

## BOARD & MANAGEMENT

Glenn Davis - Chair  
Michael Schwarz - MD  
Gary Ferris - NED  
Jarek Kopias - Co Sec

## CAPITAL STRUCTURE

Ordinary Shares  
Issued 96.1M

Options  
Issued 3.0M

Performance rights  
Issued 0.3M

## CONTACT

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Email:  
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Website:  
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**Location:**  
**Eyre Peninsula Project,**  
**South Australia**

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## QUARTERLY ACTIVITIES REPORT FOR THREE MONTHS ENDED 30 SEPTEMBER 2022

- At the Campoona PSG Project, bulk sample scale metallurgical tests have achieved high purity fine flake graphite and was successfully purified and spheronised to high quality battery grade spherical graphite
  - Average purity of the concentrate, from a simplified flotation flow sheet, of greater than 94% total graphitic carbon (TGC) with estimated recoveries of ~80%
  - >96% of graphite concentrates are less than 75 µm (finest flake size) which is used for PSG production
  - Both flake and spheronised products were purified to 99.99% TGC using an environmentally friendly caustic leach process
  - Spheronisation yields exceeded 47% while meeting all important industry standards for battery anode material
- The Sugarloaf Graphite Prospect reported an exploration target of 158 – 264 Mt @ 7 – 12% TGC based on 33 drill holes and detailed electromagnetic surveys
- Drill results from the Caralue Bluff Kaolin-REE were received allowing the calculation of an exploration target of 110-220 Mt @ 635 – 832 ppm TREO and 19 – 22% Al<sub>2</sub>O<sub>3</sub>

iTech Minerals Ltd (ASX: ITM, iTech or Company) is pleased to present its Quarterly Activities Report for the period ended 30 September 2022.

During the September Quarter iTech received the results from the Campoona spherical graphite metallurgy and drill results from the Caralue Bluff Kaolin-REE Project on the Eyre Peninsula, South Australia.

### Campoona Purified Spherical Graphite Project

The Campoona Graphite Project contains a JORC 2012 graphite Mineral Resource of 8.55 Mt @ 9.0% Total Graphitic Carbon (TGC), a granted mining lease and approved multipurpose licences for processing infrastructure and groundwater extraction. iTech is currently investigating the best pathway to produce “green graphite”, including the use of abundant renewable energy available in South Australia.

iTech continues to build its portfolio of critical minerals projects with the production of both 99.99% fixed carbon (FC) spherical graphite and flake graphite, from Campoona graphite concentrates. Test work was undertaken on bulk sample (407 kg) of run-of-mine (ROM) graphite ore collected from reverse circulation and diamond drilling at the Campoona Central Deposit. The drill holes were located within areas representative of low strip ratio mineralisation of prime economic interest. A concentrate of ~94% TGC with recoveries of ~80% were achieved through conventional flotation processes.

*Investors should be aware that the potential quantity and grade of the Exploration Targets reported are conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.*

