

RISK MANAGEMENT POLICY

The Board is committed to the identification, assessment and management of risk throughout the Company's business activities. The Audit & Risk Committee (or, in its absence, the Board), shall determine the risk profile of the Company and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control.

The Company's Risk Management Policy recognises that risk management is an essential element of good corporate governance and fundamental in achieving its strategic and operational objectives. Risk management improves decision making, defines opportunities and mitigates material events that may impact security holder value.

The Audit & Risk Committee (or, in their absence, the Board) shall review the Company's risk management framework at least once during each Reporting Period to satisfy itself that the risk management framework remains sound and that the Company is operating with due regard to the risk appetite set by the Board. The Company is to disclose that such review has taken place.

Management reports risks identified to the Board through regular operations reports, and via direct and timely communication to the Board where and when applicable. The Company does not have an internal audit function. The need for an internal audit function shall be reviewed periodically having regard to the size, location and complexity of the Company's operations.

The Company faces risks inherent to its business, including economic risks, which may materially impact the Company's ability to create or preserve value for security holders over the short, medium or long term. The Company has in place policies and procedures, including a risk management framework, which is developed and updated to help manage risks.

The Audit & Risk Committee or, in its absence, the Board, will endeavour to establish a policy for risk oversight and management within the Company as part of its mandate under the Audit & Risk Committee Charter. Management shall report risks identified to the Board through regular operations reports via direct communication to the Board where and when applicable.

During each Reporting Period, management is to report to the Board as to the effectiveness of the Company's management of its material business risks.

Before the Company approves financial statements for a financial reporting period, the Managing Director/CEO and CFO shall provide a declaration that, in their opinion, the financial records of the Company have been properly maintained and that the financial statements comply with appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and that the opinion has been formed on the basis of a sound system of risk management and internal controls which is operating effectively.

Periodic financial reports in a financial reporting period that are not audited or reviewed by the external auditor are to be peer-reviewed internally and signed-off on by the CFO and the Board prior to release (including as an announcement to ASX).

The Company also manages ongoing risk through the Audit & Risk Committee (including where the Board performs the role of the Audit & Risk Committee). The Board determines and reviews the risk appetite and risk profile of the Company and the effectiveness of the Company's risk management framework on a periodic basis.