2022 FINANCIAL YEAR REPORT

30 JUNE 2022

ABN 33 118 549 910

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30 JUNE 2022

2022 FINANCIAL YEAR FULL YEAR RESULTS ANNOUNCEMENT

29 AUGUST 2022

Mineral Resources Limited (ASX: MIN) (MinRes or the Company) is pleased to announce its financial results for the full year ended 30 June 2022 (FY22).

During the year, MinRes continued its strong safety performance across the business despite a significant step-up in project development activities and an 18 per cent increase in employees. Our people are fundamental to our success and their physical and mental well-being is our number one priority.

MinRes generated underlying earnings before interest, tax, depreciation, amortisation and impairment (Underlying EBITDA)[1] of $1.0 billion, down 46 per cent on the prior corresponding period (pcp)[1]. Earnings were negatively impacted in the first half by a steep decline in iron ore prices and widening of discounts, both of which stabilised in the second half. With record lithium prices, first earnings from conversion of Mt Marion spodumene concentrate into lithium hydroxide and record growth in the Mining Services division, the Company delivered a strong second-half performance.

Underlying earnings after tax[2] were $400 million, down 64 per cent on pcp. Statutory net profit after tax was $351 million, down 72 per cent on pcp and including $10 million post-tax impairment charges in relation to intangible assets.

Operating cash flow[3] of $344 million was impacted by an increase in working capital relating to the restart of Wodgina, the increase in lithium pricing causing receivables to increase, and first earnings from conversion of the Company's spodumene concentrate into lithium hydroxide.

In May 2022, MinRes successfully executed a new US$1.25 billion bond raise in the US debt markets. The Company's strong balance sheet and available cash of $2.4 billion continue to support MinRes' growth outlook.

During the year, MinRes was included in the ASX50 index of Australia's most-valuable listed companies.

The MinRes Board of Directors has declared a fully franked final dividend for FY22 of $1.00 per share. The dividend is due to be paid on 23 September 2022 to shareholders on the register at 5 September 2022.

MinRes' project execution and development continued to safely and efficiently position the Company for growth, expanding capacity in mining services and across the iron ore and lithium operations. Key highlights during FY22 include:

- No Lost Time Injuries and maintaining low Total Recordable Injury Frequency Rate of 2.33
- Record Mining Services production volumes – 274Mt
- Expansion to double production at Mt Marion commenced
- Wodgina Train 1 and 2 successfully restarted production
- First lithium hydroxide earnings from Mt Marion offtake
- Record iron ore tonnes sold – 19.2Mt
- Onslow Iron Project construction commenced
- Secured capacity allocation for Stanley Point Berth 3 at Port Hedland subject to approvals
- Binding port and rail sharing agreement with Hancock Prospecting Pty Ltd
- Significant Perth Basin onshore gas discovery at Lockyer Deep

During the year, Mining Services continued to deliver outstanding results, with record production volumes of 274Mt, up 10 per cent and EBITDA of $533 million, up 15 per cent. The Mining Services business was awarded five new contracts and had three contracts renewed.

[1] Comparison to pcp being the financial year ended 30 June 2021 (FY21).
[2] In order to provide additional insight into the performance of the business, the Group uses non-IFRS measures such as Underlying EBITDA. Reconciliations to IFRS measures are provided in Note 3 of the financial statements.
[3] Operating cash flow excludes tax paid of $65 million in FY22 following the Company's divestment of its holding in Pilbara Minerals Limited (ASX: PLS).

Despite challenging conditions in the iron ore market, including the sharpest fall in iron ore price in history, MinRes shipped a record 19.2 million tonnes in FY22.

The outstanding operational performance came alongside significant progress with the Company's game-changing Onslow Iron and South West Creek projects, which will transform MinRes' iron ore business into a large, low-cost, high-quality producer.

In lithium, MinRes and the Company's JV partner Ganfeng approved the next stage of expansion of Mt Marion, to 900,000 tonnes per annum. MinRes also delivered maiden earnings from lithium hydroxide production – a first for an ASX-listed company.

