Audit Committee Charter

BlackWall Group

BLACKWALL

Audit Committee Charter

1 Statement of Purpose

The Board of BlackWall Limited (ASX:BWF) (**BlackWall**) has established an Audit Committee to oversee:

(a) the financial reporting processes of the company to ensure financial accounts and statements approved and published by the Board from time to time, are complete, accurate and timely;

(b) the company's relationship with external auditors;

(c) the internal controls, policies and procedures which BlackWall uses to identity and manage business risks; and

(d) the policies and procedures for ensuring compliance with relevant regulatory and legal requirements.

2 Membership

Not less than 2 Directors, at least one of whom must be an independent non-executive Director, as appointed by the Board. It may invite other Directors to attend meetings.

3 Responsibilities

(a) At least annually, review auditor appointments and effectiveness:

(i) recommend to the Board of Directors the appointment of the external auditor, any change in such appointment and the fee payable to the external auditor;

(ii) evaluate independence of the external auditor including the extent of provision of non-audit services by the external auditor;

(iii) review the quality of the external audit function and benchmark the cost of auditing functions; and

(iv) provide to the Board a direct line of communication to the external auditor.

(b) Assist the Board of Directors in fulfilling its fiduciary responsibilities relating to accounting and reporting practices by:

(i) reviewing significant accounting policies adopted within BlackWall to ensure compliance with Australian Accounting Standards and generally accepted accounting principles;

(ii) monitoring the effectiveness of the accounting and internal control systems and reporting;

(iii) reviewing and discussing the scope and results of the work of the external auditor;

(iv) considering financial matters relevant to half and full year financial reporting in a timely manner;

(v) reviewing half year and full year Financial Statements and making the necessary recommendations to the Board;

(vi) ensuring that there are no unresolved issues between management and the external auditors; and

(vii) reviewing other financial information distributed externally as required.

(c) Review:

(i) BlackWall's controls to ensure they support ethical operations including Codes and Conduct statements; and

(ii) any reported instances of non-compliance with BlackWall's Health and Safety, Environmental, Risk Management and Administration Policies.

(d) Risk management:

(i) Review the adequacy and effectiveness of BlackWall's risk management framework.

(ii) Assist the Board with regards to oversight of BlackWall's risk management by gaining assurance that all major identified risks are being adequately managed.

4 Meeting arrangements

The Audit Committee shall meet at least twice a year. Additional meetings may be held if requested by the Chairman.

Quorum – 2 members.

Relevant management and the external and internal auditors usually attend Audit Committee meetings by invitation.

Secretarial – Company Secretary.

5 Authority & powers

(a) To obtain information from, and access to, management.

(b) To consult directly with external auditors and advisors.

(c) To meet independently of management, internal or external auditors, if required.

(d) To obtain independent advice as appropriate.

6 Limitations

Decision making powers are retained by the Board.

7 Reporting mechanism to Board

The Chairman of the Audit Committee will report and as appropriate make recommendations to the Board after each meeting of the Committee on matters dealt with by the Committee.

8 Review processes

The Charter, composition and annual agenda for the Audit Committee will be reviewed at least annually.

Any changes to this Charter will require approval of the Board.

The Board will review the effectiveness of the Audit Committee as appropriate.