

Contango Asset Management Limited ACN 080 277 998 (formerly Tyrian Diagnostics Limited) (Company)

Audit & Risk Committee Charter

1. Purpose and objectives

The Audit & Risk Committee (the **Committee**) is appointed by the board of directors to assist the board in discharging its corporate governance and oversight responsibilities. The Committee will oversee the financial reporting process to ensure the balance, transparency and integrity of published financial information. The Committee will also review: the effectiveness of the Company's risk management system; the effectiveness of the audit process and the Company's process for monitoring compliance with laws and regulations.

2. Authority

The board authorises the Committee, within the scope of its responsibilities, to:

- (a) Engage independent counsel and other advisers, as it deems necessary, to carry out its duties.
- (b) Ensure the attendance of company officers at Committee meetings as appropriate.
- (c) Have unrestricted access to members of senior management, employees, auditors and relevant information.
- (d) Be directly responsible for the appointment, compensation, retention and oversight of the work of the external auditor.
- (e) Approve all audit engagement fees and terms as well as reviewing policies for the provision of non-audit services by the external auditors.

3. Structure and composition

3.1 Membership

- (a) The board of directors will nominate the Committee members and the chairman of the Committee who is an independent director and is not the chairperson of the board.
- (b) The Committee will comprise at least two members and all the members shall be independent non-executive directors of the Company.
- (c) A quorum of any meeting will be two members.
- (d) Each member should have skills and experience appropriate to the Company's business.

- (e) At least one member must have financial expertise, that is, the person must be either a qualified accountant or other financial professional with experience of financial accounting matters.
- (f) The secretary of the Committee will be the Company Secretary, or his/her nominee.

3.2 Meetings

- (a) Only committee members and directors are entitled to attend meetings. The Committee may invite other persons to its meetings, as it deems necessary.
- (b) The Committee will meet as frequently as necessary to undertake its role effectively.
- (c) Special meetings may be convened as required. The secretary will convene a meeting on receipt of a request by the external auditor or chief financial officer and the chairperson will convene a meeting within 21 days of such request.
- (d) Members of the Committee are expected to attend every meeting of the committee.

4. Roles and responsibilities

4.1 Oversight of risk management

The Audit and Risk Committee will oversee and review the company's financial and risk management framework. Such a review must occur at least once in each financial year.

Responsibilities of the Audit & Risk Committee include:

- (a) Overseeing the creation, implementation and maintenance of the risk management and internal control matrix and consider whether recommendations made by the external auditors have been implemented by management;
- (b) Understanding the acceptable risk profile of the company and making the board aware of any financial or non-financial material risks that are outside this profile;
- (c) Monitoring the effectiveness of the Company's implementation of the internal controls on an on-going basis and reviewing the outcome of any non-financial audits;
- (d) Regularly reviewing the company's OH&S policy, review of all OH&S incidents and ensuring the board is made aware of any material issues relating to occupational health.

4.2 Oversight of financial reporting

The Committee will oversee the Company's system of financial reporting for the purpose of safe-guarding its integrity and satisfying itself that the Company's financial position remains in concordance with the boards expectations. Specifically, the Committee will view all regular financial reports and other formal announcements relating to the Company's financial performance prepared for release to the ASX, regulators and the public including half-yearly and annual reports before approving or making appropriate recommendations to the Board giving due regard to:

- (a) Reviewing significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on financial reports.
- (b) ensuring adequacy, accuracy and completeness of information
- (c) Engaging with management and the external auditors to review the financial statements, the key accounting policies, significant adjustments, judgements, and the results of the audit.
- (d) Reviewing the other sections of the annual report before its release and consider whether the information is understandable and consistent with members' knowledge about the Company and its operations and lacks bias.
- (e) Ensuring completion of written statements from the Chief Executive Officer and the Chief Financial Officer as recommended by Recommendations 4.1 and 7.2 of the ASX Principles of Good Corporate Governance Best Practice.

4.3 Oversight of compliance with laws and regulations

The Committee shall assist the Board in ensuring compliance with legal and regulatory obligations, accounting standards and best practice guidelines.

Specifically, the Committee will:

- (a) Review the effectiveness of the system for monitoring compliance with laws and regulations including continuous disclosure.
- (b) Obtain regular updates from management regarding compliance matters that may have a material impact on the Company's financial statements or compliance policies.
- (c) Review the findings of any examinations by regulatory agencies.

4.4 Oversight of external audit function

The Committee will oversee and evaluate the effectiveness of the Company's external audit process. Specifically, the Committee will:

- (a) Review on an annual basis the performance of the external auditors and make recommendations to the board for the appointment, reappointment or termination of the appointment of the external auditors.

- (b) Review the external auditors' proposed audit scope, audit fees and approach for the current year in the light of the Company's present circumstances and changes in regulatory and other requirements.
- (c) Discuss with the external auditor any audit problems encountered in the normal course of audit work, including any restriction on audit scope or access to information.
- (d) Ensure that significant findings and recommendations made by the external auditors and management's proposed response are received, discussed and appropriately acted on.
- (e) Meet separately with the external auditors if required to discuss any matters that the committee or auditors believe should be discussed privately. Ensure the auditors have access to the chairperson of the Committee when required.

4.5 Reporting to the board

Reports to the Board may include:

- (a) The Committee's minutes;
- (b) Any formal recommendations of the Committee requiring Board approval;
- (c) Recommendations for the selection and appointment or removal of an external auditor and the rotation of external audit engagement partners;
- (d) Assessment of the performance and independence of the external auditors and whether the Committee is satisfied that independence of this function has been maintained having regard to the provision of non-audit services;
- (e) The results of its review of the risk management and internal control matrix and its evaluation of internal compliance and control systems; and
- (f) Details of the annual performance evaluation and its achievement under the Charter.

4.6 Performance evaluation

The Committee will undertake a self-assessment process which includes:

- (a) Assessing the achievement of the duties specified in the charter; and
- (b) Reviewing the Committee Charter.

Date Approved by Board: 27 August 2015.