual and half-yearly financial statements of the Company:

(a) to review the financial reports to ensure:

  (i) compliance with accounting standards, Company policies, laws and other legal requirements relating to their preparation and content;

  (i) the appropriateness of the accounting principles adopted by management in the financial reports including:

    (A) the treatment of, and disclosures relating to, significant, complex and unusual transactions; and

    (B) significant judgements made by Company management when preparing the financial reports;

  (ii) that the financial reports are consistent with the information and knowledge of the shareholders;

  (iii) that the financial reports provide a true and fair view of the financial position and performance of the Company;

(b) overseeing the Company's accounting and disclosure policies and procedures as they relate to the preparation and content of the financial reports and the results of the external audits of those reports;

(c) establishing procedures for treatment of accounting complaints;

(d) reviewing the impact of any proposed changes in accounting policies on the financial statements; and

(e) establishing procedures for verifying the integrity of the Company's periodic reports which are not audited or reviewed by an external auditor, to satisfy the Board that each periodic report is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions;

(f) making appropriate recommendations to the Board regarding any significant financial, accounting, auditing and reporting issues; and

(g) ensuring that, before the Board approves the Company's financial statements for a financial period, the Chief Executive Officer 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 a 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.

4.2 Relationship with External Auditors

The Committee has the following duties in relation to external audit, to:

(a) recommend to the Board procedures for the selection and appointment of external auditors and for the rotation of external auditor partners;

(b) review performance, succession plans and rotation of lead engagement partner;

(c) approve the external audit plan and fees proposed for audit work to be performed;

(d) discuss any necessary recommendations to the Board for the approval of quarterly, half yearly or Annual Reports;

(e) review the adequacy of accounting and financial controls together with the implementation of any recommendations of the external auditor in relation thereto;

(f) meet with the external auditors at least twice in each financial year and at any other time the Committee considers appropriate;

(g) provide pre-approval of audit and non-audit services that are to be undertaken by the external auditor;

(h) ensure adequate disclosure as may be required by law of the Committee's approval of all non-audit services provided by the external auditor;

(i) ensure that the external auditor prepares and delivers an annual statement as to their independence which includes details of all relationships with the Company;

(j) 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); and

(k) ensure that the external auditor attends the Company's annual general meeting and is available to answer questions from security holders relevant to the audit.

4.3 Internal Audit Function

The Committee has the following duties in relation to internal audit, to:

(a) monitor and periodically review the need for a formal internal audit function and its scope;
(b) assess the performance and objectivity of any internal audit procedures that may be in place;
(c) ensure any formal internal audit function is headed by a suitably qualified person who shall have a direct reporting line to the Board or the Committee, and bring the requisite degree of skill, independence and objectivity to the role;
(d) if the Company does any formal internal audit function, assess the performance and objectivity of the Company's processes for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes;
(e) review risk management and internal compliance procedures;
(f) monitor the quality of the accounting function; and
(g) 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.

4.4 Risk Management and Internal Controls

The Committee has the following duties in relation to risk management and internal controls, to:

(a) oversee the Company's risk management systems, practices and procedures to ensure effective risk identification reporting and management and compliance with internal guidelines and external requirements;
(b) Ensure that the risk management function is properly resourced, with adequate information rights and sufficient independence such that it is free from management interference;
(c) assess whether the Company has any potential or apparent exposure to environmental, social or governance risks and if it does, put in place management systems, practices and procedures to manage those risks;
(d) where the Company does not have material exposure to environmental, social or governance risks, report the basis for that determination to the Board and where appropriate, benchmark the Company's environmental, social or governance risk profile against its peers;
(e) assess whether the Company is required to publish an integrated report or a sustainability report in accordance with a recognised international standard;
(f) review the Company's risk management framework at least annually to satisfy itself that the framework:
    (i) continues to be sound;
    (ii) ensures that the Company is operating with due regard to the risk appetite set by the Board; and
    (iii) deals adequately with contemporary and emerging risks such as conduct risk, digital disruption, cyber-security, privacy and data breaches, sustainability and climate change; and
(g) review reports by management on the efficiency and effectiveness of the Company's risk management framework and associated internal compliance and control procedures.