Spodumene concentrate production has resumed at Wodgina, one of the world's largest hard-rock lithium mines, following the start-up of Trains 1 and 2. The Kemerton Lithium Hydroxide Plant, which like Wodgina is part of our MARBL JV with Albemarle, is in the final stages of pre-production activities. MinRes and Albemarle continue to work on a restructure and expansion of the MARBL JV to better align operational capabilities.

During FY22 the Company's energy business, Energy Resources, made a significant onshore gas discovery, at Lockyer Deep in the Perth Basin. The discovery will offer MinRes a unique opportunity to secure its own energy supply, assist with the transition from diesel to lower-emission fuels and deliver potential export opportunities.

METRIC	FY22 RESULTS	COMPARISON TO PCP
Revenue	$3.4bn	Down 8%
Underlying EBITDA	$1.024bn	Down 46%
Underlying NPAT	$400M	Down 64%
Diluted earnings per share (EPS)	184.87cps	Down 73%
Operating cash flow[1]	$344M	Down 79%
Capex	$800M	Up 7%
Cash	$2.4bn	Up 57%
Net assets	$3.3bn	Up 1%
Return on invested capital (ROIC)[2]	14.1%	Down from 38.6%

[1] Operating cash flow excludes tax paid of $65 million in FY22 on divestment of Pilbara Minerals Limited (ASX: PLS) and tax paid of $333 million in FY21 on the Wodgina disposal.
[2] ROIC calculated as per FY22 Remuneration Report definition on a rolling 12 month basis.

Mineral Resources Managing Director Chris Ellison said:

"Against the headwinds of iron ore price and inflationary cost pressures and the pandemic still affecting our everyday operations, we achieved the second-best financial performance in our history while investing in major development projects that will set us up for the next 30 to 50 years.

"I am incredibly proud of what our team has delivered. Most importantly, we achieved this result in a safe and sustainable way while protecting the physical and mental well-being of our people.

"During the year, we successfully restructured the company into four operating pillars – Mining Services, Iron Ore, Lithium and Energy – that each have significant long-term growth prospects and will operate as a separate business drawing on MinRes' centralised services. This is an important development which will allow us to better capture the enormous potential that we have built into MinRes – none more so than in the lithium space.

"MinRes began building a world-class, long-life lithium business in Western Australia more than a decade ago. Our foresight and investment are starting to bear fruit – today, we already are the largest ASX-listed spodumene concentrate producer and one of the first to derive earnings from lithium hydroxide. And we are just getting started as we apply our industry leading scale and deep lithium expertise to move further along the electric battery value chain.

"The past year – our thirtieth in business – has been monumental for MinRes. We are well positioned for the future because we have the people and leadership, business model, assets and balance sheet to continue to deliver superior value to shareholders."

ENDS

This announcement dated 29 August 2022 has been authorised for release to the ASX by Mineral Resources Limited's Board of Directors.

For further information please contact:

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About Mineral Resources - Mineral Resources Limited (ASX: MIN) is a Perth-based leading mining services provider, with a particular focus on the iron ore and hard-rock lithium sectors in Western Australia. Using technical know-how and an innovative approach to deliver exceptional outcomes, Mineral Resources has become one of the ASX's best-performing contractors since listing in 2006.

AUSTRALIAN SECURITIES EXCHANGE
APPENDIX 4E

1. COMPANY DETAILS

Name of entity:	Mineral Resources Limited
ABN:	33 118 549 910
Reporting period:	For the year ended 30 June 2022
Previous period:	For the year ended 30 June 2021

2. RESULTS FOR ANNOUNCEMENT TO THE MARKET

				$m
Revenues from ordinary activities	down	8.5%	to	3,418.0
Profit from ordinary activities after tax attributable to the owners of Mineral Resources Limited	down	72.5%	to	349.2
Profit for the year attributable to the owners of Mineral Resources Limited	down	72.5%	to	349.2

Comments

A commentary on the results for the period is contained within the Financial Report and the Media Release accompanying this announcement.

