

Risk Management Policy and Strategy

Identification of Risk

The Board of *Wiluna Mining Corporation Limited* ABN 18 119 887 606 (**Wiluna Mining or the Company**) is responsible for overseeing of the Company's risk management and control framework. Responsibility for control and risk management is delegated to the Audit & Risk Committee, who in turn rely on the appropriate level of management within the Company with the Chief Executive Officer ('CEO') and Chief Financial Officer ('CFO') having ultimate responsibility to the Board and the Audit & Risk Committee for the risk management and control framework. The primary objectives of the risk management system at the Company are to ensure:

- all major sources of potential opportunity for and harm to the Company (both existing and potential) are identified, analysed and treated appropriately;
- business decisions throughout the Company appropriately balance the risk and reward trade off and are in accordance with the Board's risk appetite;
- regulatory compliance and integrity in reporting is achieved; and
- senior management, the Board and investors understand the risk profile of the Company.

In line with these objectives the risk management system covers:

- Operations risk;
- Financial reporting;
- Compliance/regulations; and
- System/IT process risk

Arrangements put in place by the Board to monitor risk management include:

- delegation of Risk management oversight to the Audit & Risk Committee, who is responsible for (amongst other things):
 - reviewing and analysing the Risk Matrix and Risk Register prepared by management; and
 - providing risk related guidance to management where necessary;
- ongoing risk assessment and implementation of risk mitigation measures by management and reporting of this to the Audit & Risk Committee;
- monthly reporting to the Board in respect of operations and the financial position of the Company;
- preparation of quarterly rolling forecasts; and
- circulation of Board minutes, relevant Committee minutes and Company announcements and presentations.

Integrity of Periodic and Statutory Financial Reporting

Prior to approval of any financial reports by the Company, the Company's CEO and CFO (or equivalent) must report in writing to the Board that, in their opinion:

- the financial records of the Company have been properly maintained, and the financial statements of the Company and its controlled entities (where appropriate) present a true and fair view of the Company's financial position and performance and are in compliance with accounting standards;
- the above statement is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
- the Company's risk management and internal compliance and control framework is operating efficiently and effectively.

Role of Auditor

The Company's practice is to invite the auditor to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

Risk Management Policy

Given the speculative nature of the Company's business it is subject to general risks and certain specific risks. A summary of the major risk factors were set out in the Company's latest Prospectus. These risk factors remain relevant to the Company.

The analysis and evaluation criteria are used to continually assess the impact of risks upon Wiluna Mining's business objectives. Management is responsible for the development of risk mitigation plans and the implementation of risk reduction strategies. The annual business planning process includes careful consideration of the internal and external risk profile of the Company. Managers will report periodically to the Board and Audit & Risk Committee where relevant on the areas they are responsible for, including key business risks. Wiluna Mining's business risk management process will allow management to minimise the potential impact of business risks in achieving objectives to create and protect shareholder value.

Policy

The Company is fully committed to effectively managing its risk and opportunity decisions. These decisions made by the Board and its personnel will help to establish and drive a risk aware culture which has an appropriate balance between risk and reward in order to create sustainable shareholder value.

The Company's approach to risk management ensures careful consideration of the core components of the Company's risk profile including strategic, market, operational, exploration, tenure, assets, economic, regulatory and sustainability risks.

Sound risk management enables us to make informed business decisions on risk, by:

- Applying a structured process and framework to enhance, not hinder decision making;
- Integrating the consideration of risk and opportunity in the way we operate; and
- Allocating our resources to the things that matter most.

The Board and its personnel are committed to:

- Effectively discharging the Company's responsibilities in the areas of risk management and insurance;
- Actively supporting risk management practices and initiatives within the Company; and
- Ensuring risks affecting business objectives are appropriately managed and monitored.

This Risk Management Policy is supported by the Audit & Risk Committee Charter.

Responsibilities

Chief Executive Officer

The CEO is accountable to the Board and the Audit & Risk Committee, for ensuring that the risk management system is implemented and maintained in accord with the Risk Management Policy. Assignment of responsibilities in relation to risk management is the prerogative of the CEO.

Senior Executives

Senior Executives are accountable for strategic risk management within areas under their control including the dissemination of the risk management process to operational managers. Collectively the Senior Executive is responsible for:

- The formal identification of strategic risks that impact upon Wiluna Mining's business;
- Allocation of priorities;
- The development of strategic risk management plans; and
- Revision of progress against agreed risk management plans.

Chief Financial Officer

In conjunction with the CEO, the CFO or equivalent is accountable for the implementation of the Risk Management Policy and for maintaining a programme of risk reassessment. The CFO also provides advice to the relevant Senior Executives on risk management matters relevant to their responsibilities. The CFO is to assist senior management and the Board in the effective discharge of their responsibilities with regard to Wiluna Mining's internal control environment by ensuring the efficiency and effectiveness of Company processes and identifying opportunities to improve operating performances. At appropriate intervals, the CFO shall determine the adequacy and effectiveness of the Company's system of internal accounting and operating controls and determine if the business unit/function are managing risks, in accordance with management instruction, policies and procedures, in a manner consistent with Company objectives.

Reporting

The Company will disclose if it has any material exposure to environmental and/or social risks (as those terms are defined in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations) and, if it does, how it manages, or intends to manage, those risks.

Review

This Policy will be formally reviewed by the Audit & Risk Committee and the Board each year.