



Audit Committee Charter

Objective

To assist the Board to discharge its corporate governance responsibilities and to exercise due care, diligence and skill in relation to financial reporting and disclosure processes, internal financial controls, debt funding, financial risk management (including hedging), tax planning and tax compliance and internal and external audit functions.

Responsibilities

The Committee has the following key responsibilities:

1. External Audit

- review the appointment and selection of the External Auditor and the rotation of the external audit engagement partner at least every 5 years. The Committee will make recommendations to the Board in relation to any proposed change in External Auditor or audit engagement partner. Other staff of the External Auditors may be rotated, if the Committee considers it desirable to maintain the External Auditors' independence;
- review and recommend to the Board the terms of engagement (including auditor's fees) and audit plan for the external audit at the beginning of each audit period; and
- evaluate and report annually to the Board on the performance of the External Auditor, including with respect to ongoing independence;
- discussing the results of the external audit with the External Auditors;
- enquire if there have been any significant disagreements between management and the External Auditors; and
- monitor management's responses to the External Auditors' recommendations that are adopted.

2. Internal Audit

- monitor the need for an internal audit function on an ongoing basis and if such function is deemed necessary;
 - review the internal audit function at least every 3 years. If the internal audit function is carried out by management, the Committee shall approve the resources engaged in the internal audit function. If the internal audit function is outsourced, the Committee shall make recommendations to the Board in relation to any proposed change in Internal Auditor or

PROCEDURE	AUTHORISED BY	DATED
TZN-Audit Committee Charter	Board	18 February 2010

Audit Committee Charter

internal audit engagement partner. Other staff of the Internal Auditors may be rotated, if the Committee considers it desirable to maintain the Internal Auditors' independence;

- if the internal audit function is outsourced, review and recommend to the Board the terms of engagement (including auditor's fees) and audit plan for the internal audit at the beginning of each audit period; and
- evaluate and report to the Board on the performance of the Internal Auditor, including with respect to ongoing independence.

3. External Reporting

- review and assess the adequacy of the Company's policies relating to financial reporting and controls, including compliance with laws, accounting standards, regulations and ethical guidelines;
- monitor the coordination of the internal and external audits in so far as they relate to the responsibilities of the Committee;
- review and determine whether to recommend adoption of accounting policy changes;
- review financial reports to be issued by the Company to the market prior to their release, to ensure their integrity and compliance with statutory and contractual requirements, and in doing so consider:
 - the appropriateness of accounting policies being used;
 - whether the reports have been prepared in accordance with relevant accounting principles and standards;
 - the methods used to account for significant unusual transactions or transactions for which there is no specific accounting standard;
 - significant estimates and judgments made in the financial reports;
 - the appropriateness of the disclosure made; and
 - statutory and contractual requirements; and
- review reports from management, the External Auditors and/or the Internal Auditor on the issues referred to in the previous paragraph and any other significant regulatory, accounting or reporting issue.

4. Internal control and risk management

- review the propriety of related party transactions and considering the adequacy of disclosure of share transactions;
- review the procedures in place to ensure that the Company is in compliance with the Corporations Act, ASX Listing Rules, applicable Accounting Standards and other reporting requirements;

PROCEDURE	AUTHORISED BY	DATED
TZN-Audit Committee Charter	Board	18 February 2010

Audit Committee Charter

- review and monitor the content and effectiveness of the Company's financial risk management systems, including hedging of interest rate risk, foreign currency exchange risk and metal price risk and report to the Board on any relevant issues;
- monitor the ability of the Company to fund its activities, having regard to current funding arrangements and the Company's outlook as to solvency;
- monitor the prudence of gearing levels, interest cover and compliance with banking covenants;
- review and monitor the Company's systems of internal delegation and authorisation and make recommendations to the Board regarding appropriate levels of delegation and authorisation;
- review and monitor the management of tax compliance and tax planning;
- review reports on any defalcations, frauds and thefts from the Company and action taken by management; and
- undertake special investigations into financial reporting matters requested by the Board.

Constitution

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's role is to review and make recommendations to the Board. It has no executive power or management function.

The Board retains full responsibility for the financial affairs of the Company.

Composition

The Committee shall have at least 3 members, all of whom will be non executive directors, and a majority of whom will be independent.

Of the Committee members:

- all shall be financially literate; and
- at least 1 shall have financial expertise.

A quorum shall be 2 members. In the event that a member is unable to attend a Committee meeting for any reason, he may nominate another director to attend as his alternate by giving prior notice to the Chairperson.

PROCEDURE	AUTHORISED BY	DATED
TZN-Audit Committee Charter	Board	18 February 2010

Audit Committee Charter

New Committee members shall be given a thorough briefing by the Chairperson and/or Secretary on key audit issues and provided with appropriate background documentation.

Committee membership is to be reviewed annually.

Chairperson

The Board shall appoint the Chairperson of the Committee (who will be an independent director and not the Chairman of the Board).

Should the Chairperson be absent from a meeting, the members of the Committee present shall appoint a Chairperson for that particular meeting.

Frequency of Meetings

The Committee shall meet at least 4 times per year.

Any Committee member can convene a Committee meeting

Written Consent

Any action permitted to be taken at any meeting of the Committee may be taken without a meeting, if a written consent 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.

Agenda

The Chairperson shall review the agenda for each meeting prior to its issue.

Any Committee member may require business to be included on the agenda.

Attendance

Company executives and advisers, as the Chairperson thinks fit, may be invited to attend meetings.

The External Auditors and/or Internal Auditors:

- may be required to meet separately with the Committee, without management, upon the Chairperson's request; and
- may be asked to contribute to the Committee's agenda.

PROCEDURE	AUTHORISED BY	DATED
TZN-Audit Committee Charter	Board	18 February 2010

Audit Committee Charter

Secretary

The Company Secretary (or such other person nominated by the Committee from time to time) shall act as Secretary of the Committee and shall attend meetings of the Committee, as required.

Minutes

Minutes of meetings of the Committee shall be prepared by the Secretary, approved by the Chairperson 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 Chairperson.

Access to Information

The Committee may seek information directly from any employee or external party, including the Internal Auditors (if applicable) and External Auditors.

The Committee may obtain any external professional advice it requires to fulfil its duties.

Reporting

The Chairperson shall report to the Board at the Board meeting following each Committee meeting. The report shall cover:

- the primary responsibilities set out in the Responsibilities and Duties section; and
- any other material matters relevant to the Committee's duties.

Charter Review

The Audit Committee Charter shall be reviewed by the Committee annually and revised as required. Any changes to the Charter will require the approval of the Board.

PROCEDURE	AUTHORISED BY	DATED
TZN-Audit Committee Charter	Board	18 February 2010