

Risk Management and Internal Compliance and Control

In accordance with Principle 7 of the ASX Corporate Governance Principles, the Board and Management determine the Company's risk profile and are responsible for monitoring the adequacy of the entity's risk management framework and satisfying itself that the entity is operating with due regard to the risk appetite set by the Board, and overseeing internal control compliance. The Company's process of risk management compliance includes:

- Implementing and monitoring strategies and policies to achieve the Company's goals;
- continuously identifying and reacting to risks that might impact upon the achievement of the Company's goals and objectives, and monitoring the environment for emerging factors and trends that affect these risks;
- Identifying and monitoring any material exposure to environmental and social risks;
- formulating risk management strategies to manage identified risks and designing and implementing appropriate risk management policies and internal controls; and
- monitoring the performance of, and continuously improving the effectiveness of risk management systems and internal compliance and controls, including an ongoing assessment of the effectiveness of risk management and internal compliance and control.

Within the identified risk profile of the Company, comprehensive practices are in place that are directed towards achieving the following objectives:

- effectiveness and efficiency in the use of the Company's resources;
- compliance with applicable laws and regulations; and
- preparation of reliable published financial information.

The Board oversees an ongoing assessment of the effectiveness of risk management and internal compliance and control.

The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management by the Board. Management is required by the Board to report back on the efficiency and effectiveness of risk management.

The risk profile of the Company contains both financial and non-financial factors including material risks arising from environmental and social risks, pricing, competitive position, currency movements, operational efficiency, ore reserve replacement, fuel prices, product quality and investments in new projects. One particular source of risk includes climate change such as risks related to a lower carbon economy and physical risks such as changes in water availability, sourcing, and quality; and employee safety.

To mitigate these risks, the Company has in place a broad range of risk management policies and procedures.

The Board is responsible for the ongoing management of risk including changing circumstances within the Company and within the international business environment.

This policy is reviewed annually.