



PROCEDURES FOR SELECTION OF AUDITORS

AUDITOR SELECTION, APPOINTMENT AND LEAD PARTNER ROTATION

The company and Audit Committee policy is to appoint external auditors who clearly demonstrate quality and independence. The performance of the external auditor is reviewed annually and applications for tender of external audit services are requested as deemed appropriate, taking into consideration assessment of performance, existing value and tender costs.

Should a change in auditor be considered necessary a tendering process will be undertaken. The board will identify the attributes required of an auditor and will ensure the selection process is sufficiently robust so as to ensure selection of an appropriate auditor.

The board shall ensure that prospective auditors have been provided with a sufficiently detailed understanding of the company, its operations, its key personnel and any other information including group structures and financial statements that will have a direct bearing on each firm's ability to develop an appropriate proposal and fee estimate.

The board shall consider the appointment in conjunction with senior management.

In selecting an external auditor, particular consideration shall be given to determining whether the fee quoted is sufficient for the work required, that the work is to be undertaken by people with an appropriate level of seniority, skill and knowledge and whether the work proposed is sufficient to meet the company's needs and expectations.

The board shall discuss with the auditor, the provisions the audit firm has in place for rotation of the lead engagement partner and the independent review partner and the overall succession plan in place regarding all professional staff assigned to the company's audit.

PricewaterhouseCoopers were appointed as external auditors in 2001. It is PricewaterhouseCoopers policy to rotate audit engagement partners on listed companies at least every seven years. The company regularly reviews this policy with PricewaterhouseCoopers.

An analysis of fees paid to the external auditors, including a breakdown of fees for non-audit services, is provided in the Directors' Report and in notes to the financial statements. It is the policy of the external auditors to provide an annual declaration of their independence to the Audit Committee.

The external auditor is requested to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation of the audit report.