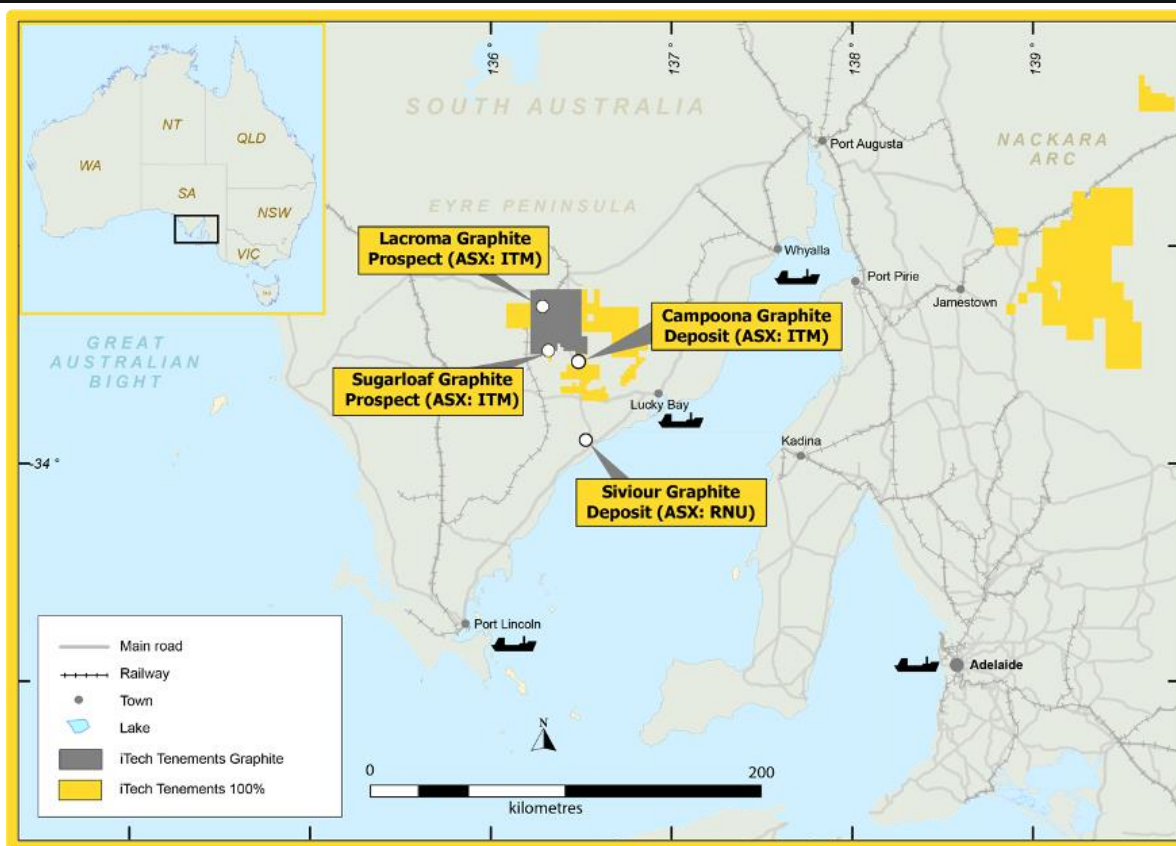


Figure 1. Location of graphite deposits and prospects – Eyre Peninsula, South Australia

Over 96% of the sample was classified as fine flake and had less than 75-micron flake size. Spheronisation of graphite flakes typically uses the small to fine flakes which means >99% of the sample is suitable for PSG production. Purification of flake and spherical graphite samples using both caustic bake and autoclave assisted caustic leach methods consistently achieved 99.99% purity.

Testing of the spherical product confirms it is within or exceeds all relevant industry standard parameters for lithium-ion battery anode material. High yields of spherical product, of 47%, show the potential for excellent conversion of flake into high value spherical graphite. Additionally, the ability to purify the flake concentrate to 99.99% FC prior to spheronisation, opens the possibility to produce a high value purified fine product rather than the normally low value waste generated during spheronisation. Purified fines left over from spheronisation can be used as conductivity-enhancement additives in the battery cathodes. Premium performance conductivity enhancement materials are typically worth more than spheroidal graphite produced from natural graphite.

Specification	Campoona Graphite	Industry standard (medium)
Fixed Carbon (%)	99.99	99.95
Yield Test (wt %)	47	20-30
Tap Density (g/cm <sup>3</sup> )	0.94	>0.9
D <sub>50</sub>	17.2	17-19
Ratio D <sub>90</sub> /D <sub>10</sub>	3.16	<3.5

