

Audit Committee Charter

The main responsibilities of the Audit Committee are to:

- review and report to the Board on the annual reports, the half-yearly financial report and all other financial information published by the company or released to the market
- assist the Board in reviewing the effectiveness of the company's internal control environment including risk assessment and risk management:
- recommend to the Board the appointment, removal and remuneration of the external auditors, and review the terms of their engagement, and the scope and quality of the audit.

Powers

The IDT Audit Committee has the ability to direct any special investigations deemed necessary and to consult independent experts where considered necessary to carry out its duties. Costs of such investigations are borne by IDT.

Duties

The following duties are structured in accordance with the Audit Committee purposes:

- (a) To review and recommend to the Board on financial reporting that covers:
 - (i) receiving timely analysis of financial information from management
 - (ii) review of annual and half year financial report and all other financial information published by the company released to the market
 - (iii) review accounting policies with management and external auditors
 - (iv) assess any significant matters arising from the audit, management judgements, accounting estimates or accounting policy changes
 - (v) review the form of opinion that the external auditors propose to render
- (b) Discuss and review the company's internal control environment with management and external auditors. Focus on critical procedures in relation to risk assessment and risk management.
- (c) To make recommendations to the Board in respect of external auditors:
 - (i) select, evaluate and replace as necessary
 - (ii) review and agree audit engagement letter
 - (iii) review audit plans and proposals
 - (iv) provide pre-approval of all non-audit services undertaken
 - (v) resolve any disagreements between external auditor and management
- (d) Any other duties or responsibilities expressly delegated to the Committee by the Board from time to time relating to financial reporting or internal controls of the company.

Meetings

The IDT Audit Committee will meet at least two times annually, and more frequently if it deems necessary.