



Audit and Risk Committee Charter

Prescient Therapeutics Limited

ACN 006 569 106

Table of Contents

1.	Introduction	3
2.	Objective	3
3.	External financial reporting	3
4.	Risk Management	4
5.	External Audit	6
6.	Internal Audit	7
7.	Other Responsibilities	7
8.	Committee Composition	8
9.	Audit and Risk Committee Meetings	8
10.	Minutes of Audit and Risk Committee Meetings	8
11.	Reporting to the Board	9
12.	Access to information and independent advice	9
13.	Review and changes to this Charter	9

Document History

Version	Summary of Amendments	Approved by	Approval date
1.0	Audit and Risk Committee Charter	Board	20 February 2020
2.0	Annual Review of the Charter	Board	20 August 2019
3.0	Annual Review of the Charter	Board	February 2021
4.0	Annual Review of the Charter	Board	18 August 2022
5.0	Annual Review of the Charter	Board	22 August 2024
6.0	Annual Review of the Charter	Board	12 June 2025

Legislative and Regulatory Framework

Authority	Law, Resolution or Regulation
ASX Corporate Governance Council	ASX Corporate Governance Principles and Recommendation (2019) (“ASX Principles”)
Australian Government	Corporations Act 2001 (Cth) (“ Corporations Act ”)

Other Policy Details

Key Information	Details
Approval Body	Prescient Therapeutics Limited Board of Directors
Key Stakeholders	Prescient Therapeutics Limited Board of Directors Prescient Therapeutics Limited Senior Management
Responsibility for Implementation	Chief Executive Officer
Policy Custodian	Company Secretary
Next Review Date	August 2026

1. Introduction

- 1.1 The Audit and Risk Committee (the “Committee”) is a committee of the Board of Directors (the “Board”) of Prescient Therapeutics Limited (the “Company”, “PTX”, “we”, “our”, “us”).
- 1.2 The Board established the Committee under the Company's constitution.
- 1.3 This charter sets out the scope of the Committee's responsibilities in relation to the Company and its controlled entities (the “Group”).
- 1.4 The role of the Committee is not an executive role.
- 1.5 To the extent that there is any inconsistency between this Charter and the Company's Constitution, the Constitution will prevail to the extent of that inconsistency.

2. Committee's role

- 2.1 The Committee's role is to review and make recommendations to the Board in relation to its accounting, auditing, financial reporting, risk management, legal and regulatory compliance responsibilities.
- 2.2 The Committee aims to bring transparency, focus and independent judgement to its key responsibilities which are to:
 - (a) maintain and continually improve the quality, accuracy and integrity of the Company's external financial reports and other periodic corporate reports;
 - (b) oversee the internal and external audit functions;
 - (c) oversee the appointment, remuneration, independence and effective performance of the Company's external auditor;
 - (d) oversee the Company's relationship with its external auditor;
 - (e) ensure that the Company's applies and maintains appropriate accounting and business policies and procedures;
 - (f) oversee the effectiveness of the Company's legal and regulatory compliance framework;
 - (g) oversee the effectiveness of the Company's risk management framework and internal controls;
 - (h) oversee the process of identification and management of financial and non-financial risks; and
 - (i) provide a forum for communication between the Board and the Company's management in relation to audit and risk matters affecting the Company.

3. External reporting

- 3.1 The Committee is responsible for overseeing the adequacy of the Company's corporate reporting processes. The processes should be formal and rigorous to safeguard the integrity of the Company's corporate reporting and facilitate independent verification.

The Committees primary responsibilities are to:

- (a) actively oversee and review the Company's corporate reporting and disclosure processes (including the process to verify the integrity of any periodic corporate reporting that is not audited or reviewed by the external auditor), oversee and review the outputs of those processes and make recommendations to the Board in relation to those matters;
- (b) recommend to the Board whether the directors' report (excluding the remuneration report), annual report and corporate governance statement should be approved based on the Committee's assessment of the content;
- (c) review the Company's financial statements for accuracy, for adherence to accounting standards and policies, and to ensure they reflect the understanding of the Committee members of, and otherwise provide a true and fair view of, the financial position and performance of the Company, as a basis for recommendation to and adoption by the Board;
- (d) review, assess and make recommendations to the Board in respect of the appropriateness of material estimates, accounting judgements and significant choices exercised by management in preparing the Company's financial statements (including the solvency and going concern assumptions) by:
 - (i) examining the processes used; and
 - (ii) seeking verification from the external auditor
- (e) review management's processes for compliance with laws, regulations and other requirements relating to the preparation of accounts and corporate reporting and make recommendations to the Board;
- (f) establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls and auditing matters, and procedures for the confidential, anonymous submission of concerns by employees regarding accounting and auditing matters and make recommendations to the Board;
- (g) ensure that procedures are in place which are designed to verify the existence and effectiveness of accounting and financial systems and other systems of internal control which relate to financial risk management and make recommendations to the Board; and
- (h) review declarations made by Chief Executive Officer and Chief Financial Officer to the Board with respect to the Company's financial statements under applicable laws and regulations.