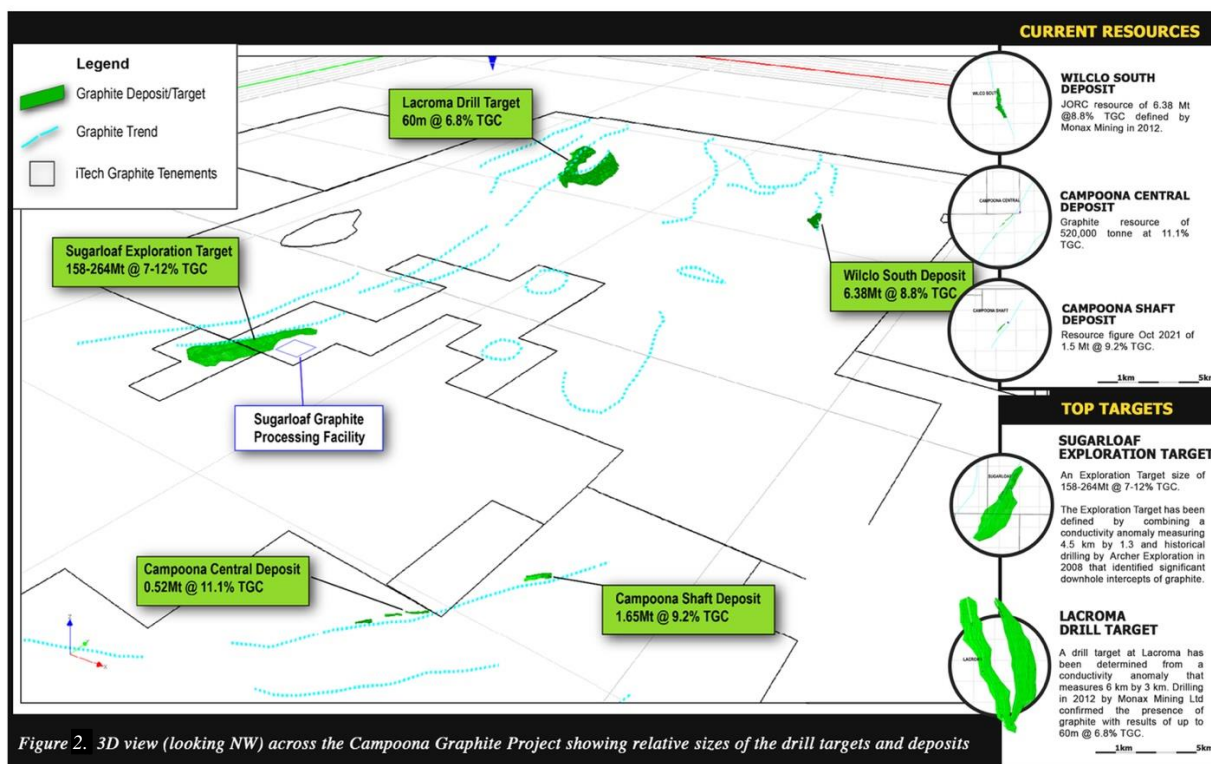
Table 1. Test results for spheronised purified graphite from Campoona Graphite Deposit

Area	Resource Category	Tonnes (Mt)	Graphitic Carbon (%)	Contained Graphite (t)
Campoona Shaft	Measured	0.32	12.7	40,600
	Indicated	0.78	8.2	64,000
	Inferred	0.55	8.5	46,800
Central Campoona	Indicated	0.22	12.3	27,100
	Inferred	0.30	10.3	30,900
Wilclo South	Inferred	6.38	8.8	561,400
Combined	Total Resource	8.55	9.0	770,800

Table 2. Mineral Resource Estimate, Campoona Graphite Project – Eyre Peninsula, South Australia

### Drill Targets

To determine the best location to add additional graphite resources to iTech's current inventory, the Company has modelled several of the most significant airborne electromagnetic anomalies that have a confirmed source of graphite mineralisation. As a result of this process, two prospects stood out as having significant potential for both tonnage and grade. Both prospects have been previously announced by the Company. An Exploration Target at Sugarloaf of **158-264 Mt @ 7-12 % TGC** was determined from drilling and a conductivity anomaly measuring 4.5 km by 1.3 km and was reported to the ASX on 19 September 2022. A drill target at Lacroma determined from drilling and a conductivity anomaly measuring 6 km by 3 km and was reported to the ASX on 4 October 2022 (post the current reporting period). Limited drilling to date at the Lacroma target prevented determination of an Exploration Target. Upcoming drilling programs will provide the necessary information to assess the graphite potential at Lacroma.





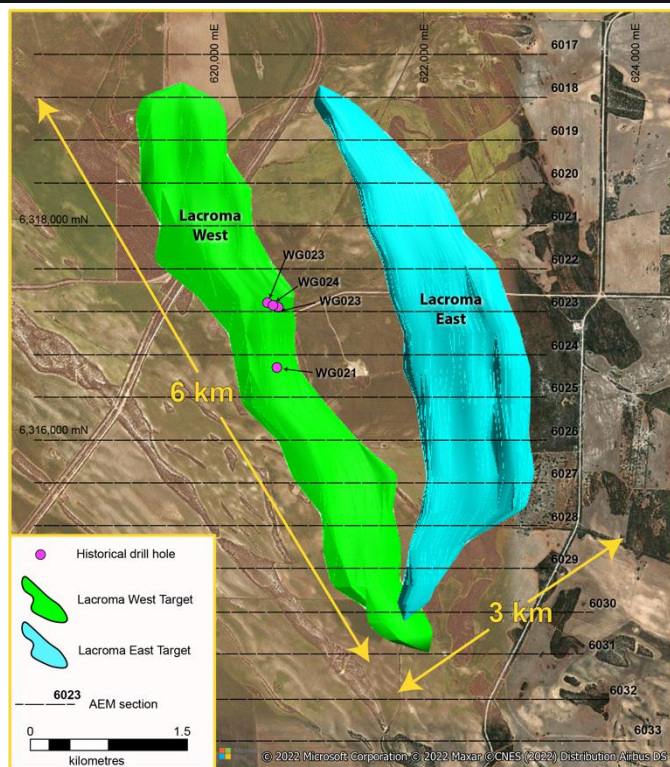


Figure 3. Plan view of the Lacroma Graphite Prospect – Eyre Peninsula, South Australia

