

Audit, Risk and Compliance Committee

The Audit, Risk and Compliance Committee is a committee of the Board. Its membership consists of the independent non-executive directors of Salmat Limited.

The Chairman of the Committee is Mr Stuart Nash. Mr Nash's background in consulting experience and positions on other listed company Boards complements the financial and commercial experience of the other independent non-executive board members. This blend of experience and technical expertise enables this Committee to critically review the risk profile and further develop corporate governance within Salmat.

The Committee Charter is adopted by the Board.

The Committee's responsibility is as follows:

- Assist the Board of Directors to discharge its responsibility to exercise due care, diligence and skill in relation to the entity.
- Financial Management and Statutory Compliance including liaison with the Salmat Group's auditors.
- Assessment of whether external reporting is consistent with committee members' information and knowledge and is adequate for shareholder needs.
- Assessment of the management processes supporting external reporting.
- Recommending to the Board the appointment, re-appointment or replacement of the external auditors and setting the appropriate fees.
- Evaluating of the performance of the external auditors, including their independence, effectiveness and objectivity.
- Reviewing and assessing non-audit service provision by the external auditors and giving particular consideration to the potential for the provision of these services to impair the external auditors' judgement or independence in respect of the Salmat Group.
- Provide a structured forum for communication between the Board of Directors and senior management.
- Provide a structured reporting line for the Group risk and assurance function.

The Committee receives formal completion certification from management as to the accuracy and completeness of the financial results of the company with each set of results. The certification provides assurance to the Board as to the financial report and the condition of the Company as well as the operation of the risk management and compliance and control elements which support the financial statements. The certification is attested to the Board by the Chief Executive Officer and Chief Financial Officer.

The Committee meets with the Salmat Group's external auditors without the presence of management on a regular basis to receive an independent view on the financial reports and other relevant matters.

The Committee customarily invites the Chief Executive Officer and Chief Financial Officer to attend the majority of its meetings.

The Committee uses a combination of internal and specialist external resources to undertake the risk assurance function.