

Finbar Group Limited

Audit Committee Charter

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Purpose

To assist the Board of Directors in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process, and the Company's process for monitoring compliance with laws and regulations and the code of conduct.

Authority

The Audit Committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:

- Appoint, compensate, and oversee the work of any registered public accounting firm employed by the Company;
- Resolve any disagreements between Management and the auditor regarding financial reporting;
- Pre-approve all audit and non-audit services;
- Retain independent counsel, accountants, or others to advise the Committee or assist in the conduct of an investigation;
- Seek any information it requires from employees – all of whom are directed to cooperate with the Committee's requests – and external parties; and
- Meet with Company Officers, external auditors, or outside counsel, as necessary.

Composition

The Audit Committee will consist of at least three and no more than six members of the Board of Directors. The Board will appoint Committee Members and the Committee Chair.

At least one member shall be designated as the "financial expert", as defined by applicable legislation and regulation.

Meetings

The Committee should meet at least twice a year, with authority to convene additional meetings, as circumstances require. All Committee Members are expected to attend each meeting, in person or via teleconference or video conference. The Committee will invite members of Management, auditors or others to attend meetings and provide pertinent information, as necessary. Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. Minutes will be prepared. The Audit Committee has the ability to obtain independent professional advice to assist it with its functions, with the cost to be paid for by the Company.

Quorum

Two members constitute a quorum for meetings of the Committee.

Access to Information and External Advisors

The Committee will have appropriate resources to discharge its duties and responsibilities, including engaging counsel, accountants or other experts as it considers appropriate. This may include engaging external remuneration consultants or specialists to provide information to the Committee.

Responsibilities

The Committee will carry out the following responsibilities:

Financial Statements

- Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Review with Management and the external auditors the results of the audit, including any difficulties encountered.
- Review the annual financial statements, and consider whether they are complete and consistent with information known to Committee Members, and reflect appropriate accounting principles.
- Review other sections of the annual financial report and related regulatory filings before release and consider the accuracy and completeness of the information.
- Review with Management and the external auditors all matters required to be communicated to the Committee under generally accepted auditing *Standards*.
- Understand how Management develops interim financial information, and the nature and extent of internal and external auditor involvement.
- Review interim financial reports with Management and the external auditors before filing with regulators, and consider whether they are complete and consistent with the information known to Committee Members.

Internal Control

- Understand the scope of internal and external auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with Management's responses.

Internal Audit

- Review with Management and the Chief Financial Officer, the charter, activities, staffing, and organisational structure of the internal audit function.
- Have final authority to review and approve the annual audit plan and all major changes to the plan.
- As required, meet separately with the Chief Financial Officer to discuss any matters that the Committee or internal audit believes should be discussed privately.

External Audit

- Review the external auditors' proposed audit scope and approach, including coordination of audit effort with internal audit.
- Review the performance of the external auditors, make recommendations on the appointment or discharge of the auditors.
- Review and confirm the independence of the external auditors by obtaining statements from the auditors on relationships between the auditors and the Company, including non-audit services, and discussing the relationships with the auditors.
- As required, meet separately with the external auditors to discuss any matters that the Committee or auditors believe should be discussed privately.

Reporting Responsibilities

- Regularly report to the Board of Directors about Committee activities, issues, and related recommendations.
- Provide an open avenue of communication between internal audit, the external auditors, and the Board of Directors.
- Review any other reports the Company issues that relate to Committee responsibilities.

Other Responsibilities

- Perform other activities related to this charter as requested by the Board of Directors.
- Institute and oversee special investigations as needed.
- Review and assess the adequacy of the Committee charter annually, requesting Board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.