

RISK MANAGEMENT

Document User:	All Jindalee Personnel
Person responsible for keeping document current:	Company Secretary

Revision	Prepared	Reviewed	Approved	Date	Comments
01/2019	TF	Board	06/02/2019	06/02/2019	

JINDALEE RESOURCES LIMITED

RISK MANAGEMENT POLICY

INTRODUCTION

Taking and managing risk are central to business and to building shareholder value. The Board of Directors of Jindalee Resources Limited (Company) recognises its responsibility to establish a framework for the risk management process of the Company, involving the identification, analysis, evaluation, treatment and ongoing monitoring of business risks. **Sources of risk**

The Company recognises a number of sources of risks arising from its business activities. These include but are not necessarily limited to:

- Economic
- Commercial and legal relationships
- Technological
- Security
- Political
- Human Resources
- Natural

Risk Management Team

In order to assist the Board to identify, assess and control risks which affect the Company's business and balance these risks against the potential rewards, the Board will establish a Risk Management Team ("RMT").

The RMT is to include the Managing Director, Company Secretary and any other officers the RMT may from time to time consider appropriate with the duties of the RMT being:

- To identify and prioritise risks arising from and to business strategies and activities
- To develop and advise the Board on the level of risk that is acceptable to the Company including the acceptance of risks designed to accomplish strategic plans
- To develop risk mitigation activities, that when implemented will reduce or otherwise manage risks at levels that have been determined to be reasonable. These activities will include risk minimisation procedures, cost effective insurance or other risk shifting activities.
- To undertake the monitoring of business activities to periodically reassess risks and the effectiveness of controls to manage such risks.
- To prepare, maintain and periodically update the Company's Risk Register setting out identified risks, mitigation activities and residual risks.
- To supply to the Board periodic reports on the effectiveness of the risk management system in managing material business risks. These reports may be provided at any time however, reports are to be given at least annually.

The RMT has unrestricted access to company employees, contractors and records and may obtain independent expert advice on any matter it believes appropriate.

The Board expects the RMT to consider the following when it undertakes its activities:

- Ensure management and staff are aware of their duties and responsibilities
- Act as a medium between the Board, management and staff to convey the importance of ethical behaviour in all corporate dealings, as well as the importance of complying with legislation, regulations and industry guidelines
- Ensure the Company assigns authority based on the skills and experience of the individual
- Record agreements and safeguard Company documents to substantiate dealings with outside entities
- Ensure the Company has in place Health & Safety Policies for its employees to maintain a high standard of safety in its workplaces
- That the Company has in place all relevant insurance policies to minimise the risk of loss through accident or other adverse events
- Ensure the Board receives regular reports about the financial condition and exploration activities of the Company. The Managing Director (CEO equivalent) and Company Secretary (CFO equivalent) periodically provide written assurance to the board that in all material aspects the Company's financial statements present a true and fair view of the Company's financial condition and that the risk management and internal compliance and control systems are sound, appropriate and operating efficiently and effectively in all material respects, and that the systems implement the policies adopted by the Board.

The role of the Board

The Board is at all times responsible for the business risks of the Company. The daily management of these risks is to be overseen by the RMT which may also make recommendations to the Board on risk management matters. The RMT is not a committee of the Board and the Board acknowledges that it is ultimately responsible for the implementation of any policies, actions or decisions made by the RMT.

The Board will review at least annually the report from the RMT on the Company's management of material business risks and satisfy itself that the risk management system is effective in all material respects.

Policy Review

This policy is to be reviewed **annually**.