

**PUMPKIN PATCH LIMITED**  
**AUDIT & RISK COMMITTEE**  
**CHARTER**

***Definitions***

In this Charter:

- "Company" means Pumpkin Patch Limited and its subsidiaries;
- "Board" means the Board of Directors of the Company;
- "Committee" means the Audit & Risk Committee;
- "Business" means the business of the Company;
- "Chairman" means the Chairman of the Board;
- "CEO" means the Chief Executive Officer of the Company;
- "CFO" means the Chief Financial Officer of the Company;
- "Committee Chairman" means the Chairman of the Committee;
- "Management" means the management personnel of the Company;
- "Shareholders" means the shareholders of the Company.

***Objectives***

The Audit & Risk Committee shall provide assistance to the Board in fulfilling their oversight responsibility to the shareholders, potential shareholders, the investment community, and others relating to the Company's:

- financial statements and the financial reporting process;
- the systems of internal accounting and financial controls;
- the annual independent audit of the Company's financial statements; &
- the legal compliance and ethics programs as established by management and the board.

In so doing, it is the responsibility of the Committee to maintain free and open communication between the Committee, independent auditors, and the management of the Company.

In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities, and personnel of the Company and the power to retain outside counsel, or other experts for this purpose.

***Membership***

The Board shall be responsible for the appointment and removal of Committee members.

The number of members of the committee shall not be less than three. All members shall be non-executive Directors. A majority of the Committee must be Independent Directors. The CEO shall not be a member of the Committee.

At least one member of the Committee shall have such accounting or financial experience and / or qualifications as is deemed satisfactory by the Board.

***Committee Chairman***

The Board shall appoint a Chairman of the Committee, who shall not be the Chairman of the Board.

The Committee Chairman shall be an independent director.

If the appointed Committee Chairman is unable to attend a Committee meeting, then the attending members of that Committee meeting will elect an acting Chairperson for that Committee meeting.

### ***Secretarial & Meetings***

The Secretary of the Committee shall be appointed by the Board.

A quorum of members of the Committee shall be a majority of the members of the Committee. The Committee Chairman shall have the casting vote in the case of a tie.

The CFO shall be in attendance at all meetings of the Committee.

The Committee may also have in attendance such members of management including the CEO and such other persons including the independent auditor, as it considers necessary to provide appropriate information and explanations.

Directors who are not members of the Committee, and employees of the Company, shall only attend meetings of the Committee at the invitation of the Committee.

Notice of Committee meetings and the business to be conducted at such meetings shall be given to the members of the Committee, all other members of the Board, the CEO, the CFO and the independent auditor. The notice and form of meeting requirements of the Committee shall be the same as for meetings of the full Board of Directors.

The Committee Chairman shall review the agenda for each meeting prior to its issue. Any Committee member may require business to be included in the agenda.

Meetings shall be held not less than two times a year having regard to the Company's reporting and audit cycle.

Meetings should be held just prior to the release of each of the Company's interim and year end financial results with enough time before their release to enable the Committee to review those financial results and to report to the Board on those results, if required.

Any member of the Committee, the Chairman of the Board, the CEO, the CFO or the independent auditor may request a meeting at any time if they consider it necessary.

Minutes of meetings of the Committee shall be prepared by the Secretary, approved by the Committee Chairman in draft and circulated to all members of the Committee and to the Board.

Minutes of meetings of the Committee shall be confirmed at the next meeting of the Committee and then signed by the Committee Chairman.

Any action permitted to be taken at any meeting of the Committee may be taken without a meeting, if a written consent thereto is signed by all the members of the Committee, provided that such written consent shall be filed with the minutes of the proceedings of the Committee.

### ***Responsibilities and Duties***

The primary responsibility of the Committee is to oversee the Company's financial reporting process on behalf of the Board and report the results of their activities to the Board.

Management is responsible for preparing the Company's financial statements, and the independent auditors are responsible for auditing those financial statements.

