

AUDIT COMMITTEE CHARTER

1. Purpose

The Audit Committee is established as a committee of the Board. It is responsible for considering the financial statements of HTAL and its subsidiaries prior to approval by the Board, for risk oversight and risk management policies and practices, and for reviewing standards of internal control and financial reporting. The Audit Committee is also responsible for overview of the relationship between HTAL and its external auditors, including periodic review of performance and the terms of appointment of the auditors. The Audit Committee shall also consider any other matters referred to it by the Board from time to time. The Audit Committee shall have no executive powers.

2. Membership

The Audit Committee shall comprise a minimum of three directors, of whom a majority shall be independent directors. Members shall be appointed for an indefinite term and may be replaced by the Board at any time. No executive directors shall be appointed as members of the Committee, but may attend meetings at the invitation of the Committee.

The chairman of the Committee must be independent and must not be the chairman of the Board. The chairman shall be appointed by the Board. The quorum for a meeting shall be two members.

The Audit Committee members should, where possible:

- have a sound knowledge of the Company's business undertakings;
- hold financial qualifications and/or be able to demonstrate relevant commercial experience in financial management;
- have an appropriate understanding of the industries in which the Company operates;

At least one member of the Committee should have relevant qualifications and experience of financial and accounting matters.

3. Authority

The Audit Committee shall have authority to inspect all accounts, books and records of the Company and to require management to furnish information on any matter relating to the financial position of the Company or its subsidiaries as may be required for the purpose of discharging its duties. The Audit Committee shall also have the authority to access auditors (external and internal) without management present and the ability to see explanations and additional information. The

Committee may retain or appoint at the Company's expense, such experts and advisors as it deems necessary to carry out its duties.

4. Meetings

The Audit Committee shall meet at least four times a year which shall include a meeting to consider each of the annual and interim financial statements prior to these statements being presented to the Board for approval. The Audit Committee shall also meet at the request of the external auditors. Resolutions of the Audit Committee shall be passed by a majority of votes or by way of a unanimous written resolution. Meetings may be held in person, by telephone or by video conference.

A Company Secretary shall act as secretary of the Committee. The agenda for each meeting will be agreed between the chairman of the Committee and the secretary. The agenda shall be circulated at least 48 hours before each meeting to the Committee members, the Managing Director, the Chief Financial Officer and the external auditors. Minutes of the meetings of the Committee shall be circulated to the Board.

Notice of any meetings shall be given at least 7 days prior to any meeting being held, unless all members unanimously waive such notice. Irrespective of the length of notice given, attendance at a meeting shall be deemed to be waiver of the requisite notice by that member. Notice of any adjournment is not required if the adjournment is for less than 7 days. The Managing Director, the Chief Financial Officer and the external auditors shall be given notice of meetings and shall have the right to attend (by invitation) and speak. The Audit Committee may invite internal audit staff and such other executives as it may determine to attend its meetings.

5. Responsibilities, Powers and Discretions

The responsibility of the Audit Committee is to assist the Board in fulfilling its audit and financial reporting duties through review and supervision of the Company's financial reporting process and internal control system. The Audit Committee shall have the following duties, powers and discretions:

- Consider and recommend to the Board the appointment and remuneration of the Company's external auditors;
- Determine with the Company's external auditors before the start of any audit or audit review, the nature and scope of the audit or review and approve audit or review plans pursuant to such discussions;
- Review the interim and annual accounts of the Company before their submission to the Board, focussing on:
 - Any changes in accounting policies;
 - Major areas where the discretion or judgement of the Board or management is required;
 - Significant adjustments arising from the audit;
 - The "going concern" assumptions;

- Compliance with accounting standards;
- Compliance with relevant legal and stock exchange requirements;
- Discuss (in the absence of executive directors if appropriate) any problems or reservations which the Company's external auditors may have arising from any audit or review or otherwise;
- Ensure the Company's practices and procedures with respect to related party transactions are adequate for compliance with the relevant legal and stock exchange requirements;
- Consider the major findings of any internal investigations and the responses of management;
- Assess the performance and independence of the external auditors, taking into account factors which may impair the auditor's judgement in audit matters related to the Company ;
- Oversee the implementation and effectiveness of the risk management system.
- Review any internal audit programme as necessary to ensure co-ordination between the internal and external auditors, adequacy of resource of the internal audit function and appropriate standing being accorded to the internal audit programme within the Company; receive a summary report from the internal auditor(s) on their findings on a regular basis and how management is addressing the conditions reported; consult with the external auditor regarding the adequacy of the Company's internal controls; review the appointment and replacement of the senior internal audit officer.
- Review with management and the external auditors the presentation and impact of significant risks and uncertainties associated with the business of the Company and their effects on the financial statements of the Company.
- To ensure corporate compliance with applicable legislation including director and officer compliance; and
- Review with the Company's General Counsel on a regular basis any actual or anticipated litigation or other legal or regulatory matters that may have a material impact on the financial statements; and
- Consider any other matters specifically referred to the Audit Committee by the Board.

6. Reporting

The Audit Committee shall report directly to the Board on all matters relevant to the committee's role and responsibilities.

The Audit Committee report should include:

- an assessment of whether external reporting is consistent with Committee members' information and knowledge and is adequate for shareholder needs;
- an assessment of the management processes supporting external reporting;
- procedures for the selection and appointment of the external auditor and the rotation of external audit engagement partners;
- an assessment of the performance and independence of the external auditors and whether the audit committee is satisfied that independence of this function has been maintained having regard to the provision of non-audit services;
- the results of the Committee's review of risk management and internal compliance and control systems.

7. External auditor independence

It is HTAL's policy to employ its external auditors on assignments, additional to their statutory audit duties, where the external auditors' expertise and experience with HTAL are important or where the external auditors are awarded assignments on a competitive basis. It is HTAL's policy to seek competitive tenders for all major consulting projects.

Process for Awarding Non-audit Assignments to PwC

1. All proposed non-audit service assignments in excess of A\$100,000 will be approved by the Audit Committee and only be awarded to the external auditors after completion of a competitive tendering process, undertaken in accordance with HTAL's tendering policy, which demonstrates that the external auditors are the preferred service provider on the basis of an objective assessment of price, capabilities and commitment.
2. In limited circumstances it may not be appropriate to seek competitive quotes for an assignment in excess of A\$100,000, particularly where it can be demonstrated that no other potential service provider has the capabilities to complete the assignment to a satisfactory level. Approval of the Audit Committee on the recommendation of the Chief Executive Officer is required in these circumstances.
3. For all tenders that have involved the external auditors, the Audit Committee will be provided (at its next meeting) with all relevant information including the results of the tender process and the details of why the external auditors was or was not selected.

Process for Reviewing Audit Independence

1. A summary of all services performed by the external auditors and its associated entities for the Company will be submitted to the Audit Committee semi-annually.

2. The report will categorise services performed by service type and by expenditure amount. The report will confirm that the policy on awarding non-audit assignments has been complied with for the reporting period under review.
3. The external auditors will be requested to submit a letter of independence to the Audit Committee annually at the same time that it submits its audit report to HTAL.
4. The external auditors will be requested to notify HTAL as soon as it becomes aware of any internal or external event that may impact on its duties as external auditor of HTAL.