



ABN 17 107 492 157

CORPORATE GOVERNANCE POLICIES

RISK MANAGEMENT AND INTERNAL COMPLIANCE AND CONTROL

The Company is committed to managing risk to protect its people, the environment, shareholders' assets and reputation as well as realize opportunities. This risk-based system helps the Company to operate effectively and efficiently, achieve business objectives, ensure reliable reporting and comply with applicable laws and regulations.

The Board implements this policy by:

- Overseeing the establishment and implementation of the risk management system.
- Reviewing the effectiveness of the Company's implementation of that system.
- Ensuring investors are informed of material changes to the Company's risk profile.

The Audit Committee implements the policy by:

- Focusing the Company on risk oversight and management and on internal control.
- Overseeing the establishment of policies on risk oversight and management.
- Recommending to the Board the appointment and dismissal of the Company's auditors.
- Having access to the Company's auditors without the presence of management.

Management implements this policy by:

- Establishing and implementing a system for identifying, assessing, monitoring and managing material risk throughout the Company. This system includes the Company's internal compliance and control systems.

- Providing a system of ongoing risk review that is capable of responding promptly to new and evolving risks.
- Monitoring the effectiveness of the system of risk and internal control management.
- Providing an annual assurance to the Board regarding the extent of its compliance with this policy.
- Designing, resourcing, operating and monitoring internal control systems.
- Ensuring that a risk-based approach to internal control is communicated to our people and embedded in business processes.
- Assigning accountability for managing risks within agreed boundaries.
- Reporting the results of balanced assessments regarding the effectiveness of the risk-based internal control system, including identified weaknesses or incidents.

Policy history

Established: 15 June 2005