3. NET TANGIBLE ASSETS

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	16.67	16.55

4. DIVIDENDS

	Cents	Franked %	$m
2022 Financial Year final dividend – declared 29 August 2022	100.00	100%	188.3
2021 Financial Year final dividend – paid 6 September 2021	175.00	100%	329.4
2021 Financial Year interim dividend – paid 8 March 2021	100.00	100%	188.6

Record date for determining entitlements to the 2022 final dividend	5 September 2022
Payment date for the 2022 final dividend	23 September 2022

DIVIDEND REINVESTMENT PLANS

The following dividend or distribution plans are in operation:

Shareholders can elect to participate in the following Dividend Reinvestment Plan (DRP) for the final dividend:

Date of the final dividend declaration	29 August 2022
Record date for determining entitlements to the final dividend	5 September 2022
Closing date for election to participate in the DRP	8 September 2022
Closing date for calculation of DRP share issue price, based on the Volume Weighted Average Price (VWAP) for Mineral Resources Limited shares sold on the ASX in the five business days following record date (rounded to the nearest whole cent)	12 September 2022
DRP discount to be applied	None
DRP to be underwritten	No
Payment date for final dividend/issue of shares under the DRP	23 September 2022
DRP share ranking with existing Mineral Resources Limited share	Equally in all respects
Date by which DRP participant's holdings will be updated with additional shares issued under the DRP	23 September 2022

AUDIT QUALIFICATION OR REVIEW

The financial statements have been audited and an unmodified opinion has been issued.

CORPORATE
DIRECTORY

DIRECTORS
James McClements
Chris Ellison
Kelvin Flynn
Susan Corlett
Xi Xi
Peter Wade (resigned 2 March 2022)
Zimi Meka (appointed 17 May 2022)

COMPANY SECRETARIES
Mark Wilson
Derek Oelofse

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SECURITIES EXCHANGE LISTING
Mineral Resources Limited shares
are listed on the Australian
Securities Exchange
(ASX: MIN)

