

Policy -External Auditors

Audit services

The principle of rotating audit partners should be embraced to underpin the independence of external auditors. The audit engagement partner should be rotated at least every 5 years. If the Company is considering tendering the provision of audit services to the Company then the tender process must:

- ◆ be conducted by the Audit Committee with assistance from management
- ◆ include at least 3 auditing firms including the incumbent firm
- ◆ ensure the appointment is approved by the Board of Directors.

The Audit Committee should review annually the external auditors' internal procedures to ensure they remain independent. This would normally include obtaining written confirmation from the external auditors confirming they have conducted an annual internal review of their independence.

Provision of non-audit services

As a general rule non-audit services available from the external auditor are not to be utilized in order to avoid the possibility of self-review and to ensure independence. In certain situations the provision of non-audit services by the external auditor may be arranged with the written approval of the Audit Committee for amounts over \$50,000 or the Finance Director for amounts under \$50,000. Approval is required prior to a commitment being made.