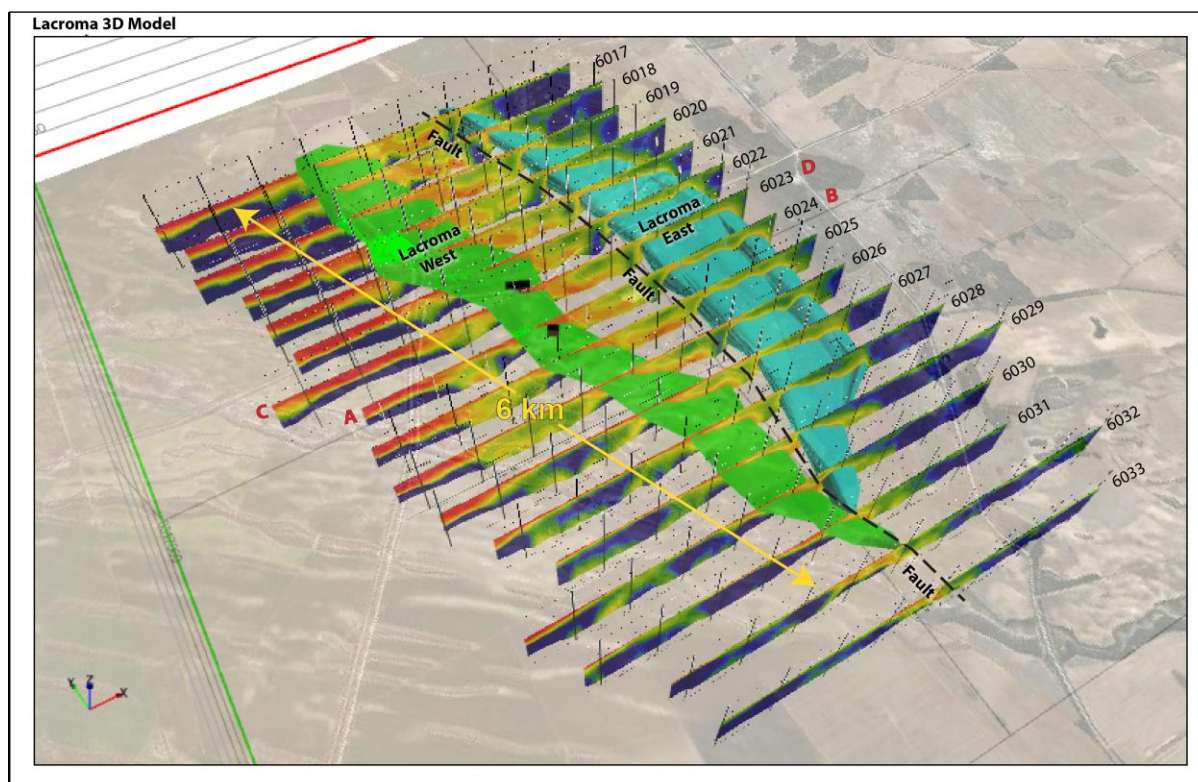


Figure 4. 3D view (looking NE) of the Drill Target at the Lacroma Graphite Prospect – Eyre Peninsula, South Australia



