



Appendix 1

Audit

- a) **Nominate the external auditor and to approve the terms of the contract with the external auditor including the audit fees and the nature and quantum of non-audit services provided by the external auditor.**
- b) **Evaluate the performance and independence of the external auditors. Review and approve the annual audit plan.**
- c) **Ensure that the partner managing the audit for the external auditor is changed within a period of five years.**
- d) **Ensure the independence, authority and effectiveness of the external auditor and to maintain open lines of communication between the auditor and the Board.**
- e) **Ensure the Board has unfettered access to the external auditor and to be entitled to meet with the auditor without management present.**
- f) **Require the external auditor to:**
 - i. **submit a formal written statement delineating all responsibilities and work completed by the auditor;**
 - ii. **report to the Board on any significant issue raised with management;**
 - iii. **prepare any report or other disclosures to be included in the Company's annual report or other communications with shareholders on the relationship between the external auditors and the Company; and**
 - iv. **attend each annual general meeting of the Company and be available to answer questions from shareholders relevant to the market.**
- g) **Discuss the results of the half-yearly review and the annual audit and any other matters required to be communicated by the external auditors under generally accepted auditing standards.**

Financial reporting

- a) **Determine the reliability, integrity and appropriateness of accounting policies, financial reporting and disclosure practices.**
- b) **Monitor compliance with applicable accounting standards and other requirements relating to the preparation and presentation of financial results.**
- c) **Assess the adequacy and clarity of presentation of financial information to shareholders.**
- d) **Review financial reports and adopt, taking into account a declaration by the managing director and the chief financial officer as to the truth and fairness of the financial statements and their compliance with relevant accounting standards and whether the statements are founded on a reliable framework of risk management and internal control.**
- e) **Assess the appropriateness of significant accounting policies. Review compliance with accounting standards.**

- f) **Review management's process for ensuring and monitoring compliance with laws, regulations and other requirements relating to the external reporting by the Company of financial and non-financial information.**
- g) **Consider all significant accounting policy, valuation and reporting changes.**

Risk

- a) **Ensure the establishment and maintenance of an ongoing risk management program designed to identify and mitigate all areas of potential risks to the business including economic, environmental and social sustainability risks.**
- b) **Evaluate the adequacy and effectiveness of risk management and internal control systems and practices.**
- c) **Establish an appropriate risk management reporting structure from Management to the Board.**
- d) **Oversee the establishment of procedures and processes designed to mitigate specific risks which are considered unacceptably high.**
- e) **Review the adequacy of insurance protection and coverage.**

Compliance

- a) **Review management's processes for monitoring and ensuring compliance with laws, regulations and other requirements including matters relating to the external reporting by the Company of financial and non-financial information.**
- b) **Review the adequacy of existing corporate governance policies and to assess compliance with these policies and to identify areas which require policy development.**
- c) **Ensure that a comprehensive process is established by the Company's management to capture issues for the purposes of continuous reporting to the Australian Securities Exchange.**
- d) **Oversee investigations of allegations of conflict of interest, fraud, whistleblower protection or malfeasance.**
- e) **Monitor and regularly review the Company's corporate governance, charters, policies and standards.**

Communication with stakeholders

- a) **Review and discuss financial information and earnings guidance provided to stakeholders.**
- b) **Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential anonymous submissions by employees of the Company of concerns regarding questionable accounting or auditing matters.**

The role of the Board in relation to nomination shall be to:

- a) **review the size and composition of the Board.**
- b) **review the Boards range of skills available and appropriate balance of skills for future Board membership.**
- c) **review and consider succession planning for the chief executive officer, the chairman and other directors and key executives.**

- d) develop criteria and procedures for the identification of candidates for appointment as directors, with the criteria including a consideration at least of the candidates:**
 - i. skills, experience, expertise and personal qualities;**
 - ii. capability to devote the necessary time and commitment to the role; and**
 - iii. potential conflicts of interest and independence.**
- e) apply the criteria and procedures to identify prospective candidates for appointment as a director.**
- f) consider any directors who should not continue in office, having regard to the results of a performance appraisal of directors and/or consideration of the appropriate composition of the Board.**
- g) nominate external experts (where appropriate) to advise on the matters listed above.**
- h) review the time required from a non-executive director and whether directors are meeting this requirement.**
- i) evaluate management's recommendations on the appointment of key executives develop a plan for identifying, assessing and enhancing director competencies.**
- j) ensure that there is an appropriate induction program for new directors and members of senior management and reviewing its effectiveness.**
- k) ensure that there are appropriate professional development opportunities for continuing directors to develop and maintain the skill and knowledge needed to perform their role as a director effectively.**
- l) review the recommendations of any external expert appointed by the Board in relation to Board membership and candidates and make any further enquiries deemed necessary.**
- m) interview candidates for election to the Board.**

The role of the Board in relation to Remuneration shall be to:

- a) determine the remuneration policy recommendations of the chief executive officer.**
- b) determine the remuneration and contract terms for the chief executive officer and senior management.**
- c) determine the terms and conditions of long-term incentive plans, short-term incentive plans, share rights plans, performance targets and bonus payments for the chief executive officer and senior management.**
- n) determine the terms and conditions of any employee incentive plans determine the remuneration of non-executive directors**
- d) review, manage and disclose the policy (if any) under which participants to an equity based remuneration scheme may be permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme**
- e) determine the content of the remuneration report to be included in the Company's annual report.**