4.5 Legal and Regulatory Compliance

The Committee has the following duties in relation to legal and regulatory compliance, to:

(a) review and assess the effectiveness of the Company's compliance program in ensuring compliance with relevant regulatory and legal requirements;
(b) review and assess the effectiveness of internal processes for ensuring compliance with the Company's policies and procedures and to oversee the process which ensures that any material breaches of these processes are escalated to the Board;
(c) review compliance reports prepared by management in relation to the Company's compliance with statutory, legal and other regulatory requirements;
(d) identify and consider any matters that may have a material impact on the Company's activities, and report on those matters to the Board;
(e) obtain regular updates from management regarding any material litigation and any material risks relating to Company's compliance with statutory requirements; and
(f) review, assess and monitor the effectiveness of the Company's policies and procedures on continuous disclosure and reporting on these to the Board.

4.6 Risk Reporting

The Committee will be responsible for ensuring that relevant disclosures are given in the Directors report as to the Company's risk management strategy and for making appropriate recommendations to the Board regarding any significant risk management reporting issues.

4.7 Additional Responsibilities

The Committee has the following additional responsibilities, to:

(a) oversee procedures for whistleblower protection;
(b) oversee procedures for countering bribery and corruption;
(c) to approve any deviation or waiver from the Code of Conduct. Any such waiver or deviation will be promptly disclosed where required by applicable law;
(d) monitor related party transactions;
(e) meet with regulatory bodies on request;
(f) consult with independent experts as needed to perform its reporting responsibilities; and

5. Meetings

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

6. Secretary

(a) The Company Secretary or their nominee shall be the secretary of the Committee and shall attend meetings of the Committee as required.
(b) The secretary will be responsible for preparing the agenda and keeping the minutes of meetings of the Committee and circulating them to Committee members and to the other members of the Board.
(c) The secretary shall distribute supporting papers for each meeting of the Committee as far in advance as possible.

7. Reliance on Information or Professional or Expert Advice

Each member of the Committee is entitled to rely on information, or professional or expert advice, to the extent permitted by law, given or prepared by:

(a) an employee of the Company and its subsidiaries (if any) (**Group**) whom the member believes on reasonable grounds to be reliable and competent in relation to the matters concerned;
(b) a professional adviser or expert in relation to matters that the member believes on reasonable grounds to be within the person's professional or expert competence; or
(c) another Director or officer of the Group in relation to matters within the Director's or officer's authority.

8. Access to Advice

(a) Members of the Committee have rights of access to management and to the books and records of the Company to enable them to discharge their duties as Committee members, except where the Board determines that such access would be adverse to the Company's interests.
(b) Members of the Committee may meet with the auditors, both internal and external, without management being present.
(c) Members of the Committee may consult independent legal counsel or other advisers they consider necessary to assist them in carrying out their duties and responsibilities, subject to prior consultation with the chair of the Committee. Any costs incurred as a result of the Committee consulting an independent expert will be borne by the Company.

9. Report to the Board

(a) The Committee must report to the Board formally at the next Board meeting following from the last Committee meeting on matters relevant to the Committee's role and responsibilities.
(b) The Committee must brief the Board promptly on all urgent and significant matters.

10. Monitoring and Review

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

ANNEXURE A | DEFINITION OF INDEPENDENCE

Examples of interests, positions and relationships that might raise issues about the independence of a Director include if the Director:

(a) is, or has been, employed in an executive capacity by the Company or any of its child entities and there has not been a period of at least three years between ceasing such employment and serving on the Board;
(b) receives performance-based remuneration (including options or performance rights), or participates in an employee incentive scheme of the Company;
(c) is, or has been within the last three years, in a material business relationship (e.g., as a supplier, professional adviser, consultant or customer) with the Company or any of its child entities, or is an officer of, or otherwise associated with, someone with such a relationship;
(d) is, represents, or is or has been within the last three years an officer or employee of, or professional adviser to, a substantial holder of the Company;
(e) has close personal ties with any person who falls within any of the categories described above; or
(f) has been a Director of the Company for such a period that their independence from management and substantial holders may have been compromised.

In each case, the materiality of the interest, position or relationship needs to be assessed by the Board to determine whether it might interfere, or might reasonably be seen to interfere, with the Director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual shareholder or other party.