WEBSITE
www.mrl.com.au

GENERAL INFORMATION

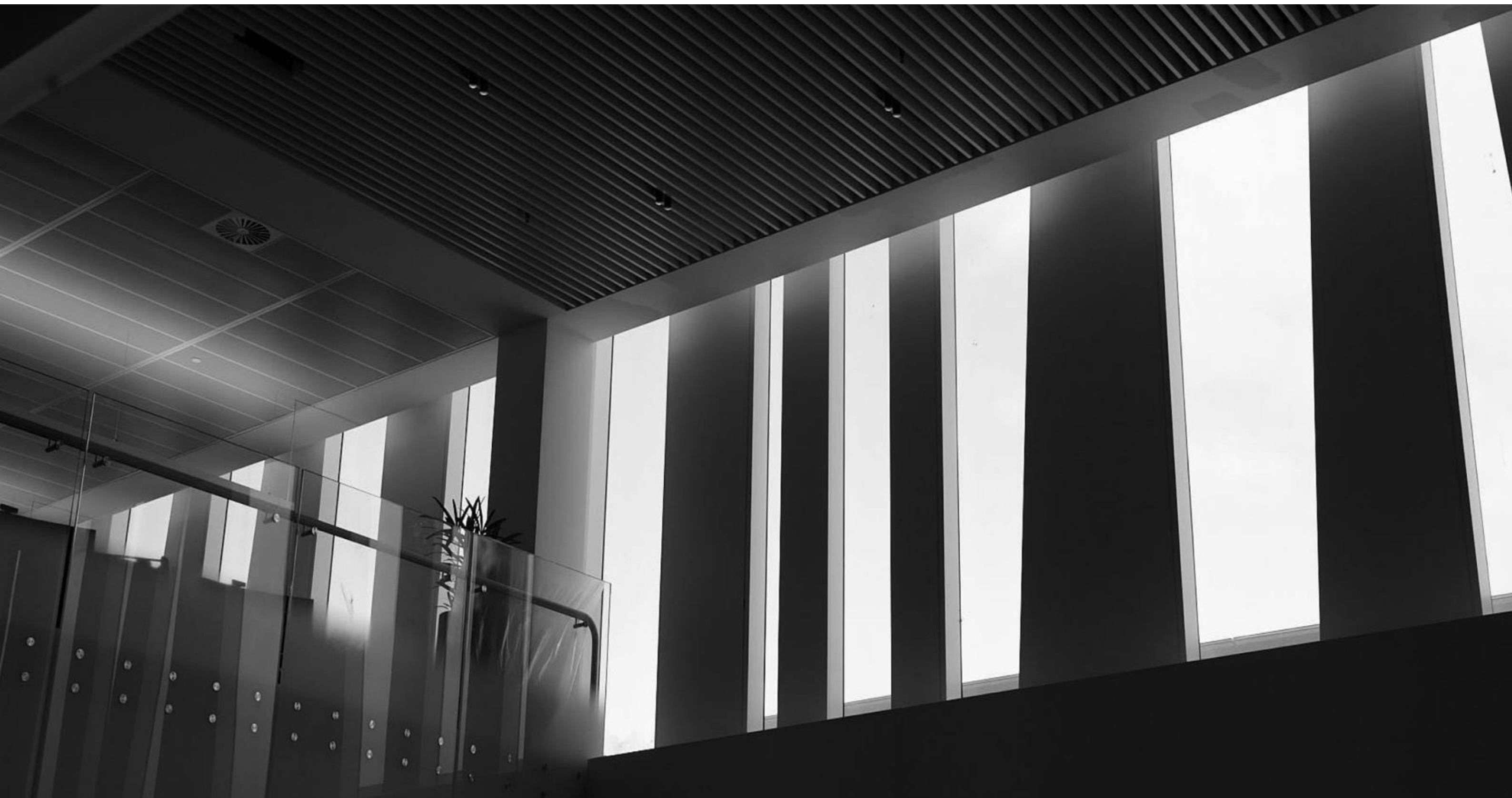
The financial statements cover Mineral Resources Limited as a group consisting of Mineral Resources Limited (the 'Company' or 'Parent Entity') and the entities it controlled (the 'Group') at the end of, or during, the financial year. The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

Mineral Resources Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

20 Walters Drive
Osborne Park
Western Australia 6017
Australia

A description of the nature of the Group's operations and its principal activities are included in the notes to the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 29 August 2022.



DIRECTORS' REPORT

FINANCIAL YEAR END 30 JUNE 2022

The directors present their report, together with the financial statements, for the Financial Year ended 30 June 2022.

DIRECTORS

The following persons were Directors of Mineral Resources Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

James McClements
Chris Ellison
Kelvin Flynn
Susan Corlett
Xi Xi
Peter Wade (resigned 2 March 2022)
Zimi Meka (appointed 17 May 2022)

PRINCIPAL ACTIVITIES

During the financial year, the principal continuing activities of the Group consisted of the integrated supply of goods and services to the resources sector.

The overview of the Group's operations, and a review of the operation performance, financial performance and cash and capital management are contained in the following sections of the Annual Report: Overview on pages 14 to 15, Operational Review on pages 16 to 18 and Cash and capital management on pages 15 to 16.

DIVIDENDS

	Cents	Franked %	$m
2022 Financial Year final dividend – declared 29 August 2022	100.00	100%	188.3
2021 Financial Year final dividend – paid 6 September 2021	175.00	100%	329.4
2021 Financial Year interim dividend – paid 8 March 2021	100.00	100%	188.6

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group during the financial year.

