

## BOARD COMMITTEES

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The Board has established the following three committees to assist in carrying out the Board's responsibilities:

- Audit Committee
- Remuneration Review Committee
- Finance Committee

Each of these Committees has a formal charter setting out the Committee's role and responsibilities, composition, structure and membership requirements.

The Committees operate principally in a review or advisory capacity except where powers are expressly conferred on or delegated to a committee by the Board.

Due to the relatively small size of the Company and the nature of the Company's core business, the Board has not created a Nominations Committee.

The Board itself retains and exercises responsibility for the selection and appointment of new Directors.

The Remuneration Review Committee's functions include reviewing and making recommendations to the Board on matters concerning executive remuneration, about the recruitment, retention and termination procedures and policies for executive officers, and on the remuneration framework for Directors.

### AUDIT COMMITTEE

The members of the Audit Committee at the date of this report are Prof. J. Ross Harper and Mr. John Anderson. Mr. Stephen Prior is Secretary of the Audit Committee.

The Audit Committee's role and responsibilities, under its charter, include:

- Oversight of the reliability and integrity of the Company's accounting policies and financial reporting and disclosure practices;
- Advising the Board on the Company's financial reporting, due diligence, financial systems integrity and business risks;
- Reviewing and monitoring the Company's external audit and risk management procedures;
- Monitoring and reviewing the effectiveness of the Company's internal compliance and control;
- Reviewing the External Auditor's qualifications and independence;
- Reviewing the performance of the External Auditor;
- Assessment of whether the Company's external reporting is consistent with Committee members' information and knowledge and is adequate for shareholder needs; and
- Ensuring proper procedures for the selection, appointment or removal of the External Auditor and rotation of the external audit engagement partner.

The Audit Committee meets as often as required to carry out its role and responsibilities. It is expected that ordinarily this will be at least twice per year.

## **REMUNERATION REVIEW COMMITTEE**

The members of the Remuneration Review Committee at the date of this report are Professor J Ross Harper and Mr. John Anderson. Mr. Stephen Prior is Secretary of the Remuneration Review Committee.

Under its charter, the Review Committee's role and responsibilities are:

- to review executive remuneration, recruitment, retention and termination procedures and protection for executive officers, and the remuneration framework for Directors;
- to consider all other issues referred to the Committee by the Board;
- to make recommendations to the Board on matters which are the subject of the Committee's deliberations.

The Remuneration Review Committee meets as often as required to carry out its role and responsibilities. It is expected that ordinarily this will be at least twice per year.

## **FINANCE COMMITTEE**

The members of the Finance Committee at the date of this report are Mr. John Anderson and Mr. Michael Robert Clarke. Mr. Stephen Prior is Secretary of the Finance Committee.

Under its charter, the Finance Committee's role and responsibilities are:

- to consider all finance and funding issues referred to the Committee by the Board;
- to make recommendations to the Board on matters which are the subject of the Committee's deliberations.