

Risk Management Policy

Effective risk management is essential for the creation and preservation of business value at Leo Lithium Limited. Leo Lithium is committed to managing risk in a manner that provides confidence to our employees, contractors, community, shareholders, regulators and other stakeholders that the company's material and significant risks are identified and effectively managed.

Leo Lithium maintains a Risk Management Framework and is committed to embedding a robust risk management program across all levels and functions of the company, built on the principles of sound risk management practice and continuous improvement.

Effective risk management will enable Leo to achieve its business objectives by:

- Maintaining a consistent and responsive framework for identifying, assessing, ranking, managing and monitoring risks and opportunities in line with ISO 31000.
- Proactively identifying and managing risks and realising opportunities.
- Promoting and embedding risk management into decision making throughout the organisation and across the business life cycle.
- Assigning accountabilities and responsibility for risk assessment and management within the organisation.
- Providing adequate resources and training to support effective risk management.
- Managing risks to an acceptable level and regularly reviewing and where necessary correcting risk controls, particularly critical controls.
- Escalating risks as appropriate for risk acceptance and tolerance.
- Regularly monitoring, evaluating and reporting on the risk profile and risk priorities and continually strengthening our risk management framework.
- Complying with applicable laws, regulations and contractual obligations.
- Providing oversight of the risk management framework to ensure alignment to Leo's risk appetite and strategy.
- Creating and sustaining a culture that empowers and motivates our workforce to act in accordance with this Risk Management Policy.

This policy applies to all employees and contractors engaged by Leo and all activities the Company undertakes.

Simon Hay
Managing Director

Rick Crabb
Non-Executive Chairman

September 2023