

Audit and Risk Committee Charter

ANATARA LIFESCIENCES LTD

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1 Standing rules

The standing rules for Committees apply to the Audit & Risk Management (ARM) Committee.

2 Purpose

- (a) The ARM Committee's role is to:
- (i) advise on the establishment and maintenance of a framework of internal controls for the Group's management; and
 - (ii) assist the Board with policy on the quality and reliability of financial information prepared for use by the Board.
- (b) The ARM Committee will review Anatara's risk management framework and policies and monitor their implementation.

3 Membership

- (a) The members of the Committee to be a minimum of three Directors with a majority of independent Non-Executive Directors where the circumstances of the Board structure permits.
- (b) The Chair of the Committee will be an independent non-executive director appointed by the Board, where the circumstances of the Board structure permit. The Committee Chair will ideally not be the Chair of the Company.

4 Scope

The ARM Committee is responsible for:

- (a) monitoring the establishment of an appropriate internal control framework, including information systems, and its operation and considering enhancements;
- (b) assessing corporate risk (including economic, environmental and social sustainability risks) and compliance with internal controls;
- (c) overseeing business continuity planning and risk mitigation arrangements;
- (d) assessing the objectivity and performance of the internal audit function and considering enhancements;
- (e) reviewing reports on any material misappropriation, frauds and thefts from the Group;
- (f) reviewing reports on the adequacy of insurance coverage;
- (g) monitoring compliance with relevant legislative and regulatory requirements (including continuous disclosure obligations) and declarations by the Secretary in relation to those requirements;
- (h) reviewing material transactions which are not a normal part of the Group's business;
- (i) reviewing the nomination, performance and independence of the external auditors, including recommendations to the Board for the appointment or removal of any external auditor and the rotation of the audit engagement partner;
- (j) liaising with the external auditors and monitoring the conduct, scope and adequacy of the annual external audit;
- (k) reviewing management corporate reporting processes supporting external reporting, including the appropriateness of the accounting judgments or choices made by management in preparing the financial reports and statements;

- (l) reviewing financial statements and other financial information distributed externally, including considering whether the financial statements reflect the understanding of the ARM Committee and otherwise provide a true and fair view of the financial position and performance of the Group;
- (m) preparing and recommending for approval by the Board the corporate governance statement for inclusion in the annual report or any other public document;
- (n) reviewing external audit reports and monitoring, where major deficiencies or breakdowns in controls or procedures have been identified, remedial action taken by management;
- (o) reviewing any proposal for the external auditor to provide non-audit services and whether it might compromise the independence of the external auditor; and
- (p) reviewing and monitoring compliance with the Code of Conduct.

5 Powers

- (a) The ARM Committee has an advisory role, to assist the Board in relation to matters set out in paragraph 1.3 and does not have any power to commit the Board to any recommendation or decision made by it except:
 - (i) for matters relating to the appointment, oversight, remuneration and replacement of the external auditors; and
 - (ii) where and to the extent that (in other respects) it has express delegated authority from the Board.
- (b) The ARM Committee has unrestricted access to management and to internal audit personnel as well as to the external auditors (with or without management present) to carry out its function.

6 Risk reporting

If the ARM Committee identifies a significant business risk, it should report that risk to the Board immediately following the relevant ARM Committee meeting.

7 Selection of auditors

- (a) External auditors are selected according to criteria set by the ARM Committee which include:
 - (i) the lack of any current or past relationship with Anatara or with any Senior Executive that could impair, or risk impairing, the independent external view they are required to take in relation to Anatara and the Group;
 - (ii) their general reputation for independence, probity and professional standing within the business community; and
 - (iii) their knowledge of the industry in which Anatara and the Group operate.
- (b) Employees of the external audit partner (including the partner or other principal with overall responsibility for the engagement), should be rotated periodically (at least every five years) to avoid any risk of impairing the independent external view that the external auditors are required to take in relation to Anatara and the Group.

8 Audit planning

- (a) The ARM Committee reviews the performance of the external auditors throughout the year.
- (b) During each year, the ARM Committee should meet with the external auditor to:
 - (i) discuss the external audit plan;
 - (ii) discuss any potential significant problems;

- (iii) discuss the impact of proposed changes in accounting policies on the financial statements;
 - (iv) review the nature and impact of any changes in accounting policies adopted by the Group during the year; and
 - (v) review the proposed audit fees.
- (c) Prior to the announcement of Anatara’s results the ARM Committee should meet with the external auditor to:
- (i) review the pro forma half yearly and pro forma preliminary final report prior to lodgement of those documents with the ASX, and any significant adjustments required as a result of the audit;
 - (ii) make the necessary recommendation to the Board for the approval of these documents;
 - (iii) review the results and findings of the audit, the adequacy of accounting, financial and operating controls, and monitor the implementation of any recommendations made; and
 - (iv) review the draft financial report and the audit report and make the necessary recommendation to the Board for the approval of the financial report.

9 Proceedings

- (a) Meetings are held at least three times during each year and more often as required.
- (b) The external auditor, the CEO and the CFO should be invited to attend meetings, or specific parts of meetings, at the discretion of the ARM Committee.

10 Revision History

DATE	REVISION DESCRIPTION	ADMINISTRATOR	APPROVED
February 2024	Initial version Next Review Date: February 2025 or as required	Chair of Audit & Ricks Committee - Anatara Lifesciences Limited	Anatara Lifesciences Limited Board of Directors