

TERRAMIN AUSTRALIA

RISK MANAGEMENT POLICY

PURPOSE AND SCOPE

Risk management is an integral part of all operational and corporate activities and Terramin is committed to understanding and managing risk and to establishing an organisational culture that ensures risk management is embedded in all activities, decision making and business processes.

Risk has the potential to impact on the health, safety or welfare of the Company's stakeholders, the environment, the community, the Company's security and reputation, or the regulatory, operational or financial performance of the Company.

The Company's approach to risk management is transparent, inclusive and responsive to change.

The Company risk management structures, together with Terramin's vision, strategic objectives and business plan, provide the context for the company's risk management approach.

Terramin's risk management is conducted through:

The Risk and Compliance Committee reporting to the Board - serves as a focal point for direction and communication on risk management. Works with the CEO to oversee and implement risk management throughout the Company.

A Risk Management Framework - provides a systematic, Company-wide approach to identifying, assessing, treating and reviewing risks at both corporate and operational level, including ongoing communication and monitoring. It is a dynamic process, which is applicable to any decision, function or activity within the Company.

TERRAMIN RESPONSIBILITIES

The CEO has ultimate responsibility for ensuring:

- the necessary resources are allocated for risk management;
- common systems and methodologies are used to identify, analyse and rank risks;
- controls are implemented and regularly reviewed; and
- risk management performance is monitored, reviewed and reported to enable compliance with legal, regulatory and corporate governance requirements.

WORKERS RESPONSIBILITIES

Workers have a responsibility to:

- recognise the importance of the risk management process in the Company culture; and
- actively participate in the risk management process.



Richard Taylor
Chief Executive Officer

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