

## **RISK MANAGEMENT POLICY**

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### **INTRODUCTION**

- 1) This policy outlines the approach of Dynasty Resources Limited to risk management.

### **RISK MANAGEMENT POLICY**

- 2) The Board determines the Company's "risk profile" and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control.
- 3) The Board has delegated to the Audit and Risk Committee responsibility for implementing the risk management system. Among other things it will:
  - a) oversee the Company's risk management systems, practices and procedures to ensure effective risk identification and management and compliance with internal guidelines and external requirements;
  - b) determine the key risks to the businesses and prioritise work to manage those risks; and
  - c) review reports by the Managing Director, Company Secretary, and other specialists engaged by the Company on the efficiency and effectiveness of risk management and associated internal compliance and control procedures.

### **RISK MANAGEMENT AND INTERNAL COMPLIANCE AND CONTROL**

- 4) The Company's process of risk management and internal compliance and control includes:
  - a) identifying and measuring risks that might impact upon the achievement of the Company's goals and objectives, and monitoring the environment for emerging factors and trends that affect these risks.
  - b) formulating risk management strategies to manage identified risks, and designing and implementing appropriate risk management policies and internal controls.
  - c) monitoring the performance of, and improving the effectiveness of, risk management systems and internal compliance and controls, including regular assessment of the effectiveness of risk management and internal compliance and control.

### **OBJECTIVES**

- 5) To this end, policies are in place that are directed towards achieving the following objectives:
  - a) compliance with applicable laws and regulations.
  - b) preparation of reliable published financial information.
  - c) implementation of risk transfer strategies where appropriate e.g. insurance.
- 6) The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated primarily to the Managing Director who is required to report back to the Audit and Risk Committee.
- 7) The Board will review assessments of the effectiveness of risk management and internal compliance and control on an annual basis.

### **REVIEW OF THIS POLICY**

A formal review of this Policy takes place annually.

Reviewed and approved by the Board on 30 September 2016.