OPERATIONS AND FINANCIAL REVIEW

SUMMARY OF RESULTS

MinRes' project execution and development continued to safely and efficiently position the company for growth, expanding capacity in mining services and across the iron ore and lithium operations. Key highlights during FY22 include:

- No Lost Time Injuries and maintaining low Total Recordable Injury Frequency Rate of 2.33
- Record Mining Services production volumes – 274Mt
- Expansion to double production at Mt Marion commenced
- Wodgina Train 1 and 2 successfully restarted production
- First lithium hydroxide earnings from Mt Marion offtake
- Record iron ore tonnes sold – 19.2Mt
- Onslow Iron project construction commenced
- Secured capacity allocation for Stanley Point Berth 3 at Port Hedland subject to approvals
- Binding port and rail sharing agreement with Hancock Prospecting Pty Ltd
- Significant Perth Basin onshore gas discovery at Lockyer Deep

MinRes generated Underlying EBITDA of $1.0 billion for the 2022 financial year (FY22) (FY21: $1.9 billion), down 46 per cent on pcp. Earnings were negatively impacted in the first half by the steep decline in iron ore prices and widening discounts before stabilising in the second half. With record lithium prices, first earnings from conversion of Mt Marion spodumene concentrate into lithium hydroxide and record growth in the Mining Services division, MinRes delivered a strong second-half performance.

Underlying earnings after tax were $400 million (FY21: $1.1 billion). Statutory net profit after tax was $351 million (FY21: $1.3 billion) and including $10 million post-tax impairment charges in relation to intangible assets.

The Directors have resolved to distribute a final dividend and total dividends for FY22 of $1.00 per ordinary share. The final dividend will be fully franked, have a record date of 5 September 2022, and will be paid to shareholders on 23 September 2022.

METRIC	FY22 RESULTS	COMPARISON TO FY21
Revenue	$3.4bn	Down 8%
Underlying EBITDA[1]	$1.0bn	Down 46%
Underlying earnings after tax[1]	$400M	Down 64%
Diluted earnings per share (EPS)	184.87cps	Down 73%
Operating cash flow[2]	$344M	Down 79%
Capex	$800M	Up 7%
Cash	$2.4bn	Up 57%
Net assets	$3.3bn	Up 1%
Return on invested capital (ROIC)[3]	14.1%	Down from 38.6%

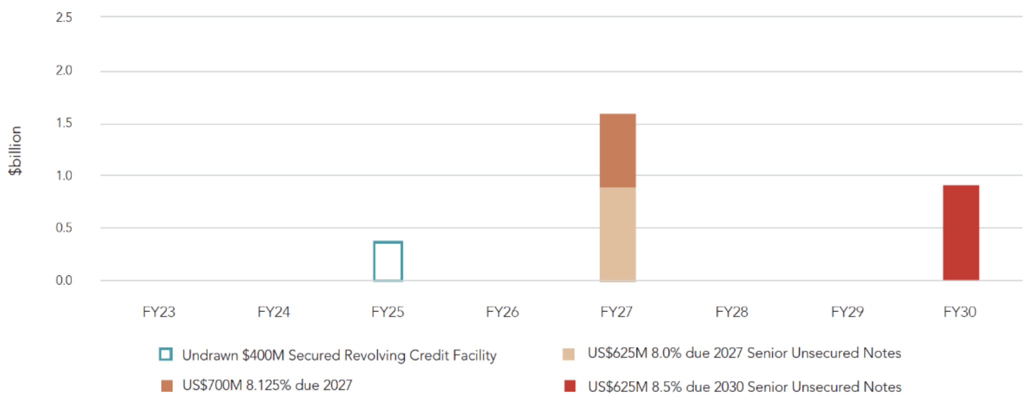
[1] Refer to Note 3 for reconciliation of non-IFRS measures to the IFRS financial metrics reported in the financial statements.
[2] Operating cash flow excludes tax paid of $65 million in FY22 on divestment of Pilbara Minerals Limited (ASX: PLS) and tax paid of $333 million in FY21 on the Wodgina disposal.
[3] ROIC calculated as per FY22 Remuneration report definition on a rolling 12 month basis.

