

DIVERSIFIED UNITED INVESTMENT LIMITED

ABN 33 006 713 177

LEVEL20
101 COLLINS STREET
MELBOURNE VIC 3000
AUSTRALIA

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AUDIT & RISK MANAGEMENT COMMITTEE OF THE BOARD

CHARTER

The Committee will:

1. Meet at least twice per annum.
2. Discuss the audit plan of the external auditors with them and evaluate the overall effectiveness of the external audit.
3. Monitor and report to the board regarding the auditor's independence.
4. Evaluate the adequacy of the Company's internal control systems by discussion with, and reviewing written reports from, external auditors, external accountants and the Company Secretary.
5. Conduct a detailed risk management review half yearly.
6. Review the Company's corporate governance policies and practices annually.
7. Monitor the Company's compliance with the regulatory requirements of the Australian Securities Exchange, Australian Securities and Investments Commission and the Australian Taxation Office.
8. Require reports from the Company Secretary and external auditors on any significant proposed regulatory, accounting or reporting issues to assess the potential impact upon the Company's financial reporting process.
9. Review and approve all significant accounting policy changes.
10. Review the half year and annual financial reports with the external auditors and recommend acceptance to the Board.
11. Identify and direct any special projects or investigations deemed necessary.
12. Report to the Board summarising the work performed by the Committee in fully discharging its duties during the year.