

Cannindah Resources Limited Risk Management Policy

Cannindah Resources Limited (“Cannindah”) is committed to implementing a comprehensive risk management system across the Cannindah group of companies. Risk and opportunities are an integral aspect of our business that shall be identified and appropriate management controls implemented into our business plans.

Cannindah will:

- Integrate risk management into all aspects of our business including projects, financial, operating and compliance ;
- Undertake periodic internal and external risk reviews across our business;
- Ensure management recognises opportunities (upside risk) and threats (downside risk) are part of operating a business;
- Ensure that all material risks are identified and assessed;
- Establish procedures to analyse, manage, monitor and report material risk;
- Develop appropriate controls for extreme and high-risk operations and integrate into the business planning cycle;
- Encourage appropriate tolerance of certain risks across the business activities of Cannindah;
- Implement appropriate insurance strategies to manage residual risk;
- Establish effective crisis management and business continuity plans;
- Comply with external laws, regulations and contractual reporting and other obligations;
- The Cannindah Audit and Risk Committee will regularly review Cannindah’s management of material risks and the effectiveness of the risk management system.

Tom Pickett
Chairman
Cannindah Resources Limited

12 December 2014