



## CG14 Description of the risk management policy and internal compliance and control system

CI Resources has adopted a risk management policy and an internal compliance system. As the Company currently does not employ management, it does not have an internal control system. Set out below is a summary of the risk management policy and internal compliance system

### 1. Purpose

The risk management policy and internal compliance system reduce the risk of negative consequences flowing from a compliance failure by the Company. These potential consequences include loss of business, loss of investor confidence, fines and penalties, personal liability of directors and officers, and investigation and remediation costs.

### 2. Responsibilities

The Board is responsible for the Company's risk management and compliance processes. The Board may delegate its functions associated with these processes but remains responsible for them.

### 3. How the company manages risk

The Board analyses its business objectives and the risks to the achievement of those objectives. The Board implements controls to contain risks at acceptable levels. The risks to the company are recorded in a risk profile document produced by the board.

### 4. Compliance

The Board maintains a good understanding of the legal and regulatory environment in which the Company operates.

If the Company becomes aware of a compliance failure, the Chairperson is notified and the failure recorded in a register maintained by the Company Secretaries. The register also lists complaints of compliance failures that are substantiated. Shareholders, customers, contracts and regulators may make the Company aware of a compliance failure by lodging a complaint with a Company Secretary.

The Board considers any compliance failure and determines an appropriate response. Where a failure gives rise to a disclosure obligation, the Company Secretaries immediately notify the ASX. The Board conducts annual reviews of any entries in the register of compliance failures.