

Management and Delegation Policy

1. Introduction

The Board appoints the CEO to manage the business. The Board may delegate their powers as they consider it appropriate. However, ultimate responsibility for strategy and control rests with the Board.

Where it delegates authority the levels of authority need to be clear to ensure accountability. Authorisations are primarily concerned with the powers to bind or create an obligation on the Company.

The Board can oversee the effectiveness of the delegations as it has access to the Company's management. In addition to regular presentations by management to Board meetings, the Board may seek briefings from management on specific matters.

2. Purpose

This Policy sets out those matters delegated to management. It should be read in conjunction with the Company's Board Charter (**Board Charter**).

3. Policy

Delegation to the Management

The Board has delegated to the CEO, authority over the day to day management of the Company, its subsidiaries and their respective operations. This delegation of authority includes responsibility for:

- (a) developing business and strategic plans and budgets for consideration by the Board and, to the extent approved by the Board, implementing these plans and budgets;
- (b) identifying and managing operational risks on a daily basis and, where those risks could have a material impact on the Company's businesses, formulating strategies for managing these risks for consideration by the Board;
- (c) managing the Company's current financial and other reporting mechanisms set up by the Board to ensure that these mechanisms and systems capture all relevant material information on a timely basis and are functioning effectively;
- (d) ensuring that the Board and its Committees are provided with sufficient information on a timely basis in regards to the Company's businesses and, in particular, with respect to the Company's financial condition, operating results and prospects, to enable the Board and those Committees to fulfil their governance responsibilities;

- (e) implementing the policies, processes and codes of conduct approved by the Board.

Any responsibilities not specifically delegated by the Board to the CEO or through him to management, will remain the responsibility of the Board.

Reporting to the Board

Management should provide appropriate and sufficiently detailed reports to the Board at regular intervals including:

- (f) decisions, exercise of powers, or issues, considered to be material;
- (g) a summary of activities in the business units;
- (h) information that gives assurance that appropriate accounting systems, information systems, controls, and procedures are being maintained; and
- (i) accounting and related information that sets out current, and forecast, status of the business.

Management, through the CEO, must supply the Board with this information in a form, timeframe and quality that will enable the Board to discharge its duties effectively. It follows that the Board is entitled to request additional information at any time when they consider it appropriate.

Authorisations

The CEO cannot exercise certain powers without the prior written authorisation of the Board ("Authorisations"). These powers are set out in Attachment A. The maximum limit of the transaction value for each power that can be exercised by the CEO and General Managers is also set out in Attachment A.

All employees need to understand the powers that have been assigned to their position and the point at which a decision must be referred to others.

Unless specified otherwise, powers are delegated to a position and not to a person.

An occupant of a position assumes the powers delegated to subordinates within their designated span of control.

Employees can only exercise assigned powers relating to their area or functional responsibility.

Temporary delegations (to cover extended leave or absence of the usual occupant of the Position) must be formally approved and promulgated.

Where General Managers need to delegate specific and significant powers and responsibilities to the next level of management, authority should be driven down through

the organisation to ensure people at every level are empowered to make timely and effective decisions relevant to their activities.

Authorisations apply to all business units and divisions throughout the Company. They can only be altered with approval of the Board.

4. Review of Authorisations

The Authorisations will be reviewed annually to ensure the content and levels of Authority remain relevant and should also be reviewed when any significant event occurs that could change the way the Authorisations are applied or interpreted (e.g. after a restructure, or an acquisition, or when there is a significant change in the business environment etc). The review will include a check for compliance.

Each General Manager will liaise with the CEO and conduct a review of the table of Authorisations, annually.

Adopted / Approved by the Board of Directors on the 23RD of May 2011.

