

# RISK MANAGEMENT POLICY

## 1. PURPOSE

BCI Minerals Limited and its wholly owned subsidiaries (**BCI or Company**) manages its activities within budgets and operational and strategic plans. The Company acknowledges that there is risk associated with all business activity and the Board work with senior management to safeguard assets and to ensure that business risks are identified and appropriately managed.

## 2. POLICY STATEMENT

We will:

- Drive an effective risk management culture by establishing a process for regular review of business activities to objectively assess and identify risks in the conduct of the business, recording risks on a risk register and where appropriate, implement preventative and mitigating controls, to reduce residual risk.
- Review the risk registers, which are regularly reported to the Audit and Risk Committee.
- Establish and maintain a crisis management system which suits the size of our business.
- Encourage all BCI employees to participate and provide feedback in all matters relating to risk management across our business.
- Implement a quarterly risk identification exercise to be undertaken by management and facilitated by the Chief Risk Officer.
- Document all risks with a potentially high impact on a risk register which will be reviewed by senior management on a monthly basis.
- Conduct a risk management assessment for all business activities.
- Bi-annually review the risk management activities by the Audit and Risk Committee.
- Ensure consistency in our approach for responses to the same risk by different functions within the Company.

The Board will:

- Delegate the responsibility to monitor and review the Company's internal controls to the Audit and Risk Committee who will examine the adequacy of the nature, extent and effectiveness of the internal control processes of the Company.
- Define guidelines for the Company in respect of commitments, expenditure and investments, including levels of authority, appraisal procedures and due diligence requirements on potential acquisitions or divestments.
- Approve an annual budget for the Company.

A handwritten signature in blue ink, appearing to read "Alwyn Vorster".

Alwyn Vorster  
Managing Director  
BCI Minerals Limited

## DOCUMENT CONTROL

Version	Date	Description	Author	Approver
0	26/04/2017	Risk Management Policy	M. Klvac	Board
A	25/06/2020	Risk Management Policy	M. Klvac	Board