

Name

1. This Committee of the Board shall be known as the Audit Committee.

Membership

2. The Committee will be appointed by the Board from amongst the non-executive directors of the Company and will consist of not less than two independent non-executive directors. A quorum will be two members of whom at least one shall be independent. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

3. Membership of the Committee will be reviewed by the Board on an annual basis.

4. The Chairman of the Committee will be appointed by the Board. In the absence of the Chairman of the Committee, the remaining members present shall elect one of themselves to chair the meeting.

5. The Company Secretary will be Secretary to the Committee.

Meetings

6. Meetings will be held not less than three times a year; and two of the meetings will be scheduled to review the half year and year end results respectively.

7. Only members of the Committee have the right to attend to Committee meetings. However, other individuals such as the Executive Chairman, the Chief Financial Officer and other directors and representatives from the finance function may be invited to attend for all or part of any meeting, as and when appropriate.

8. Without prejudice to the foregoing provision, the Chief Financial Officer will be invited to attend meetings on a regular basis. The Executive Chairman will be in attendance as necessary. A partner of the external auditors will attend when invited. However, at least once a year, the Committee will meet with the external auditors without any executive director present.

Authority

9. The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.

10. The Committee is authorised by the Board if the Committee considers it necessary:

- (a) to obtain internal advice and outside legal or other independent professional advice;

- (b) to secure the attendance of outsiders with relevant experience and expertise; and

(c) to incur reasonable fees and expenses, which will be paid by the Company.

Duties

11. The duties of the Committee will be:

Audit

(a) to make recommendations to the Board, for it to put to shareholders for their approval in general meeting, in relation to the appointment, reappointment and removal of the external auditors and to approve the remuneration and terms of engagement of the external auditors.

(b) to agree with the external auditors after they have consulted with management, each year before the audits commence, the scope, approach and emphasis of their work, and the engagement letter;

(c) to review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process, taking into consideration relevant professional and regulatory requirements;

(d) to develop and implement policy on the engagement of the external auditors to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external auditors; and to report to the Board, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken;

(e) to monitor the integrity of the financial statements of the Company, and any formal announcements relating to the Company's financial performance, reviewing significant financial reporting judgements contained in them. Without prejudice to the generality of the foregoing the Committee will review and challenge where necessary the final and half year announcements to the Stock Exchange for:

- compliance with accounting standards
 - any changes in accounting policies and practices
 - major judgemental areas and emerging issues
 - significant adjustments resulting from the audit
 - the going concern assumption
 - all material information presented with the financial statements, such as the business review and the corporate governance statement (insofar as it relates to the audit and risk management)
- compliance with stock exchange and legal requirements;

(f) to discuss reservations arising from the interim and final audits and any matters which the external auditors may wish to discuss (in the absence of management where necessary);

(g) to keep under review the effectiveness of the group's system of internal financial control and to report to the Board regarding such system on an annual basis. This annual report will include review of whether a formal internal audit function is needed;

(h) to review the external auditors' management letter and management's response;

(i) to review annually the reporting systems of the external auditors and the internal finance function to ensure that the flow of information is appropriate and timely;

(j) to review the arrangements by which group employees may in confidence raise concerns about possible improprieties in matters of financial reporting (or other matters). The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action; and

(k) to consider other topics as requested by the Board from time to time.

AGM

12. The Chairman of the Committee will be available to answer shareholders' questions on audit matters at the Company's Annual General Meeting (as requested by the Chairman of the Company).

Minutes

13. The Secretary shall produce minutes of each meeting which will be circulated to members of the Committee and attendees and, once agreed, to all other directors.

Reporting Responsibilities

14. The Chairman of the Committee shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

The Committee shall compile a report to shareholders on its activities to be included in the Company's annual report.

Other

15. The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

Approved by the Board: 16th September 2011