
Audit & Compliance Committee Charter

1. Preamble

The Audit & Compliance Committee is a sub-committee of the Board of Boom Logistics Limited.

2. Objectives

The primary objectives of the Audit & Compliance Committee are to assist the Directors of Boom Logistics Limited to discharge their obligations with respect to:

- the integrity and quality of interim and annual financial reporting and disclosures;
- identification of key business, financial and regulatory risks;
- compliance with relevant laws, regulations, standards and codes;
- adequacy of the internal control framework; and,
- integrity of internal and external audit.

3. Composition

The Audit & Compliance Committee shall comprise of:

- only non-executive directors;
- a majority of independent directors;
- an independent chairperson who is not the chairperson of the Board; and,
- at least three members.

All members of the audit & compliance committee must be financially literate, with at least one member being a qualified accountant or other financial professional and some members who have an understanding of the industry in which the entity operates.

4. Attendance by invitation

The following people may be invited to attend all or part of an Audit & Compliance Committee meeting:

- Chief Executive Officer;
- Chief Financial Officer;
- Internal Auditor;
- External Auditor; and
- other staff members or external parties as requested by the Committee.

5. Meetings

- 5.1 The Audit & Compliance Committee will hold at least four regular meetings each year, with additional meetings called by the Chairman of the Audit & Compliance Committee as required, or if formally requested by any member of the Committee, the Chief Executive Officer, the Internal or External Auditor.
- 5.2 An annual schedule of Audit & Compliance Committee meetings and activities will be established.
- 5.3 After endorsement by the Chairman of the Audit & Compliance Committee, the agenda papers will be distributed to all meeting invitees five working days prior to each meeting.
- 5.4 A quorum will comprise any three members of the Committee.
- 5.5 The Company Secretary, or nominee will maintain a formal record of the business of each meeting.
- 5.6 A copy of the minutes of each meeting will be distributed to all Board members.
- 5.7 The Chairman of the Audit & Compliance Committee will report key issues arising and any recommendations of the Audit & Compliance Committee to the Board meeting following each Audit & Compliance Committee meeting.

6. Duties and Responsibilities

The Audit & Compliance Committee may consider any matter concerning the financial affairs of the company, the internal audit, the external audit, risk management and any other issues referred to it by the Board. The Audit & Compliance Committee will discharge its objectives, as defined in Section 2 above, as follows:

6.1 Risk

Review the adequacy of the risk management processes adopted by management for assessing and managing key business and financial risks.

6.2 Compliance

Review compliance with relevant laws and regulations and the organisational programs in place to provide reasonable assurance of compliance.

6.3 Reporting

Review all half yearly, annual and other financial reports distributed externally, with particular emphasis on the integrity and completeness of information and key disclosures.

Assess whether external reporting is consistent with committee members' information and knowledge and is adequate for shareholders' needs.

Assess management's processes supporting external reporting.

When satisfied with the propriety and integrity of the financial reports and disclosures, the Audit & Compliance Committee will recommend release of the information to the Board.

6.4 Internal Control

Monitor the establishment and maintenance of an appropriate internal control framework, including information systems.

6.5 Internal Audit

Monitor activities and effectiveness of internal audit, including:

- approve the engagement terms and conditions of the internal auditor;
- approve the internal audit charter;
- approve the annual internal audit objectives and risk-based work plan;
- review the internal audit reports and actions taken by management;
- review internal audit's periodic reports on the generally observed compliance with internal control and financial practices, provided in addition to reports on specifically agreed reviews;
- oversee the process, and review the procedures, for the selection, appointment and removal of the internal auditor; and,
- assess the performance and independence of the internal auditor and consider whether the provision of any non-audit services compromises the independence of the internal auditor.

6.5 External Audit

Monitor the activities and performance of the external auditor, including:

- review the annual audit plan of the external auditors, and approve the external audit remuneration;
- review with external auditors the outcomes of the annual audits, ensuring that any reported major deficiencies or weaknesses in controls have been identified and that appropriate and timely corrective action is taken by management;
- oversee the process, and review the procedures, for the selection, appointment and removal of the external auditor, including rotation of external audit partner; and,
- assess the performance and independence of the external auditors and consider whether the provision of any non-audit services compromises the independence of the external auditors.

6.6 Code of Ethics

Ensure that a Corporate Code of Ethics is maintained and that there are processes in place for administering the Code. This duty includes the review of related party transactions and potential conflicts of interest.

7. Information

- The Audit & Compliance Committee has the authority to seek any information it requires from any employee of Boom Logistics Limited.
- The Audit & Compliance Committee will publish the Audit & Compliance Committee Charter and the composition of the committee on the Boom Logistics Limited website.
- The Audit & Compliance Committee will publish the procedures for auditor selection and appointment, and the rotation of the audit partner on the Boom Logistics Limited website.
- The Audit & Compliance Committee is authorised to take any independent professional advice as it considers necessary.
- External Audit, and Internal Audit if appointed, will have unlimited free access to members of the Audit & Compliance Committee.