



RISK MANAGEMENT POLICY

1. POLICY

The following information outlines Infinity Lithium Corporation Limited (“Infinity” or the “Company”) Risk Management Policy.

Policy

- The Board is responsible for ensuring that sound risk management strategy and policies are in place.
- The Board has delegated to management the responsibility for identifying and overseeing major risk areas and ensuring that systems are in place to manage them, and report to the Board as and when appropriate.
- Management must develop and maintain a risk register which identifies the risks to the Company and its operation and assesses the likelihood of their occurrence. The risk register will be updated periodically and reviewed regularly by the Board.
- The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. Management is required to assess the risk management framework and associated internal compliance and control procedures and report back to the Board whether risks are being managed effectively.

2. FINANCIAL STRATEGY

2.1 Internal Controls

The Company’s financial status is not complex. To date, equity funds have been raised and utilised for exploration projects and business development.

The Managing Director’s regular report includes details of monthly spend both actual and forecast and shows month end cash balance.

All major acquisitions and protect expenditure must first be approved by the Board.

All payments are evidenced by the receipt of a tax invoice which are approved by both the Managing Director and Chief Financial Officer.

All payments are processed through the Company’s accounting system and posted accurately to record the costs into the General Ledger.

The accounting system is maintained in a manner that allows for the accurate generation of standard accounting reports including a detailed trial balance, profit and loss statement and a balance sheet.

Payments are made through the Company’s bank with appropriate and industry standard password controls and segregation of duties.

The general ledger balance sheet items are reconciled to source documents where appropriate.

The accounting system and financial reports are maintained in a manner to allow them to be audited by external auditors in accordance with the accounting industry standards and the Corporations Act

2.2 INSURANCE

The Company maintains a comprehensive suite of insurance including the following:

- General insurance, office asset insurance and public liability insurance;
- Worker's compensation;
- Travel insurance;
- Liability insurance.

Insurances are reviewed annually by the Managing Director and Company Secretary.

2.3 INFORMATION TECHNOLOGY

The Company's computer systems are regularly backed up for protection of electronic records.

Access to computers and the server is password protected with access limited to Company employees of Infinity and their specified consultants only.

3. OPERATIONAL STRATEGY

Operational Risk Management is dealt with on a project by project basis and where required external consultants are engaged to report.

Safety is a standing item addressed by the Managing Director in his regular report to the Board. A summary of the major risk factors including any material exposure to occupational health and safety risks are set out in the Company's Risk Register along with strategies to mitigate these risks.

4. ORGANISATIONAL STRATEGY

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 including any material exposure to economic, environmental or social sustainability risks are set out in the Company's Risk Register along with strategies to mitigate these risks.

5. REVIEW OF RISK MANAGEMENT

This Policy will be formally reviewed by the Board each year.

Approved by the board

Adopted: 29 June 2015

Reviewed: September 2019