



Audit Committee Charter

Dated: 30 May 2007

RiverCity Motorway Management Limited
ACN 117 343 361 AFSL 297 867 as responsible entity for
RiverCity Motorway Investment Trust ARSN 119 128 326 and
RiverCity Motorway Holding Trust ARSN 119 128 193

Audit Committee Charter

Contents

1	Purpose of this Charter	1
1.1	Background	1
1.2	Purpose	1
2	Role of the Committee	1
3	Audit responsibilities	2
3.1	External reporting	2
3.2	External audit	3
3.3	Internal audit	4
4	Membership	5
4.1	Composition and size	5
4.2	Chairperson	5
4.3	Technical expertise	5
4.4	Skills development	6
4.5	Commitment of Committee members	6
4.6	Secretary	6
5	Committee meetings and processes	6
5.1	Meetings	6
5.2	Frequency and calling of meetings	6
5.3	Quorum	6
5.4	Attendance by management and advisors	6
5.5	Agenda and documents	7
5.6	Access to information and advisors	7
5.7	Minutes	7
6	Committee's performance evaluation	7
7	Review and publication of charter	7

1 Purpose of this Charter

1.1 Background

RiverCity Motorway Management Limited ACN 117 343 361 AFSL 297 867 (“**Responsible Entity**”) has been engaged to act as the responsible entity of two listed registered managed investment schemes, RiverCity Motorway Holding Trust ARSN 119 128 193 and RiverCity Motorway Investment Trust ARSN 119 128 326 (“**Stapled Trusts**”). The Responsible Entity is a wholly owned subsidiary of ABN AMRO Australia Pty Limited.

The Responsible Entity has engaged RiverCity Motorway Services Pty Limited ACN 117 139 992 (“**Manager**”) to manage the day to day operations of the Stapled Trusts for an initial term of 5 years.

1.2 Purpose

The purpose of this Audit Committee Charter is to specify the authority delegated to the Audit Committee (“**Committee**”) by the board of the Responsible Entity (“**Board**”) and to set out the role, responsibilities, membership and operation of the Committee.

The Committee is a committee of the Board and is authorised by the Board to assist it in fulfilling its statutory and regulatory responsibilities. It has the authority and power to exercise the responsibilities set out in this Charter and under any separate resolutions of the Board granted to it from time to time.

2 Role of the Committee

The role of the Committee is to assist the Board in carrying out its accounting, auditing and financial reporting responsibilities, including oversight of:

- (a) the integrity of the Stapled Trusts’ external financial reporting and financial statements;
- (b) the appointment, remuneration, independence and competence of the Stapled Trusts’ external auditors;
- (c) the performance of the internal and external audit functions and review of the audits;
- (d) the effectiveness the Stapled Trusts’ system of risk management and internal controls; and

- (e) the Stapled Trusts' systems or procedures for compliance with applicable legal and regulatory requirements.

The Committee will liaise with the Manager in performing its role, as the Manager is responsible for risk management and financial operations functions (including keeping accounting records and the preparation of financial statements) as part of the management services under the Management Deeds with the Responsible Entity.

3 Audit responsibilities

3.1 External reporting

The Committee is responsible for:

- (a) reviewing the appropriateness of the accounting principles adopted by the Manager in the composition and presentation of financial reports;
- (b) overseeing the preparation of financial reports and reviewing the results of external audits of these reports;
- (c) assessing significant estimates and judgments in financial reports by examining the processes used to derive material estimates and judgments and seeking verification of those estimates from internal and external auditors;
- (d) reviewing the Manager's processes for ensuring and monitoring compliance with laws, regulations and other requirements relating to the preparation of accounts and external reporting by the Stapled Trusts of financial and non-financial information
- (e) assessing (before publication) whether external reporting is consistent with Committee members' information and knowledge and is adequate for unitholder needs;
- (f) reviewing material documents and reports prepared for lodgement with regulators, assessing their impact on the Stapled Trusts and making recommendations to the Board on their approval or amendment;
- (g) ensuring that a comprehensive process is established to capture issues for the purpose of continuous reporting to the Australian Stock Exchange ("**ASX**");
- (h) reviewing the completeness and accuracy of the Stapled Trusts' main corporate governance practices as required by the ASX Listing Rules;
- (i) assessing information from internal and external auditors that affects the quality of financial reports;

- (j) asking the external auditor for an independent judgment about the appropriateness of the accounting principles used and the clarity of financial disclosure practices used by the Stapled Trusts;
- (k) assessing solvency and the going concern assumption;
- (l) assessing the management of non-financial information in documents to ensure that conflicts with financial statements and other documents do not occur; and
- (m) recommending to the Board whether the financial and non-financial statements should be signed based on the Committee's assessment of them.

In fulfilling its responsibilities, the Committee will receive regular reports from the Manager.

3.2 External audit

The Committee is responsible for:

- (a) making recommendations to the Board on the appointment and remuneration of the external auditor and, if appropriate, recommending that tenders be called to assist in deciding which external auditor should be recommended;
- (b) agreeing the terms of engagement of the external audit before the start of each audit;
- (c) reviewing the external auditor's fee and be satisfied that an effective, comprehensive and complete audit can be conducted for the external auditor's set fee;
- (d) monitoring the effectiveness and independence of the external auditor, and periodically assessing their performance;
- (e) reviewing the external auditor's independence based on the external auditor's relationships and services with the Stapled Trusts and other organisations;
- (f) assessing whether the external auditor's provision of non-audit services impairs or appears to impair their judgment or independence and, if required, developing policies for Board approval to ensure this does not occur;
- (g) making recommendations to the Board on the removal of the external auditor;
- (h) ensuring that any recommendation to replace the external auditor is carefully evaluated before the Board makes a final decision;

- (i) inviting the external auditor to attend Committee meetings to review the audit plan, discuss audit results and consider the implications of external audit findings;
- (j) reviewing the scope of the external audit including identified risk areas and any additional procedures with the external auditor on a periodic basis;
- (k) raising with the external auditor any specific points of divergence with the Manager;
- (l) monitoring and examining the Manager's response to the external auditor's findings and recommendations;
- (m) reviewing all representation letters signed by the Manager and ensure all information provided is complete and appropriate;
- (n) meeting with the external auditor without management present at least once a year; and
- (o) establishing and making publicly available information on procedures for the selection and appointment of the external auditor and for the rotation of external audit engagement partners.