Cash and capital management

At 30 June 2022, the Group maintained a strong balance sheet with cash and cash equivalents of $2.4 billion (30 June 2021: $1.5 billion). In addition, the Group has access to substantial undrawn debt facilities to support business development activities of $425 million as at 30 June 2022.

On 3 May 2022, the Group completed a US$1.25 billion Senior Unsecured Notes offering, consisting of US$625 million with 8.0% coupon due 2027 and US$625 million with 8.5% coupon due 2030.

DEPT MATURITY PROFILE[1]



[1] Excluding capital repayments on hire purchase arrangements.

Operating cash flow[1] of $344 million (30 June 2021: $1,642 million) was impacted by an increase in working capital relating to the restart of Wodgina, ramp-up of Mt Marion production and the conversion of the Group's spodumene concentrate into lithium hydroxide.

Net cash used in investing activities of $654 million in FY22 includes $326 million net proceeds from the divestment of shares held in Pilbara Minerals Ltd (PLS) and $200 million consideration paid to acquire an interest in the Red Hill Iron Ore JV tenements for the Onslow Iron project.

FY22 was a pivotal year for the future of MinRes with capital expenditure on key projects including:

- Early works and development of Onslow Iron
- Restart and ramp up of Wodgina with the commencement of operations of Trains 1 and 2
- Investment to support new external Mining Services contracts
- Natural gas drilling programs in the Perth Basin as part of the transition to lower emitting fuels and low-cost energy, with a significant gas discovery made at Lockyer Deep-1
- Investment in a new state-of-the-art head office to support the Group's growth agenda.

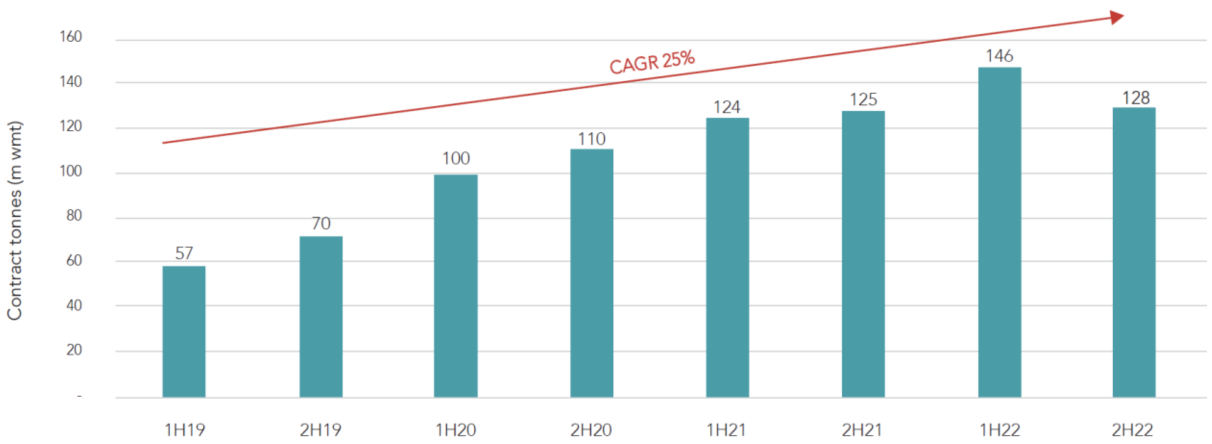
OPERATIONAL PERFORMANCE

Mining Services

Mining Services delivered a record year with revenue of $2.1 billion (FY21: $1.8 billion), EBITDA of $533 million (FY21: $464 million) and achieved record production of 274Mt for FY22 (FY21: 249Mt). The growth has been primarily driven by higher volumes at Utah Point Hub, along with new external contracts.

Mining Services achieved a margin of 25 per cent, marginally down from 27 per cent in FY21, impacted by lower volumes across the Yilgarn supply chain, as well as higher parts and labour costs.

MINING SERVICES PRODUCTION-RELATED CONTRACT TONNES[1]



[1] Mining Services production-related contract tonnes are based upon TMM, crushed, processed, transported and other logistical services.