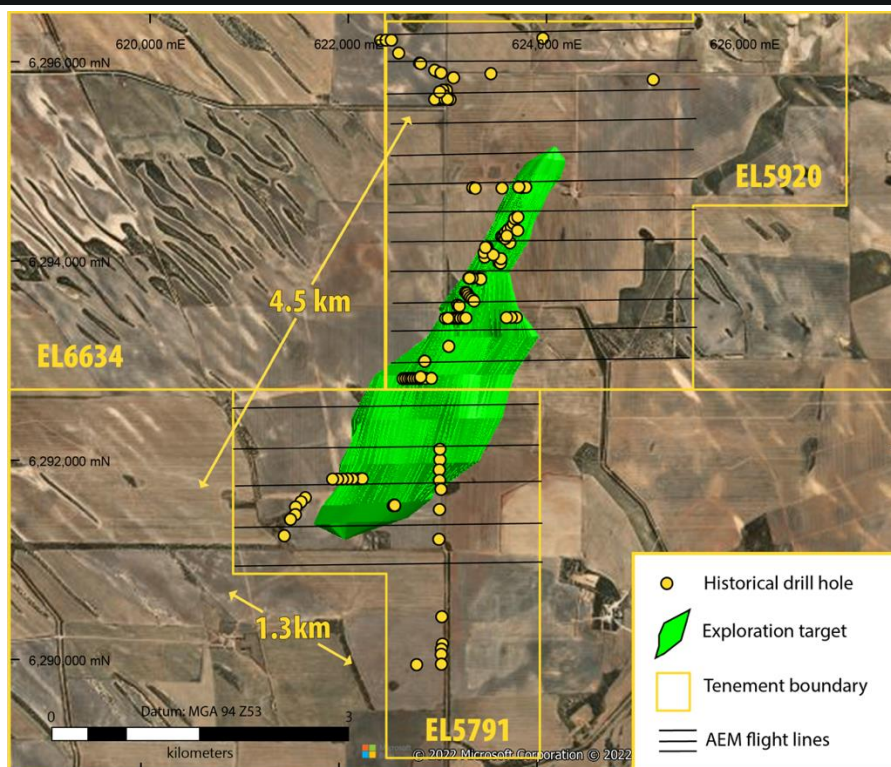


Figure 5. Plan view of the Exploration Target at the Sugarloaf Graphite Prospect – Eyre Peninsula, South Australia

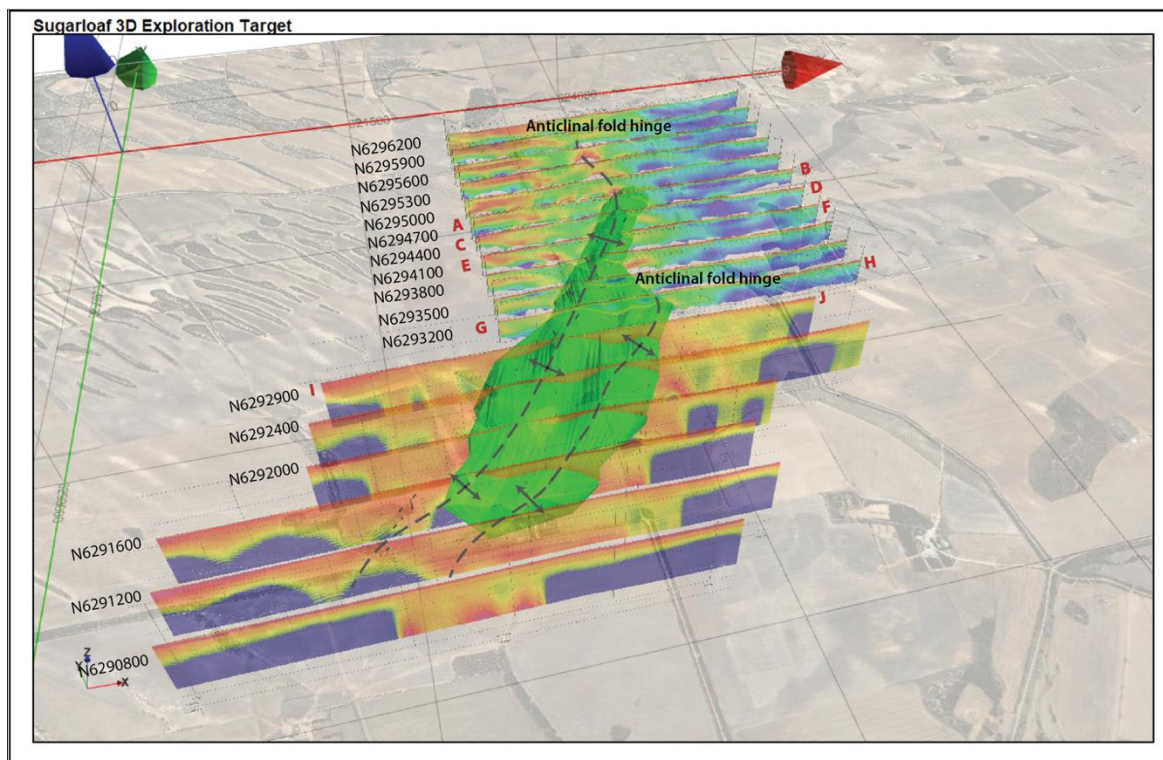


Figure 6. 3D view (looking NE) of the Exploration Target at the Sugarloaf Graphite Prospect – Eyre Peninsula, South Australia

### Caralue Bluff Prospect

During the Quarter, iTech released an Exploration Target of **110-220 Mt @ 635-832 ppm TREO and 19-22% Al<sub>2</sub>O<sub>3</sub>** for the Caralue Bluff REE-Kaolin Project. The Exploration target is based on 79 drill holes, from a total program of 260, across an area of approximately 12 km x 12 km. Importantly it **remains open in multiple directions** allowing for possible expansion in upcoming drill programs.

