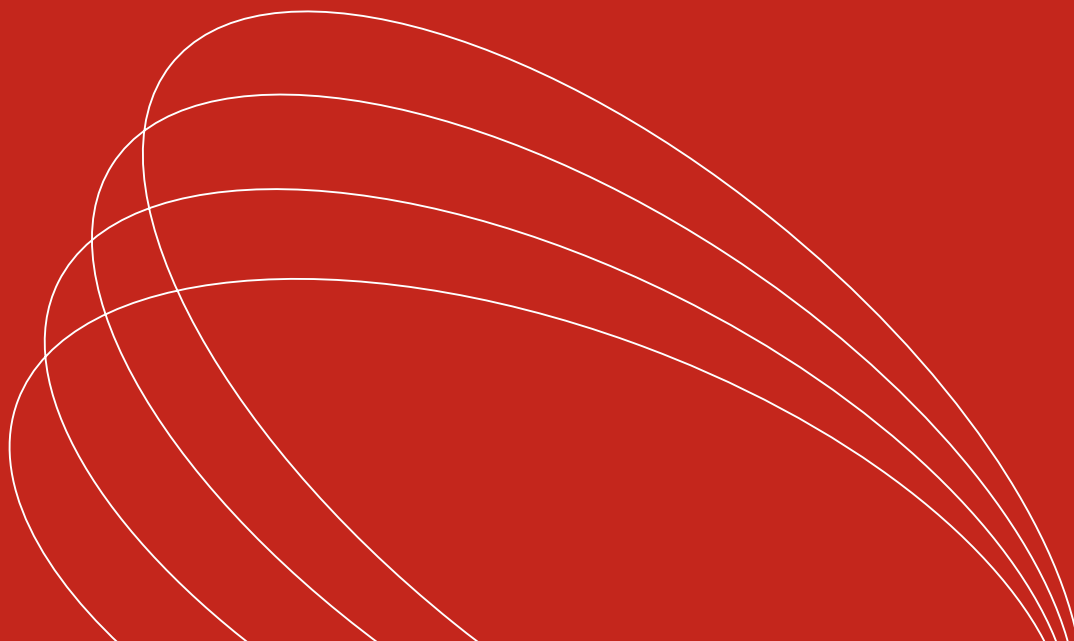




BOWEN ENERGY LTD

AUDIT COMMITTEE CHARTER



AUDIT COMMITTEE CHARTER

Scope and Purpose

The Audit Committee provides advice and assistance to the Board in fulfilling the Board's responsibilities relating to:

- the Company's financial statements,
- financial and market reporting processes,
- internal accounting and financial control systems,
- internal control,
- external audit, and
- such other matters as the Board may request from time to time.

Composition

- **Membership:** All Non-Executive Directors of the Board.
- **Chair:** An independent Director, nominated by the Board, who may not be Chairman of the Board.
- **Qualifications:** The Board aims to ensure the Committee has sufficient business, industry and financial experience to act effectively. At least one member must have accounting or related financial management expertise.
- **Secretary:** The Company Secretary.

Responsibilities

- **Standards and Quality:** The Committee oversees the adequacy and effectiveness of the Company's accounting and financial policies and controls, including periodic discussions with management and external auditors, and seeks assurance of compliance with relevant regulatory and statutory requirements.
- **Financial Reports:** The Committee oversees the Company's financial reporting process and reports on the results of its activities to the Board. Specifically, the Committee reviews, with management and the external auditor, the Company's annual and interim financial statements and reports to Shareholders, seeking assurance that the external auditor is satisfied with the disclosures and content of those financial statements.
- **External Audit:** The Committee discusses with the external auditors the overall scope and plans for their audit activities, including staffing, contractual arrangements and fees. It reviews all audit reports provided by the external auditor. The Committee also specifically reviews any proposed activity or service

by the providers of the external audit unrelated to external audit assurance activities.

- **Appointment of External Auditor:** The Board appoints the external auditor. The Committee reviews the performance of the external auditor annually, and can recommend to the Board any changes to the selection it deems appropriate.
- **Internal Control:** The Committee examines the adequacy of the nature, extent and effectiveness of the internal control processes of the Company.
- **Risk Management:** While the oversight of the risk management framework of the Company is a responsibility of the Board as a whole, the Committee considers the risk implications of all matters it considers, and ensures these are reflected in the overall risk management activities of the Company.

Processes

- **Communications:** The Committee maintains free and open communications with the external auditors and management. The Committee regularly meets with the external auditors without representatives of management to discuss the adequacy of the Company's disclosures and policies, and to satisfy itself regarding the external auditor's independence from management.
- **Reporting:** The issues discussed at each Committee meeting are reported at the next Board Meeting.
- **Access:** In exercising its oversight role, the Committee may investigate any matter relevant to its charter or relating to its role and scope, and for this purpose has full access to the Company's records, personnel and any required external support.
- **Standards:** The Committee reviews, and may recommend to the Board any necessary action to uphold, the overall quality of the Company's financial reporting and practices.
- **Charter:** The Committee reviews and reassesses this Charter at least annually, and recommends any changes it considers appropriate to the Board.
- **Special Reviews:** The Committee may undertake any other special duties as requested by the Board.