

## Audit and Risk Committee Charter

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### 1. Role

#### 1.1 The Role of the Committee

The Audit & Risk Committee (**Committee**) will assist the Board to meet its oversight responsibilities in relation to the Company's financial reporting, compliance with legal and regulatory requirements, internal control structure, risk management procedures, and the internal and external audit functions. In doing so, it is the responsibility of the Committee to maintain free and open communication between the Committee and the external auditors, the internal auditors and the management of the Company.

### 2. Duties

#### 2.1 Internal Control and Risk Management

The Committee will keep under review the effectiveness of the Company's financial reporting and internal control policies and its procedures for the identification, assessment, reporting and management of risks.

#### 2.2 Internal Audit

Where an internal audit function is deemed appropriate and has been established the Committee will:

- a. approve the appointment of the head of internal audit. Any proposed change of the post holder should be considered first by the Committee;
- b. approve the terms of reference of the internal audit department;
- c. approve the planned programme of internal audits and major changes or material delays to the

approved programme;

- d. review the management of financial matters and focus upon the freedom allowed to the internal auditors; and
- e. review promptly reports on the Company from the internal auditors.

The head of internal audit will be given the right of direct access to the Chairman of the Committee.

### **2.3 External Audit**

The Committee will:

- a. consider and make recommendations to the Board as regards the appointment and termination of the Company's External Auditors, and will ensure that key partners within the appointed firm are rotated from time to time in accordance with the Corporations Act;
- b. meet with the External Auditors at least twice each year, once at the audit planning stage and once post audit at the reporting stage, and will ensure that any auditor's management letters and management's responses are reviewed;
- c. approve the scope of the audit, the terms of the annual engagement letter and audit fees; and
- d. keep under review the Company's relationship with the External Auditors, including (but not limited to):
  - i. their independence and objectivity;
  - ii. their performance;
  - iii. the audit fees;
  - iv. the nature and quantum of non-audit services provided by the External Auditor, including the amount of fees paid for such services.

### **2.4 Financial Statements**

The Committee will:

- a. keep under review the consistent adoption of accounting policies; and
- b. review and challenge where necessary the Company's financial statements taking into account:
  - i. critical accounting policies and practices and any changes in them;
  - ii. decisions requiring a major element of judgement;
  - iii. the extent to which the financial statements are affected by any unusual transactions;
  - iv. the clarity of disclosures;

- v. significant adjustments resulting from the audit;
- vi. the going concern assumption;
- vii. compliance with accounting standards;
- viii. compliance with securities exchange and other legal requirements; and
- ix. the Managing Director (MD) and the Chief Financial Officer (CFO) declarations to the Board.

## **2.5 Reporting Responsibilities**

The Chairman of the Committee will report to the Board, at the following Board meeting, on the proceedings of each meeting of the Committee, bringing forward all recommendations of the Committee which require Board endorsement or approval.

The Committee will report to the Board annually, in writing, on all matters relevant to the performance of its role and the discharge of its duties during the period, having regard to the duties of the Committee as set out in this Charter and Recommendation 4.1 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*.

## **2.6 Other Matters**

The Committee will:

- a. be responsible for:
  - i. co-ordination of the internal and External Auditors and for reviewing and approving the annual and forward integrated audit plans;
  - ii. reviewing the Company's arrangements for provision of employee superannuation, and in particular its financial exposure to any defined benefit elements; and
  - iii. oversight of the Company's ethical complaints process;
- b. on a regular basis, review its own performance and Charter to ensure that it is operating effectively.

### **3. Composition of the Committee**

The Committee will be appointed by the Board and, where appropriate or otherwise authorised by the Board, shall be composed of:

- a. only non-executive Directors;
- b. at least three members, the majority of which are independent;
- c. a Chairman, also appointed by the Board, who is one of those independent Directors and who is not the Chairman of the Board;
- d. Directors who are financially literate, with at least one Director possessing accounting or related financial expertise and qualifications; and
- e. at least one Director who has experience in and an understanding of the mining and or uranium industry.

### **4. Attendance**

Members of the Committee, and any other Directors wishing to attend, are entitled to be present at Committee meetings.

The Committee may extend an invitation to any person to attend all or part of any meeting which it considers appropriate. In particular the Committee may meet with external advisers, any executive or other employee, any other non-executive Director, and may do so with or without management present.

The MD, CFO and Company Secretary will normally be invited to attend meetings.

### **5. Meetings**

#### **5.1 Frequency**

The Committee will hold four regular meetings a year (two are specifically held to review the half year and annual accounts) and such additional meetings as the Chairman of the Committee shall decide in order for the Committee to fulfil its duties.

#### **5.2 Meeting Planner**

The Committee will approve at its last meeting each year, a meeting planner for the next year which identifies and allocates to a planned meeting on a set date in that year items of Committee business considered essential to the due performance of its role and discharge of its duties.

#### **5.3 Agenda and Minutes**

The Company Secretary (or nominee as secretary to the Committee) will:

- a. in conjunction with the Chairman of the Committee and the CFO, settle agendas for and arrange meetings of the Committee so as to ensure timely coverage of all the Committee's business and specifically the business covered by the current meeting planner;
- b. distribute agendas and supporting papers to members of the Committee at least five (5) days in advance of the relevant meeting; and
- c. keep and distribute minutes of each meeting.

#### **5.4 Quorum**

The quorum for a meeting of the Committee will be a majority of the members.

#### **6. Authority of the Committee**

The Committee is authorised to:

- a. resolve any disagreements between management and the External Auditors regarding the Company's financial reporting;
- b. seek any information it requires from any employee of the Company and from the External Auditor in order to perform its duties;
- c. obtain, at the Company's expense, outside legal or other professional advice on any matters within its Charter;
- d. call any member of staff to be questioned at a meeting of the Committee as and when required; and
- e. approve accounting policies and procedures and auditing methodology.

Issues of material importance however will be referred to the Board with the Committee's recommendation.

#### **7. Approval**

This charter was approved and adopted by the Board on the 17<sup>th</sup> day of June 2016.