



STRANDLINE

# RISK MANAGEMENT POLICY

ABN 32 090 603 642



## Introduction

Strandline Resources Limited (“Strandline” or the “Company”) is an ASX listed mining company based in Perth with mining assets in Australia and Tanzania. The Company is focused on discovering, developing and in time, producing heavy mineral sands for the global commodity market. Its right to operate and its reputation in the resources industry wholly depends upon its adherence to the prevailing laws, regulations and technical and societal standards.

The Company is committed to ensuring that it plans and performs its business activities to ensure that the risks inherent in its business are identified and then avoided or kept as low as reasonably practicable.

The Company will strive to identify and manage the risks inherent in its business and will continuously seek to improve its risk management performance so that it can protect its people, the environment, its assets and its reputation.

## Policy

The Board of Directors of Strandline Resources Limited has adopted a Risk Management Policy.

The Board as a whole accepts the task of identification of significant areas of business and operational risk and implementation of procedures to manage such risks.

The Board monitors the operational and financial performance of the Company against budget and other key performance measures. The Board, in conjunction with management and appropriate consultants, also reviews and receives advice on areas of operational and financial risks.

The Board delegates detailed review of the risk management systems to the Audit & Risk Committee. A risk register is prepared and presented to the Audit & Risk Committee, which meets at least two times per year. This Committee reports regularly to the Board.

The Board acknowledges that it is responsible for the overall internal control framework but recognises that no cost effective internal control system will preclude all errors and irregularities. To assist in discharging this responsibility, the Board has instigated a control framework that can be described as follows:

- a) Financial reporting – Strandline Resources reports to the ASX yearly, half-yearly and quarterly. Procedures are also in place to ensure that price sensitive information is reported to ASX in accordance with continuous disclosure requirements;
- b) Operations review – The Managing Director reports on these matters, using an exception reporting basis, to the Board, and
- c) Standard Agenda Item – Risk Management Overview forms part of the Managing Director’s Report to each Board meeting.

The following is a summary of the current areas of risk and management strategies the Company has in place:

### 1. Financial

#### 1.1 Internal Controls

The Company’s financial status is not complex. To date equity funds have been raised and utilised for exploration and engineering development projects.

All major project expenditure must first be approved by the Board.

#### 1.2 Insurance

The Company maintains a comprehensive suite of insurance including the following:

- General insurance for office assets and public liability;
- Workers’ compensation;
- Travel insurance; and



- Directors and officers indemnity.

Insurances are reviewed on an annual basis.

### 1.3 IT

The Company's computer systems are regularly backed up for maintenance of electronic records.

## 2. Operational

- 2.1 Operational Risk Management is dealt with on a project-by-project basis and where required external consultants are engaged to report.

## 3. Safety and Environment

- 3.1 The health and wellbeing of all employees and contractors should never be compromised. Our focus on safety leadership and culture empowers everyone to take whatever action is required to ensure safe operations, including stopping production when necessary. The Company is committed to responsibly managing its environmental impacts and aims to prevent, mitigate or offset any potential harmful effects of our activities on the environment.

It is the responsibility of all employees to act in accordance with applicable occupational health, safety and environmental legislation, regulations, policies and procedures, report all incidents, be fit-for-work and aware of the requirements of your role.

## 4. Organisational

- 4.1 Given the speculative nature of the Company's business it is subject to general risks and certain specific risks. A summary of the major risk factors are set out in the Company's prospectus dated 22 June 2016. (A copy is available on Strandline's website.) These risk factors are still relevant to the Company.

### Implementation

To ensure the implementation of this policy Strandline Resources will:

- Comply with all prevailing laws, regulations and standards whilst aspiring to higher standards.
- Ensure adequate risk management is undertaken for all its business activities.
- Delay or stop activities where risk identification has not been undertaken.
- Ensure that all its activities are conducted in a safe and efficient manner and risks are avoided or are kept as low as reasonably practicable.
- Ensure that all staff and contractors are trained and suitably supervised so that they can perform their jobs.
- Ensure that procedures are in place to identify, assess and control workplace hazards.
- Use its influence to promote this policy in non-operated ventures.
- Promote its values and culture so that all employees will act in accordance with this policy.

### Review of Risk Management

The Board will review the adequacy and effectiveness of the Company's risk management framework to ensure that all major identified risks are being adequately managed.

### Policy Approval and Review

The Managing Director is accountable to the Board of Directors for ensuring that this policy is implemented. This policy will be reviewed on a yearly basis.

This Policy applies to all staff, contractors and joint venturers engaged in activities under Strandline's operational control.

<b>Approved by:</b>	Board of Directors	<b>Approval Date:</b>	5 September 2023
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