



Risk and Internal Control Policy

The OMH Board recognises that risk management and internal control are key elements of good corporate governance. OMH has developed a Risk and Internal Control Policy that describes the manner in which OMH identifies, assesses, monitors and manages risk.

Statement of Policy

Each OMH business unit is expected to:

- establish clear goals and objectives, identify and evaluate the significant risks to the achievement of those objectives, set boundaries for risk taking and apply fit-for-purpose risk responses including risk mitigation where appropriate;
- continuously identify and react to risks which might impact upon the achievement of OMH's goals and objectives, and monitoring the environment for emerging factors and trends that affect these risks;
- incorporate risk management strategies into a system of internal control which is designed to address opportunities, protect people, the environment and company assets, facilitate effective and efficient operations and help to ensure reliable reporting and compliance with applicable laws and regulations;
- monitor the effectiveness of the system of the risk and internal control management
- follow relevant OMH Group guidelines and standards; and
- provide an annual assurance regarding the extent of its compliance.

Within each business unit, line management is expected to have in place practices directed towards achieving the following objectives:

- resource, operate and monitor the system of internal control;
- ensure that a risk based approach to internal control is communicated to staff, embedded in business processes and responsive to evolving risks;
- assign accountability for managing risks within agreed boundaries; and
- report the results of balanced assessments regarding the effectiveness of the risk based internal control system.

Implementation of Policy

The Risk and Internal Control Policy is implemented by:

- establishing and implementing across the OMH Group a formal risk management and internal control process;
- identifying from this risk management and internal control process specific project, business unit and corporate risks;
- regularly monitoring and assessing the performance and effectiveness of the risk management and internal control process;
- ensuring the risk management and internal control process is overseen by the Audit Committee in conjunction with the Board; and
- requiring the Executive Chairman (Chief Executive Officer) and the Chief Financial Officer to certify to the Board that OMH's risk management and internal control system is operating efficiently and effectively in all material respects.

Risk Profile

The operation of OMH's risk management process results in the identification of a number of industry risks which may impact on OMH's business as an exploration and production group with international operations. These risks include but are not limited to:

- the availability and cost of reserves replacement and recovery;
- commercialisation of manganese reserves;
- sovereign risk;
- exposure to manganese and other commodity prices and exchange rates;
- production availability;
- technical and project management competencies;
- health, safety, environment and security risk; and



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- exposure to debt

These risks may change over time as the external environment changes and as OMH expands its operations. The risk management process requires regular reviews of OMH's existing risks and the identification of any new and emerging risks facing OMH, including financial and non-financial matters. It also requires the management (including mitigation where appropriate) of these risks.

Responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. Management is required by the Board to report back on the efficiency and effectiveness of risk management.

This Policy was approved by the Board of the Company on 1 March 2019.