

## **CORNISH METALS INC.**

**For the avoidance of doubt  
this Policy applies to South Crofty Ltd., an indirect subsidiary of Cornish Metals Inc.**

### **RISK MANAGEMENT POLICY**

#### **1. Purpose of this Policy**

Cornish Metals Inc. and its subsidiaries (the “**Group**”) recognise that by integrating the outputs of risk analysis into planning and decision-making, greater certainty can be achieved on the delivery of our business objectives. The purpose of this Risk Management Policy (the “**Policy**”) is to convey our commitment to identifying and assessing risks within the business as a basis for effective risk management.

#### **2. Who does this Policy apply to?**

This Policy applies to all directors, officers and employees of the Group (“**Personnel**”). Policy awareness training forms part of the induction process for new Personnel and all existing Personnel receive training on how to comply with this Policy. We require Personnel at all levels to follow our Group procedures, which are based on an assessment of risks.

This Policy is available to all interested parties through the Company’s website. We will inform consultants, contractors and other business partners about this Policy and share our expectations for consultants, contractors, other business partners and visitors to observe and uphold our Group rules and instructions, which are based on an assessment of risks, whilst on our premises and exploration drilling sites and when performing work on our behalf.

#### **3. Responsibility for this Policy**

While the Board of directors has overall responsibility for this Policy, the Chief Financial Officer (CFO) is responsible for the day-to-day implementation and monitoring of the Policy. Furthermore, all Personnel, particularly designated ‘risk owners’, are responsible and accountable in their role to ensure that the aims of this Policy are met and have an obligation to bring any identified issues forward to management for resolution.

#### **4. Policy commitment**

The Board and the management team are committed to ensuring proactive and effective risk management within the business. We believe it is the responsibility of management to set the expectations and ensure that risk considerations are integrated into our planning and decision-making. Additionally, we are committed to considering the communities and environment in which we work in our risk assessment process.

We are committed to effective risk management practice by identifying and assessing risks with reference to *ISO 31000:2018: ‘Risk Management – Guidelines’*, which provides businesses with guidelines and principles for risk management. We align with the Standard’s definition of risk, being “*the effect of uncertainty on objectives*” expressed in terms of risk sources, potential events, their consequences and their likelihood.

As we work to embed risk management practices throughout our business, we will:

- (a) Maintain a risk register founded on effective identification and assessment of risks.
- (b) Consider our stakeholders when identifying and assessing risks.
- (c) Create an environment that controls and mitigates risks within our accepted risk appetite and risk tolerance levels.
- (d) Assign risk owners with the accountability and authority to manage identified risks.
- (e) Report material risks, their owners and mitigation measures regularly to the Board or a designated committee as appropriate.
- (f) Conduct regular risk reviews and integrate the outputs into our planning and decision-making, to provide greater certainty on the delivery of our business objectives.
- (g) Make decisions based on a comprehensive view of the reward to risk balance and our aim of reducing the likelihood and consequences of adverse impacts on the business.
- (h) Achieve continual improvement in our management of risks, guided by relevant regulations and current industry practices.
- (i) Train our employees and allocate resources for effective risk management.
- (j) Foster a risk-aware culture amongst our employees, consultants, contractors and other business partners working on our behalf.

## **5. Review**

The Board shall review this Policy annually and make changes as required.

**First approved by the Board of Directors of Cornish Metals Inc. on 13 December 2023.**

**Reviewed and approved by the Board of Directors of Cornish Metals Inc. on 12 March 2025.**