4. Risk management

4.1 The Committee's responsibilities are to:

- (a) Oversee management's establishment and implementation of the enterprise risk management framework having regard to the risk appetite approved by the Board;
- (b) Review the risk management framework to satisfy itself that it continues to be sound and effectively identifies all areas of potential risk that are material to the achievement of the Company's strategy and plans;
- (c) Review the Company's policies and processes to ensure they are adequate to:

- (A) identify, assess, monitor and manage risk; and
 - (B) report to the Committee on material change to the risk profile.
- (d) review reports from management on new and emerging sources of risk and the risk controls and mitigation measures that management has put in place to deal with those risks
- (e) report and make recommendations to the Board regarding risks the Company faces, action it should take, the adequacy of the Company's risk management framework, and disclosure of risk, including in respect of the following issues:
- (i) **insurance:** at least annually, review and make recommendations to the Board in relation to the structure and adequacy of the Company's insurance program having regard to the Company's business and the insurable risks associated with its business;
 - (ii) **fraud:** monitor the Company's exposure to fraud, oversee investigations of allegations of fraud or malfeasance and make recommendations to the Board in relation to any incident involving fraud or other breakdown of the Company's internal controls;
 - (iii) **treasury:** monitor the ongoing effectiveness of the Company's treasury function;
 - (iv) **exchange rate and other financial risks:** review the Company's overall risk management approach covering foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and investment of excess liquidity;
 - (v) **economic disruption:** review and make recommendations in respect of the Company's preparedness for events which may lead to economic disruption such as acts of war, pandemics and other major events which may have an impact on the Company's prospects; and
 - (vi) **business continuity planning:** review and make recommendations in respect of the Company's business continuity planning for material operational disruptions that may arise, including as a result of acts of war, natural disasters, cyber threat and pandemics.

5. Internal Controls

5.1 The Committee's primary responsibilities are to:

- (a) advise the Board on the appropriateness of significant policies and procedures relating to financial processes and disclosures and review the effectiveness of the Company's internal control framework;
- (b) oversee investigations of breaches or potential breaches of internal controls, and incidents identified as risks, particularly in relation to accounts and financial reporting;
- (c) monitor and report to the Board on taxation management and compliance; and
- (d) ensure adequate procedures are established for the receipt, retention and treatment of concerns received by the Company regarding accounting, internal accounting controls and auditing matters.

6. External Audit

The Committee's primary responsibility is to review and make recommendations to the Board in relation to the:

- (a) reporting of financial information;
- (b) appropriate application and amendment of accounting policies; and
- (c) appointment, independence and remuneration of the external auditor.

The Committee also provides a link between the external auditor, the Board and management of the Company.

6.2 The following are intended to form part of the normal procedures for the Committee's audit responsibility:

- (a) approving and recommending to the Board for acceptance, the terms of engagement, including remuneration, with the external auditor at the beginning of each financial year;
- (b) regularly reviewing with the external auditor:
 - (i) the scope of the external audit;
 - (ii) identified risk areas; and
 - (iii) any other agreed procedures;
- (c) review the procedures for selection and appointment of the external auditor and for the rotation of external audit engagement partners;
- (d) regularly reviewing the effectiveness and independence of the external auditor taking into account:
 - (i) the length of appointment;
 - (ii) an analysis and disclosure of fees paid to external auditors, including the materiality of fees paid for non-audit services and the nature of those services; and
 - (iii) any relationships with the Group or any other body or organisation that may impair or appear to impair the external auditor's independence;
- (e) recommending to the Board for approval the types of non-audit services that the external auditor may provide without impairing or appearing to impair the external auditor's independence;
- (f) meeting periodically with the external auditors;
- (g) asking the external auditor if there have been any significant disagreements with management, whether or not they have been resolved;
- (h) monitoring and reporting to the Board on management's response to the external auditor's findings and recommendations;
- (i) reviewing all representation letters signed by management and ensuring information provided is complete and appropriate; and
- (j) receiving and reviewing the reports of the external auditor.