[1] Operating cash flow excludes tax paid of $65 million on the divestment of the Group's shareholdings in Pilbara Minerals Limited (ASX: PLS) and tax paid of $333 million in FY21 on the Wodgina disposal.

Iron ore

TOTAL SALES	1H21	2H21	FY21	2H22	FY22	YoY Variance
IRON ORE (k wmt)						
Yilgarn Hub (100%)	4,979	5,526	10,505	4,258	8,679	(1,826)
Utah Point Hub (100%)	2,934	3,835	6,769	5,097	10,533	3,767
Total Iron Ore	**7,913**	**9,361**	**17,274**	**9,355**	**19,212**	**1,938**

The Group owns two iron ore operations in Western Australia being the Utah Point Hub and Yilgarn Hub. Iron ore exports in FY22 were a record 19.2Mt, 11 per cent higher than FY21 as a result of the growth at the Utah Point Hub. Production in the Yilgarn Hub was slightly lower on FY21, with high-cost tonnes removed in response to the lower iron ore prices and widening discounts during the first half.

Iron ore revenue of $2.0 billion (FY21: $3.1 billion) was 35 per cent lower, with volume growth offset by lower iron ore prices and widening discounts. The Platts 62% IODEX declined steeply from US$218/wmt at the end of FY21 to a low of US$87/wmt during the first half, before stabilising in the second half to average US$139/wmt across FY22. The Group's FY22 average iron ore price achieved was US$82/dmt, a decrease of 42 per cent on FY21, including negative prior period finalisations of US$33 million. Excluding prior year adjustments, iron ore shipments for FY22 achieved a price of US$84/dmt.

Iron ore produced EBITDA of $64 million (FY21: $1,528 million) including a negative adjustment of $43 million related to finalisation of iron ore sales contracts recognised in FY21.

Lithium spodumene concentrate

TOTAL SALES	1H21	2H21	FY21	2H22	FY22	YoY Variance
SPODUMENE CONCENTRATE (k dmt)						
Mt Marion (100%)[1]	203	282	485	235	442	(43)
Wodgina (100%)[2]	-	-	-	22	22	22
Total Spodumene Concentrate	**203**	**282**	**485**	**257**	**464**	**(21)**

[1] The Group operates 100 per cent of the Mt Marion project, in which it has a 50 per cent equity interest and a 51 per cent offtake share of spodumene concentrate produced.
[2] The Group has a 40 per cent equity interest in the Wodgina Project.

The Group sold 464k dmt of spodumene concentrate in FY22, four per cent lower than FY21 due to lower yields at Mt Marion from mining lower-grade transitional material.

Spodumene concentrate revenue of $566 million (FY21: $130 million) was 336 per cent higher, reflecting a significant rebound in lithium prices. The Group's share of Mt Marion revenue for FY22 was $539 million (FY21: $130 million). The achieved spodumene concentrate price at Mt Marion increased 329 per cent to average US$1,733/dmt. In response to strong lithium market conditions, the MARBL JV (in which the Group has a 40 per cent interest) also sold 22k dmt of spodumene concentrate, which was stockpiled prior to Wodgina's closure in 2019, for US$2,200/dmt.

Spodumene concentrate EBITDA was $382 million (FY21: $5 million loss), with higher prices and earnings from the Wodgina stockpile shipment partially offset by costs increasing by 49 per cent on FY21 at Mt Marion, driven by significantly higher royalties, shipping costs, and operating costs.

During FY22, the MARBL JV restarted operations at the Wodgina mine. Mining operations ramped up steadily with resumption of production from Train 1 completed by the end of FY22 and Train 2 subsequently in July 2022. Spodumene concentrate produced from Wodgina will be converted into lithium hydroxide from FY23.

