

RISK MANAGEMENT POLICY

Lycopodium provides design engineering and project delivery services across the resources, industrial and infrastructure sectors, with these services delivered globally.

Lycopodium recognises that risk is inherent in our operations and that effective management of risk is vital to delivering on our objectives, our success and our continued sustainability.

The Company has implemented robust risk management strategies that mitigate key business risks as far as practicable.

We define risk management as the identification, assessment and treatment of risks that have the potential to materially impact our operations, people, intellectual property, reputation, the environment and communities in which we work, and the financial prospects of the Company.

Our risk management framework is continually monitored, is tailored to our business, embedded largely within existing processes and aligned to our objectives, both short and longer term.

Risk management is a core responsibility for all managers. Suitable risk management activities are incorporated into our business planning, operations and the management of our contractors and service providers.

The scope of these activities will encompass:

- Embedding risk management processes into the critical business activities
- Establishment of risk areas within the business
- Education and training of staff in risk management principles
- Developing risk management standards
- Identifying, assessing, monitoring and reporting of business risks
- Developing a corporate risk profile and review annually
- Reporting to the Lycopodium Board on risk management, improvements and compliance

The Managing Director / Chief Executive Officer of Lycopodium is responsible to the Board of Directors for ensuring this policy is effectively implemented.

The Company is committed to taking a proactive approach to risk management and creating a culture within the Company that promotes and facilitates everyone at all levels to proactively identify, manage, review and report on risks relating to the objectives they are accountable for delivering.

This policy was approved by the Lycopodium Board.



RODNEY LEONARD
CHAIRMAN