



## **Risk Management Policy**

## **1 INTRODUCTION**

### **1.1 Background**

OzAurum Resources Limited ACN 643 244 544 (**Company**) understands that its corporate success requires it to capitalise on potential opportunities while managing risk. While it is not possible for the Company to shield itself from all risk, it must do so to the extent reasonably practicable. Due to the nature of its business, the Company may face (without limitation) risks related to reputation and regulatory compliance. The Company has established a risk management framework to enable it to identify and manage risk on a continual basis (**Risk Management Framework**).

### **1.2 Application**

This Risk Management Policy (**Policy**) applies particularly to the Company's board of directors (**Board**) and Audit and Risk Committee (**Committee**). All directors, advisors, employees, consultants and contractors of the Company (**Personnel**) must be aware of, and comply with, this Policy and other applicable Company policies.

### **1.3 Policy objectives**

This Board has established this Policy to:

- (a) ensure the Company has appropriate processes in place to manage risk; and
- (b) establish the Board's responsibility for managing risk.

## **2 RISK MANAGEMENT FRAMEWORK**

### **2.1 Roles and responsibilities**

The Board is ultimately responsible for:

- (a) designing and implementing the Risk Management Framework and the Company's risk appetite;
- (b) satisfying itself that the Risk Management Framework implements a robust system of risk management; and
- (c) detecting, evaluating, monitoring and reviewing risks.

The Board will review the effectiveness of the Company's risk management twice every year in accordance with the Company's half year review and full year audit and will establish an Audit and Risk Committee at such time as the Board considers appropriate.

### **2.2 Risk Management Framework**

The Risk Management Framework is underpinned by:

- (a) the maintenance of robust Company policy and procedure to manage business, financial, operational and market risks;

- (b) a systematic process of risk identification and analysis, including assessment of the likelihood, potential impact and acceptability of identified risks;
- (c) implementation of strategies to eradicate, limit and manage identified risks;
- (d) the Board, which is responsible for the day-to-day implementation of the Risk Management Framework, including:
  - (i) the adequacy of the Company's risk management processes;
  - (ii) the Company's compliance with applicable laws and regulations;
  - (iii) any incident involving fraud or other break down of the Company's internal controls; and
  - (iv) the suitability of the Company's insurance program.

### 2.3 Review of Risk Management Framework

The Company recognises that risks may change over time and effective risk management requires ongoing attention. The Company will, at least annually, review the Risk Management Framework to ensure it continues to be sound, and will disclose, in relation to each reporting period, whether such a review has taken place.

## 3 ADOPTION AND REVIEW OF THIS POLICY

### 3.1 Adoption

The Board adopted this Policy on the date specified below. It takes effect from that date and replaces any previous risk management policy in this regard.

### 3.2 Review

This Policy can only be amended with the approval of the Board. The Board will review this Policy at least annually and will communicate any amendments to Personnel as appropriate.

<b>Status</b>	Approved and Issued	
<b>Approved By</b>	Board	
<b>Effective Date</b>	[insert] 2020	
<b>Approval Date</b>	[insert] 2020	
<b>Policy Owner</b>	Company Secretary	
<b>Amendment History</b>		
<b>Version</b>	<b>Date</b>	<b>Author</b>
2020.1	[insert] 2020	Company Secretary