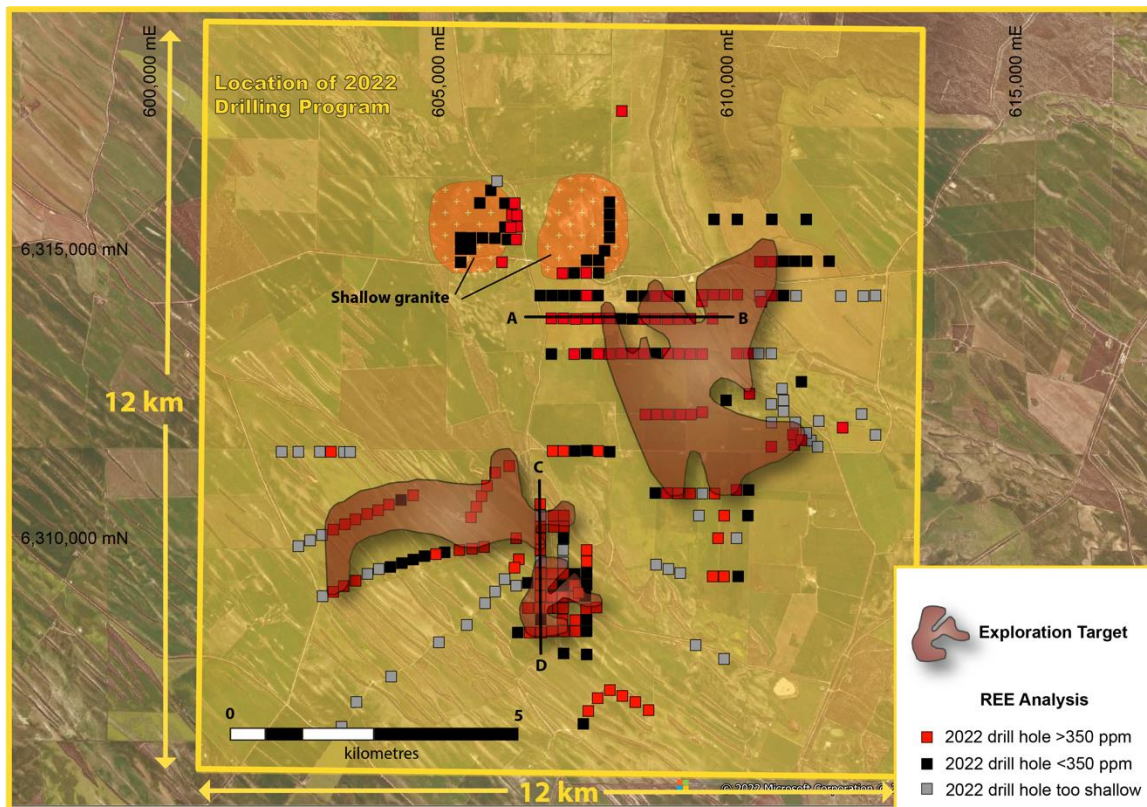


Figure 7. Outline of Exploration Target at the Caralue Bluff Prospect – Eyre Peninsula, South Australia

A total of **79** holes drilled in early 2022 were used in the exploration target, the exploration results for these holes have been progressively released to the market over the year.

Head Grade	min	max	Average
Al <sub>2</sub> O <sub>3</sub> %	19.8	22.5	20.2
Fe <sub>2</sub> O <sub>3</sub> %	1.1	1.4	1.3
TREO (ppm)	635	832	704

Table 3. Results from analysis of drill hole samples from within the area of the CBW Project

The Exploration Target also comprises a kaolin component (-45 µm) which is in the ranges as shown in Table 2, below. Assays are derived from a range of composite samples from holes within the 'outline' which were screened to -45µm and assayed.

