



## **ANTARES ENERGY LIMITED**

### **POLICY AND PROCEDURE FOR SELECTION OF EXTERNAL AUDITOR**

**AND**

### **ROTATION OF AUDIT ENGAGEMENT PARTNERS**

**Adopted 1 January 2008**

## **POLICY AND PROCEDURE FOR SELECTION OF EXTERNAL AUDITOR AND ROTATION OF AUDIT ENGAGEMENT PARTNERS**

### **1. Responsibility**

The Board is responsible for recommending the appointment of a new external auditor when any vacancy arises. Any recommendation made by the Board must be approved by Shareholders at a general meeting of the Company.

### **2. Procedure**

The Board, via the Audit and Compliance Committee, arrives at its recommendation after assessing the suitability of a number of candidates against the following criteria.

### **3. Selection Criteria**

#### *Mandatory criteria*

Candidates for the position of external auditor of the Company must be able to demonstrate independence from the Company and an ability to maintain independence through the engagement period. The successful candidate must have arrangements in place for the rotation of the audit engagement partner on a regular basis.

#### *Other criteria*

Other than the mandatory criteria mentioned above, the following criteria will be taken into account:

- 1) experience in the industry in which the Company operates;
- 2) references;
- 3) cost;
- 4) experience in the locations in which the Company operates; and
- 5) any other matters deemed relevant by the Board.

### **4. Review**

The Audit and Compliance Committee will review the independence, performance and cost of the external auditor on an annual basis.

Approved by the Board of Antares Energy Limited on 14 December 2007.



---

Howard McLaughlin  
Managing Director/CEO  
for and on behalf of the Board of Directors