7. Internal Audit

- 7.1 The Committee is responsible for determining the need and appropriateness of an internal audit function within the Company. At the date of this Charter, and having considered the nature and scope of the Company's business operations, the Board has resolved not to establish an internal audit function. The Board has resolved that the requirement for an internal audit capability be reviewed regularly on the recommendation of the Committee.
- 7.2 If it is determined the Company should have an internal audit function, the Committee's responsibilities will include overseeing the effectiveness, independence and objectivity of the internal audit function, particular:
- (a) approving the appointment, terms of engagement and removal of the head of the internal audit;
 - (b) evaluating the scope, effectiveness and adequacy of the internal audit plan and work program;
 - (c) approving annually the internal audit plan program (and any changes thereto);
 - (d) overseeing, and advising the Board on, the plans, performance, leadership and objectivity of the internal audit function and the integrity of the internal audit process; and
 - (e) overseeing the interaction between the internal audit function and the external auditor.

8. Other Responsibilities

The Committee has the following additional responsibilities:

Related Party Transactions

- 8.1 To review and monitor the legality, propriety and materiality of related party transactions and, where necessary, their appropriate disclosure.

Code of Conduct

- 8.2 To oversee the implementation of the Code of Conduct, including compliance with it.

Legal and Regulatory compliance

- 8.3 To review and assess the effectiveness of the Company's program in ensuring compliance with relevant regulatory and legal requirements;
- 8.4 To review reports prepared by management in relation to the Company's compliance with statutory, legal and other regulatory requirements; and
- 8.5 To review and discuss with management and the external auditor the overall adequacy and effectiveness of the Company's legal, regulatory and ethical compliance programs.

Other activities requested by the Board

- 8.6 Perform any other duty or undertaking that the Board may request from time to time.

9. Membership of the Committee

9.1 Composition and size

The Committee should comprise:

- (a) at least **three (3)** directors;
- (b) only non-executive directors; and
- (c) a majority of independent directors.

The Committee must be of sufficient size, independence and technical expertise to effectively discharge its mandate. Committee members should devote the necessary time and attention so that the Committee can carry out its responsibilities effectively.

The Board may appoint additional non-executive directors to the Committee or remove and replace members of the Committee by resolution. Members may withdraw from membership by written notification to the Board.

The Board has absolute discretion to determine the appropriate size and composition of the Committee from time to time.

9.2 Committee Chair

The Committee Chair should be an appropriately qualified independent Non-Executive Director who is not the Chairperson of the Board.

The Committee Chair is appointed by the Board.

9.3 Secretary

- 9.4 The Company Secretary (or delegate) is the secretary of the Committee and must attend all Committee meetings.

10. Audit and Risk Committee Meetings

- 10.1 The Committee will meet as often as the Committee members deem necessary in order to fulfil their role. However, it is intended that the Committee will normally meet at least twice per year.
- 10.2 A quorum for a Committee meeting is two Committee members.
- 10.3 Committee meetings may be held by any technological means allowing its members to participate in discussions even if all of them are not physically present in the same place. A member who is not physically present but participating by technological means is taken to be present.
- 10.4 The Committee may invite other persons it regards appropriate to attend Audit and Risk Committee meetings.
- 10.5 Minutes must be kept by the Company Secretary and, after adoption by the Committee must be entered into a minute book maintained for that purpose and be open at all times for inspection by any Director
- 10.6 Approved Minutes of each Committee meeting will be included in the papers for the next Board meeting.

- 10.7 The Committee Chair will report the Committee's findings to the Board following each Committee meeting.
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11. Access to information and independent advice

- 11.1 The Committee may seek any information it considers necessary to fulfil its responsibilities.
- 11.2 The Committee has the authority to:
- (a) require management or others to attend meetings and to provide explanations or information that the Committee requires; and
 - (b) access and interview management and the internal or external auditor without management being present; and
 - (c) obtain advice and input from counsel, accountants and other experts without seeking approval of the Board or management (where the Committee considers such action necessary or appropriate).
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12. Review and changes to this Charter

- 12.1 This Charter will be reviewed by the Committee every two years, or as often as it considers necessary.
- 12.2 The amendment or revocation of this Charter may only be effected by a resolution of the Board.