The following shall be the principal recurring duties of the Committee in carrying out its oversight responsibilities.

- The Committee shall have a clear understanding with management and the independent auditors that the independent auditors are ultimately accountable to the Board and the Committee, as representatives of the Company's shareholders;
- The Committee shall have the ultimate authority and responsibility to evaluate and, where appropriate, recommend the replacement of the independent auditors;
- The Committee shall discuss with the auditors their independence from management and the Company, including matters in the written disclosures required from time to time by the Committee, and shall consider the compatibility of non-audit services with the auditors' independence;
- The Committee shall ensure that the lead audit partner is changed at least every five years, and any other audit partner on the audit engagement team is changed at least every seven years;

- The Committee shall be responsible to monitor the assessment by management of corporate risk and the instituted internal and financial reporting controls.

These duties are set forth as a guide with the understanding that the Committee may supplement them as appropriate

The Committee shall discuss with the independent auditors the overall scope and plans for their audit, including the adequacy of staffing and compensation.

The Committee shall also discuss with management and the independent auditors the adequacy and effectiveness of the accounting and financial controls, including the Company's system to monitor and manage business risk, and legal and ethical compliance programs.

Further, the Committee shall meet separately with the independent auditors, with and without management present, to discuss the results of their examinations and will provide sufficient opportunity for the independent auditors to meet privately with the members of the Committee.

The committee shall review the interim financial statements with management and the independent auditors prior to the filing of the Company's stock exchange announcement. The Committee shall also discuss the results of any audit and/or review procedures performed as well as any other matters required to be communicated to the Committee by the independent auditors.

The Committee shall review, with management and the independent auditors, the financial statements to be included in the Company's Annual Report, and discuss with them matters including, but not limited to:

- their judgment about the quality, not just the acceptability, of accounting policies;
- the reasonableness of significant judgments;
- the clarity of the disclosures in the financial statements;
- the results of the annual audit; &
- any other matters required to be communicated to the Committee by the independent auditors.

In addition, the Committee shall examine any other matters referred to it by the Board.

### ***Authority***

The primary responsibility for the Company's financial reporting, accounting systems and internal controls is vested in senior management and is overseen by the Board. The Committee has been established to assist the Board in fulfilling its responsibilities in this regard.

The Committee is constituted and delegated functions by the Board. It has no powers other than those set out in this charter or otherwise delegated to it by the Board.

The Committee is authorised by the Board to investigate any activity within its responsibilities. It is authorised to seek any information that it requires from any employee of the Company and all employees will be directed to co-operate with any request made by the Committee.

Committee members are entitled to rely upon the Company's executives in regards to matters within their responsibility, and on external professionals in relation to matters within their area of expertise and may assume the accuracy of information provided by such persons, so long as a Committee member is not aware of any reasonable grounds upon which such reliance may be inappropriate.

The Board may from time to time authorise the Committee to obtain, at the expense of the Company, outside legal or other independent professional advice and to arrange for the attendance at meetings, at the expense of the Company, of outside parties with relevant experience and expertise if it considers this necessary.

The Committee may delegate any of its responsibilities to the Committee Chairman or any other member of the Committee from time to time and on such conditions as the Committee considers appropriate.

### ***Reporting Procedures***

The Committee Chairman shall maintain direct lines of communication with the independent auditor, the CEO, the CFO, the internal auditors (if any) and with management generally including those responsible for non-financial risk management.

The CEO and the CFO shall be responsible for drawing to the Committee's immediate attention any material matter that relates to the financial condition of the Company, any material breakdown in internal or financial reporting controls, and any event of fraud or malpractice.

After each Committee meeting, the Committee Chairman shall report the Committee's findings and recommendations to the Board.

The minutes of all Committee meetings shall be circulated to the members of the Board, the CEO, the CFO, and made available to the independent auditor and to such other persons as the Board directs.

The members of the Committee shall be identified in the annual report of the Company.