In fulfilling its responsibilities, the Committee will receive regular reports from the Manager.

3.3 Internal audit

The Committee is responsible for:

- (a) approving the engagement and terms of engagement of the chief internal audit officer;
- (b) overseeing the scope of the internal audit and having access to the internal audit function without management presence;
- (c) reviewing the internal auditor's charter, role, responsibilities and resources;
- (d) communicating its expectations to the internal auditor in writing;
- (e) ensuring that the internal auditor reports directly to both Management and to the Committee;
- (f) reviewing and approving the internal audit plan and work program;
- (g) evaluating the effectiveness of the internal audit plan and work program and considering the implications of internal audit findings;

- (h) evaluating the Manager's responsiveness to the internal auditor's findings and recommendations;
- (i) assessing the performance, effectiveness and objectivity of the internal audit function;
- (j) overseeing the co-ordination of the internal auditor with the external auditor; and
- (k) meeting with the internal auditor without the presence of management at least once a year.

In fulfilling its responsibilities, the Committee will receive regular reports from the Manager.

4 Membership

4.1 Composition and size

The Committee is comprised of a minimum of three non-executive directors, with a majority being independent directors.

Membership is reviewed periodically and re-appointment to the Committee is not automatic. Appointments and resignations are decided by the Board.

4.2 Chairperson

The chairperson of the Committee will be an independent director who is not the chairperson of the Board. The chairperson of the Committee is appointed by the Board. If, for a particular Committee meeting, the Committee chairperson is not present within 10 minutes of the nominated starting time of the meeting, the Committee may elect a chairperson for the meeting.

4.3 Technical expertise

The Committee must be structured so that:

- (a) all members are financially literate, that is, are able to read and understand financial statements;
- (b) at least one member has financial expertise, that is, is an accountant or financial professional with experience of financial and accounting matters; and
- (c) some members have an understanding of the industry in which the Stapled Trusts operate.

4.4 Skills development

If the Committee chairperson approves, a Committee member may attend seminars or training related to the functions and responsibilities of the Committee at the Stapled Trusts' expense.

4.5 Commitment of Committee members

Committee members must devote the necessary time and attention for the Committee to carry out its responsibilities.

At the first Committee meeting after their appointment and when the Board reviews Committee membership, each Committee member must confirm that they are able to devote sufficient time and attention to the Committee for the coming year.

4.6 Secretary

The company secretary of the Responsible Entity is the secretary of the Committee.

5 Committee meetings and processes

5.1 Meetings

Meetings and proceedings of the Committee are governed by the provisions in the Stapled Trusts' constitutions regulating meetings and proceedings of the Board and committees of the Board in so far as they are applicable and not inconsistent with this Charter.

5.2 Frequency and calling of meetings

The Committee will meet as frequently as required to undertake its role effectively. The meetings will initially be held at least half yearly and more frequently as required. The chairperson must call a meeting of the Committee if requested by any member of the Committee, the external auditor, the internal auditor or the chairperson of the Board.

5.3 Quorum

Two members constitute a quorum for meetings of the Committee.

5.4 Attendance by management and advisors

The Chief Financial Officer of the Manager is expected to attend each scheduled meeting of the Committee and a standing invitation will be issued to the internal and external auditors.

The Committee chairperson may also invite directors who are not members of the Committee, other senior managers and external advisors to attend meetings of the Committee. The Committee may request management and/or others to provide such input and advice as required.

5.5 Agenda and documents

The chairperson of the Committee determines the meeting agenda after appropriate consultation.

The committee secretary distributes the agenda and any related documents to all Committee members and other attendees before each proposed meeting.

5.6 Access to information and advisors

The chairperson of the Committee receives all reports between the external auditor and management, and the internal auditor and management.

The Committee has the authority to:

- (a) require management or others to attend meetings and to provide any information or advice that the Committee requires;
- (b) access the Stapled Trusts' documents and records;
- (c) obtain the advice of special or independent counsel, accountants or other experts, without seeking approval of the Board or management; and
- (d) access management, internal and external auditors.

5.7 Minutes

The secretary will keep minute books to record the proceedings and resolutions of its meetings.

The chairperson of the Committee, or delegate, will report to the Board after each Committee meeting. Minutes of Committee meetings will be included in the papers for the next Board meeting after each Committee meeting.

6 Committee's performance evaluation

The Committee will review its performance from time to time, or whenever there are major changes to the management structure of the Stapled Trusts or the RiverCity Motorway Group.

The performance evaluation will have regard to the extent to which it has met its responsibilities in terms of this charter.

7 Review and publication of charter

The Board will review this charter to ensure it remains relevant to the current needs of the Stapled Trusts. The charter may be amended by resolution of the Board.

The charter is available on the RiverCity Motorway Group's website and the key features are published in the annual report.

Adopted by the Board on 30 May 2007