

RISK MANAGEMENT POLICY

The Board has adopted a Risk Management Policy. Under the Policy, the Board delegates day-to-day management of risk to the Executive Chairman (or equivalent being Chief Executive Officer).

Risk management is an integral part of operating our business and an effective risk management framework is critical to protect shareholder value and secure growth for our Company.

Composition

The Risk and Compliance Committee currently comprise the full Board.

It is expected that over time the Company will review the Committee structure such that it will consist of Non-Executive Directors (with a majority of independent Directors) one of whom will chair the Committee. However, at this stage it is not deemed to be practical for the Company.

Role

The role of the Committee is to assist and advise the Board in carrying out its duties with respect to risk by ensuring the exercise of due care, diligence and skill in relation to risk assessment, treatment strategies and monitoring.

The key principles adopted in guiding the Company's approach to risk management include the following:

- Integrating risk management into the Company's business processes including corporate strategy;
- Provide clearly defined roles, responsibilities and accountability for key functions;
- Reporting, recording and investigating all incidents to ensure appropriate measures are taken to eliminate or manage identified and potential risks;
- Monitoring and reviewing safety systems throughout the Company's operations;
- Compliance with all applicable laws, regulations, obligations and internal policies that impact the Company's business;
- Perform regular reviews of the Company's risk management framework to objectively ensure continuous improvement;
- Implementation of crisis management processes to manage, control and mitigate loss to the Company and its stakeholders;
- Manage insurance programs to ensure appropriate coverage by reputable insurers at competitive premium levels with regard to the Company's circumstance and need;
- Continuously monitor and plan for business continuity in physical and fiscal areas that impact business sustainability

Operations

The full Board shall meet in its capacity as the Committee at least once a year and otherwise as required. Minutes of all meetings of the Committee are to be kept. Committee meetings will be governed by the same rules as set out in the Company's Constitution, as they apply to meetings of the Board.

Secretary

The Company Secretary shall be the secretary of the Committee.