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Risk Management Policy

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Action	Name	Role (Organisation)	Signature	Date
Review	Andrew Grove	Managing Director & CEO Chesser Resources Ltd		2021/07/29
Approval	Mark Connelly	Chairman Chesser Resources Ltd.		2021/07/29

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RISK MANAGEMENT POLICY

Purpose	<i>This policy is a statement of the overall approach to risk management for Chesser.</i>
Scope of policy	<i>This is a group-wide policy and applies to all operations in all countries within which Chesser operates. The policy is supported by the Risk Management Framework.</i>
Guiding principle	<i>The overriding purpose of risk management is the responsible achievement of the company's objectives by defining the company's risk appetite (which risks the Company chooses to take) and risk tolerance (how much risk the Company is prepared to accept) at any point in time.</i>
Related policies	<i>Audit, Risk and Compliance Committee Charter, Risk Management Framework</i>

1. Context

Chesser Resources Limited (Chesser) is engaged in the business of mineral exploration. The business of mineral exploration is subject to many risks and hazards that are the potential source of both opportunities and threats. The Board of Chesser recognizes that the effective management of those risks and hazards is central to the achievement of Chesser's strategic objectives and the creation of shareholder value.

The risk inherent in CHZ's operating environment creates the need to identify, take and manage risk in an informed way. To this end, Chesser is committed to the ongoing development of a strategic and consistent enterprise-wide approach to risk management, underpinned by a risk-aware culture.

Everyone in Chesser has a role in managing risk by enhancing opportunities and minimising threats, to enable Chesser to develop its business sustainably, enhance value for shareholders, contribute to our communities and invest in the future of each country we operate in.

2. Scope

This is a group-wide policy and applies to all operations in all countries within which Chesser operates. The policy is supported by the Risk Management Framework.

3. Purpose

This policy is a statement of the overall approach to risk management for Chesser. The overriding purpose of risk management is the responsible achievement of the company's objectives by defining the company's risk appetite (which risks the Company chooses to take) and risk tolerance (how much risk the Company is prepared to accept) at any point in time.

4. Principles

The effective management of risk is vital to the continued growth and success of Chesser. For risk management to be effective, all operations must apply the following principles to the context of their particular business and its objectives:

- Risk management must create and protect value
- Risk management is integrated into organisational processes
- Explicit risk management helps decision-makers make informed choices

- Risk management is focused on the sources of uncertainty around the achievement of objectives
- Risk management must be tailored to the context and be fit for purpose
- Risk management is dynamic, iterative and responsive to change.

5. Process

Chesser has adopted the risk management process described in the Australian/New Zealand Standard (AS/NZS ISO 31000:2009 Risk management – Principles and guidelines). The process is described in the Risk Management Framework. All risk management systems and methodologies must be consistent with this process.

6. Responsibility

Responsibility for risk management is shared across the organisation. Key responsibilities include:

- The Board is responsible for satisfying itself annually, or more frequently as required, that management has developed and implemented an effective risk management framework. Detailed work on this task is delegated to the Audit, Risk and Compliance Committee (ARCC) and reviewed by the full Board.
- The ARCC assists the Board in overseeing the group's risk profile and is responsible for overseeing management's actions in the identification, management and reporting of material business risks.
- Senior Management is responsible for periodically reviewing the group's risk profile, fostering a risk-aware culture and reporting to the ARCC on the effectiveness of the risk management framework and of the company's management of its material business risks.
- All employees are responsible for assisting with the effective identification, management, reporting and control of risk within their areas of responsibility, and for developing and maintaining a risk aware culture.

7. Review

This policy will be reviewed every two years or earlier if required by a change in circumstances.