

AUDIT COMMITTEE CHARTER

AUDIT COMMITTEE FUNCTIONS

The primary function of the Audit Committee is to assist the Board in discharging its responsibility to exercise due care, diligence and skill in relation to the following areas:

- Application of accounting policies and reporting of financial information to shareholders, regulators and the general public;
- Corporate conduct and business ethics, including auditor independence and ongoing compliance with laws and regulations;
- Maintenance of an effective and efficient audit; and.
- Appointment, compensation and oversight of the external auditor, and to ensure that the external auditor meets the required standards for auditor independence.

The Audit Committee members shall have direct access to the Company's external auditors and have the authority to seek any information they require to carry out their duties from any officer or employee of the Company.

AUDIT COMMITTEE COMPOSITION

The Antaria Limited Audit Committee is comprised of a minimum of two directors, both of whom shall be independent, non-executive directors. The Company's Audit Committee is currently comprised of both non-executive directors: Robert Mangioni and John Young.

The Chairman of the Audit Committee should be an independent director and shall be selected by the Board. Mr. Mangioni is the current Chairman of the Audit Committee.

MEETINGS AND ATTENDANCE

The Audit Committee shall meet a minimum of three times per annum to consider the Company's half-year financial results (February); planning for the full-financial year audit (June); and full-year financial results (August).

Antaria's Chief Financial Officer is required to attend all Audit Committee meetings, with other attendees invited at the request of the Committee members. The Company's external auditors (currently BDO Kendalls) are invited to attend at least two Audit Committee meetings per annum. The Audit Committee meets (at least annually) with the external auditors without the presence of management.

The Company Secretary of the Company acts as Secretary of the Audit Committee. Proceedings of all meetings are minuted (by the Secretary) and signed by the Chairman of the Audit Committee.

INDEPENDENCE OF AUDITORS

The Audit Committee:

- Closely monitors the independence of its auditors;
- Reviews the independent safeguards put in place by its auditors;
- Has policies to restrict the type of non-audit services which can be provided by its auditors;
- Undertakes a six-monthly review of non-audit fees paid to its auditors; and
- Requires the rotation of the audit partner every 7 years and imposes restrictions on the employment of ex-employees of its auditors.

REMUNERATION OF COMMITTEE MEMBERS

The Company's policies regarding the terms and conditions for remuneration relating to the Audit Committee members are approved by the Board following receipt and consideration of professional advice. The total remuneration payable is set in accordance with the aggregate limits approved by shareholders.

The Company's current remuneration for Audit Committee members is as follows:

- Any non-executive director appointed to a Committee of the Board - supplementary fee of \$1,000 per meeting of that Committee.