

## Risk Management Policy

Crosslands Resources recognises that the business is exposed to certain levels of risk in its undertakings. Some risks are generated through external forces beyond the control of the company, and some are generated through the activities of the business. The success of the business is based on how risk is managed. Crosslands aims to incorporate both entrepreneurial activities required for commercial success together with the discipline of well developed strategies and processes for minimising adverse outcomes. This policy aims to capture both elements from both shareholders of the business.

Crosslands Resources is committed to a risk management framework and set of processes which effectively manages risk in the business. They are:

- **Identification** of risks to determine what can happen, when and how
- **Assessment** of risks to determine their severity and potential impact on the business
- **Evaluation** of risk against the policy of the business to determine risk retention or mitigation
- **Treatment** of risks deemed unacceptable to the business.
- **Communication and consultation** of risk management activities and processes to stakeholders
- **Monitor and review** of risks, risk mitigation strategies and actions as well as the risk management processes and system

The business has developed internal controls to manage risks and these are monitored on an on-going basis. Further, a management reporting system is in place to ensure risks and risk issues are reported on a regular basis and are escalated where necessary. Risks with levels higher than that acceptable to the business will be mitigated through the development of appropriate risk treatment actions and plans.

It is the responsibility of all persons in the business to engage in risk management practices and refrain from acting in such a way as to impact negatively on our relationship with stakeholders, customers and employees. All employees are responsible for ensuring the Risk Management Policy and procedures are adhered to and that their activities enhance the value of the company. Employees are also provided with appropriate guidance from the company in making sound commercial decisions.

Crosslands is committed to continual improvement of the risk management processes and procedures to ensure the highest return to its shareholders.



**Stuart Hall**

Chief Executive Officer

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