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Attachment A

Tigers Realm Coal - Delegation of Authority

BOD Approval 30 August 2017

	Board of Directors	Russian Legal Entity Board	CEO	General Manager - Operations/GD, operating entities	GM Marketing / Head of Sales	Manager	Legal	CFO/GD, non-operating and management entities
SALES CONTRACTS AND COMMITMENTS								
<US\$5M and cargoes within budget to approved customers			e	i	A		e	e
>US\$5M	A	A (post TIG)	e	i			e	e
<i>* Total commitment/exposure over contract life, undiscounted</i>								
Non Binding Agreements (LOIs and MOUs)								
<US\$500K			e	A	A		e	e
>US\$500K			A	e			e	e
<i>* Total commitment /exposure over proposed contract life, undiscounted</i>								
INVESTMENTS, DIVESTMENTS AND RELINQUISHMENTS								
Mineral Licences / Tenure	A	e	e				e	e
Establish new entities	A	e	e				e	e
Group company's liquidation/reorganization/sale	A	e	e				e	e
Shareholder agreements	A	e	e				e	e
Appointment of group companies' management	A	e	e				e	e
Management service contracts between group companies	A	e/A (Intra-Russia)	e				e	e
OPERATING EXPENDITURE & CAPEX (including leases)								
Within Budget								
<US\$50K						A		e
US\$50K to <US\$500K				A				e
US\$500K to US\$5M		A (joint)	A (joint)	e				e
>US\$5M	A	A (post TIG)	e	e				e
Outside Budget (purchases and asset disposals)								
<US\$250K			e	A				e
US\$250K to US\$1M	i	A (joint)	A (joint)	e				e
>US\$1M	A	A (post TIG)	e					e
CAPITAL MANAGEMENT (TRC or subsidiary)								
Issue of shares / options	A	e	e				e	e
Raising debt/issue guarantees/pledges	A	e	e				e	e
TREASURY								
Appoint bankers	A		e					e
Manage relationship with bankers								A
Financial contracts / instruments (eg loans, FX hedging)	A		e				e	A (joint)
Open/close bank accounts		A (joint)	A (joint)					A (joint)
Transmit funds		A(joint)	A(joint)	A(joint)		A(joint)		A(joint)
Loans between group entities	i	A	e					e
Group companies' capital increase/reduction/dividend distribution	i	A	e				e	e
Invest surplus funds	i	A	e					e
BUDGETING PROCESS								
TIG Group budgets	A		e	e				e
Individual entity budgets	i	A	e	e				e
COMMUNITY & GOVT - PROGRAMS, GRANTS & DONATIONS								
Community Development Plan - Annual	e		A					e
Membership in professional associations/unions	i	A	e				e	e
Representation of the group with federal/local authorities	i		e	A (local)				A (federal)
HEALTH, SAFETY AND ENVIRONMENTAL ISSUES AND REMEDIATION PLANS								
	i		e	A				e
EXTERNAL RELEASES (Market, Media, etc)								
Reports - Quarterly, Half Yearly and Annual	i		A	i				e
Announcements	i		A	i				e
Newsletters	i		A	i				e
Website Content	i		A	i				e
Presentations / Roadshows / Marketing	i		A	i				e
RECRUITMENT AND EMPLOYMENT								
Contractors, temporary staff				A			e	e
Vacant Position Within Approved Org Structure				A			e	e
FTEs job description (management personnel)	A (CEO -1) i (GM, Ops -1)		A (GM, Ops/CFO -1)	A (site)				A (non-operating)
FTEs job description ("blue collar" personnel)					i	A		e
New Position (outside of approved plan and budget)			A					e
Salary increases, title changes (outside of approved plan and budget)			A					e
STI's, LTI's	A		e					e
Labour disputes and related settlements			e	A			e	e
Financial aid		e	A	e				e
COMPANY CARDS AND EXPENSES (VISA< AMEX, ETC)								
International Travel bookings			A (Direct Reports)	A (Direct Reports)		A (Direct Reports)		A (Direct Reports)
Issue of new card						e		A
Card expenses (monthly)			A (Direct Reports)	A (Direct Reports)		A (Direct Reports)		A (Direct Reports)
COMPLIANCE, REGULATORY REQUIREMENTS								
Establish branches/rep offices	A	e	e				e	A (Russian entities)
Approval of group companies' regulatory documents	i	A	e	e				e
Issue PoA for representing group company			A				e	A
Lodge information on companies to State Register			i	A			e	A
Preservation/archival of company's documents			i	A			e	A
Lodge applications, forms, as applicable			A	A		A		A
Appoint service agents	i	A	e					e
Appoint country auditors	i	A	e					e
Register business names, IP	i	i	A				e	e
Lodge Tax Returns			i					A
Rosnedra and other compliance reports/lodging			i	A (operating entities)		e		A (non-operating entities)
RISK MANAGEMENT								
Appoint insurance broker			i	e				A
Insurance coverage			i	e				A
Manage relationship with Insurance broker			i	e				A
Risk Audits, Risk reviews	i		A	e			e	A
Risk Register updates	i		A	e			A	A

Approval role key:
 A Approve
 e Endorse
 i Informed prior to execution