	Tonnes (Mt)		Grade (TREO ppm)			Grade (Al <sub>2</sub> O <sub>3</sub> %)			Recovery (%)		
	Lower	Upper	Av.	Min.	Max.	Av.	Min.	Max.	Av.	Min.	Max.
Exploration Target (-45 µm)	110	220	867	812	961	32.8	31.7	33.3	45	44	55

Table 4. -45 µm REE-Kaolin Exploration Target showing upper and lower ranges



### Corporate

Attached to this report is the Company's Appendix 5B setting out iTech's cash flow statement for the quarter. The significant reportable outflows during the quarter include:

- \$881,000 spent in relation to exploration activities primarily related to the drilling programs at the Company's Eyre Peninsula projects; and
- \$85,000 in payments to related parties. These payments relate to payment of director fees to executive and non-executive directors.

At the end of the September 2022 quarter the Company had cash at bank of \$3.42 million.

Pursuant to ASX listing rule 5.3.4, the Company advises the proposed use of funds contained in section 2.4 of iTech's Replacement Prospectus in comparison to the actual use of funds following admission to the official list of the ASX – reportable to the June 2023 quarter. The expenditure is materially in line with the IPO prospectus.

Use of funds	Prospectus use of funds (\$'000)	Actual (\$'000) to 30 Sep-22	Remaining balance (\$'000)
Funds raised (incl cash reserves)	7,651	7,651	-
Cash movement from prospectus pro-forma (31 May 2021) to 30 June 2021	-	71	(71)
Lead manager	580	596	(16)
Expenses of the offer	354	332	22
Exploration	5,002	2,261	2,741
Corporate overheads, remuneration and other management expenses	1,301	858	443
Plant and equipment	30	116	(86)
Reserve	384	-	384
<b>Total</b>	<b>7,651</b>	<b>4,234</b>	<b>3,417</b>
<b>Cash as at 30 September 2022</b>			<b>3,417</b>



Tenement table

Tenement Number	Project Area	% Interest Held at end of quarter
<b>South Australia</b>		
EL 6363	Eyre Peninsula	100%
EL 6478	Eyre Peninsula	100%
EL 5870	Eyre Peninsula	100%
EL 5791	Eyre Peninsula	100%
EL 6647	Eyre Peninsula	100%
EL 5920	Eyre Peninsula	100% Graphite Rights
EL 6634	Eyre Peninsula	100% Graphite Rights
EL 5794	Nackara Arc	100%
EL 6000	Nackara Arc	100%
EL 6029 <sup>1</sup>	Nackara Arc	100%
EL 6160	Nackara Arc	100%
EL 6351	Nackara Arc	100%
EL 6354	Nackara Arc	100%
EL 6287	Nackara Arc	100%
EL 6637	Nackara Arc	100%
EL 6605	Nackara Arc	100%
EL 6616	Nackara Arc	100%
EL 6676	Nackara Arc	100%
EL 6609	Billa Kalina	100%
EL 6732	Pidinga	100%
ML 6470	Campoona Graphite	100%
MPL 150	Campoona Graphite	100%
MPL 151	Campoona Graphite	100%
<b>New South Wales</b>		
EPM 8871	Crowie Creek	100%
EPM 8894 <sup>2</sup>	Stanthorpe	100%

There have been no changes to tenements during the quarter.

<sup>1</sup> EL 6029 was relinquished in October 2022.

<sup>2</sup> EPM 8894 was sold in October 2022 – as disclosed in 2022 Annual Report.





Mineral Resource Table

Area	Resource Category	Tonnes (Mt)	Graphitic Carbon %	Contained Graphite (t)
Campoona Shaft	Measured	0.32	12.7	40,600
	Indicated	0.78	8.2	64,000
	Inferred	0.55	8.5	46,800
Central Campoona	Indicated	0.22	12.3	27,100
	Inferred	0.30	10.3	30,900
Wilclo South	Inferred	6.38	8.8	561,400
<b>Combined</b>	<b>Measured</b>	<b>0.32</b>	<b>12.7</b>	<b>40,600</b>
	<b>Indicated</b>	<b>1.00</b>	<b>9.1</b>	<b>91,100</b>
	<b>Inferred</b>	<b>7.23</b>	<b>8.8</b>	<b>639,100</b>
<b>Combined</b>	<b>Total Resource</b>	<b>8.55</b>	<b>9.0</b>	<b>770,800</b>

For further information please contact the authorising officer Michael Schwarz:

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## **ABOUT iTECH MINERALS LTD**

iTech Minerals Ltd is a newly listed mineral exploration company exploring for and developing battery materials and critical minerals within its 100% owned Australian projects. The company is exploring for kaolinite-halloysite, ion adsorption clay rare earth element mineralisation and developing the Campoona Graphite Deposit in South Australia. The company also has extensive exploration tenure prospective for Cu-Au porphyry mineralisation, IOCG mineralisation and gold mineralisation in South Australia and tin, Tungsten, and polymetallic Cobar style mineralisation in New South Wales.

## **COMPETENT PERSON STATEMENT**

This announcement contains results that have previously released as “Replacement Prospectus” on 19 October 2021, “Campoona Graphite Battery Anode Test Work Underway” on 22 November 2021, “Campoona Spherical Graphite Project Concentrate” on 21 August 2022, “Campoona Spherical Graphite Project Bulk sample produced” on 5 July 2022, “99.99% Spherical and Flake Graphite Produced from Campoona” on 14 September 2022, “Sugarloaf Graphite Exploration Target, Eyre Peninsula” on 19 September 2022, “Lacroma Graphite drill Target on Eyre Peninsula” on 4 October 2022, “Rare Earth Potential Identified at Kaolin Project” on 21 October 2021, “Rare Earth Potential Confirmed at Kaolin Project” on 12 November 2021, “New Rare Earth Prospect on the Eyre Peninsula” on 29 November 2021, “Positive Results Grow Rare Earth Potential at Kaolin Project” on 13 December 2021, “More Positive Rare Earth Results - Ethiopia Kaolin Project” on 12 January 2022, “Exploration Program Underway at EP Kaolin-REE Project” on 19 January 2022, “Eyre Peninsula Kaolin-REE Drilling Advancing Rapidly” on 16 February 2022, “Ionic Component Confirmed at Kaolin-REE Project” on 9 March 2022, “Drilling confirms third REE Prospect at Bartels – Eyre Peninsula” on 22 March 2022, “Eyre Peninsula Kaolin-REE Maiden Drilling Completed” on 7 April 2022, “Significant REEs discovered at Caralue Bluff” on 14 April 2022, “Substantial REEs in first drill holes at Ethiopia, Eyre Peninsula” on 18 May 2022, “Caralue Bluff and Ethiopia Prospects Continue to Grow” on 20 June 2022, “New REE drill results expand Caralue Bluff Prospect” on 18 July 2022, “More thick, high grade REEs at Caralue Bluff” on 22 July 2022 and “Final Results from Caralue Bluff Prospect” on 11 August 2022. iTech confirms that the Company is not aware of any new information or data that materially affects the information included in the announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not changed.

## **GLOSSARY**

AEM = Airborne Electromagnetic  
 CREO = Critical Rare Earth Element Oxide  
 EM = Electromagnetic  
 FC = Fixed Carbon  
 HF = Hydrofluoric Acid  
 HREO = Heavy Rare Earth Element Oxide  
 IAC = Ion Adsorption Clay  
 LREO = Light Rare Earth Element Oxide  
 MREO = Magnet Rare Earth Element Oxide  
 PSG = Purified Spherical Graphite  
 REE = Rare Earth Element  
 REO = Rare Earth Element Oxide  
 ROM = Run of Mine  
 sg = specific gravity – a measure of density  
 sq km = square kilometres  
 TGC = Total Graphitic Carbon  
 TREO = Total Rare Earth Element Oxide  
 %NdPr = Percentage amount of neodymium and praseodymium as a proportion of the total amount of rare earth elements  
 wt% = Weight percent  
 -45µm fraction = The portion of a drill sample that passes through a sieve that has hole sizes of 45 microns (45/1000<sup>th</sup> of a millimetre). This is generally the clay rich fraction.



## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

iTech Minerals Ltd

ABN

41 648 219 050

Quarter ended ("current quarter")

30 September 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(66)	(66)
	(e) administration and corporate costs	(197)	(197)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	2	2
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(261)</b>	<b>(261)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(5)	(5)
	(d) exploration & evaluation	(881)	(881)
	(e) investments	-	-
	(f) other non-current assets	-	-



<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(886)</b>	<b>(886)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	4,564	4,564
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(261)	(261)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(886)	(886)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>3,417</b>	<b>3,417</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	362	4,509
5.2	Call deposits	3,055	55
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,417</b>	<b>4,564</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	38
6.2	Aggregate amount of payments to related parties and their associates included in item 2	47
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(261)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(881)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,142)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,417
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	3,417
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	3.0
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A		
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A		



## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2022

Authorised by: By the board  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.