Lithium hydroxide

TOTAL SALES	1H21	2H21	FY21	2H22	FY22	YoY Variance
LITHIUM HYDROXIDE (tonnes)						
Mt Marion (51% share)	-	-	-	6,722	6,722	6,722
Total Lithium Hydroxide	-	-	-	**6,722**	**6,722**	**6,722**

The Group took possession and control of its 51 per cent offtake share of Mt Marion spodumene concentrate from 1 February 2022, which was toll-converted into 6,722 tonnes of lithium hydroxide in China and sold under a tolling agreement with joint venture partner, Jiangxi Ganfeng Lithium Co. Ltd. (Ganfeng). The average achieved price on the sale of lithium hydroxide under the arrangement was US$77,052/t and the Group recognised EBITDA of US$154 million. The tolling agreement has been extended for an additional three months and will end on 30 November 2022, unless further extended by both parties.

The MARBL JV also holds an interest in two trains of the Kemerton Lithium Hydroxide Plant, near Bunbury in the South West region of Western Australia, which once completed will receive spodumene concentrate feed from the third-party Greenbushes lithium mine. Construction of the plant progressed during FY22 with first product from Train 1 delivered in early July 2022 and mechanical completion of Train 2 on track for the first half of FY23.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Information on likely developments in the operations of the Group and the expected results of operations have not been included in this report as the Directors believe it would be likely to result in unreasonable prejudice to the Group.

ENVIRONMENTAL REGULATION

The Group is subject to environmental regulation of its operations, including exploration and mining activities. The Directors are not aware of any significant known breaches of environmental regulations to which the Group is subject.

The Group is registered under the *National Greenhouse and Energy Reporting Act 2007*, under which it is required to report annual energy consumption and greenhouse gas emissions for its Australian facilities. The Group has systems and processes in place for the collection and calculation of data. Further information on the reporting and results under the Act can be found on the Group's website.

INFORMATION ON DIRECTORS

JAMES MCCLEMENTS

Title: Independent Chair (Appointed 2 March 2022)

Lead Independent Non-Executive Director (2017 financial year – 1 March 2022)

Appointment: 29 May 2015

Qualifications: B Econ (Hons)

Experience and expertise: James has 35 years of experience in the mining industry as a banker and fund manager financing projects globally. He was raised and educated in the Pilbara region of Western Australia and began his professional career with BHP Limited before joining Standard Chartered Bank in Perth and N.M. Rothschild & Sons in Sydney then Denver. James also spent 11 years in the USA and co-founded Resource Capital Funds during that time. James is currently the Managing Partner of RCF and has extensive Board experience having served as a Director of 12 RCF portfolio companies.

Other current directorships: None

Former directorships (last three years): None

Special responsibilities: Chair of Board of Directors (Appointed 2 March 2022)

Chair of the Remuneration Committee

Member of the Nomination Committee

Interests in shares: 20,872

Interests in options: None

PETER WADE

Title: Former Non-Executive Chair

Appointment: 27 February 2006 (resigned 2 March 2022)

Qualifications: BE (Hons) LGE

Experience and expertise: Peter has over 46 years' experience in engineering, construction, project management, mining and infrastructure services. He started his career with the NSW Public Service managing the construction of significant infrastructure projects in NSW including the Port Kembla coal loader and the grain terminals at Newcastle and Wollongong and was also the Deputy Director for the Darling Harbour Redevelopment construction project.

Following his period of employment with the NSW Public Service, Peter joined the executive team of the Transfield Group. Throughout the 1980s and 1990s he was General Manager of Sabemo Pty Ltd, Transfield Construction Pty Ltd, and Transfield Power Technologies and subsequently became Transfield Chief Operations Officer (Southern). During this period Peter was responsible for significant build, own, operate projects including the Melbourne City Link, the Airport Link, the Northside Storage Tunnel and the Collinsville and Smithfield Power Plants.

Peter became Managing Director of Crushing Services International Pty Ltd and PIHA Pty Ltd in 1999, and subsequently Process Minerals International Pty Ltd in 2002 (now wholly owned subsidiaries of Mineral Resources Limited). He managed the companies through a sustained period of growth and development prior to the formation and listing of Mineral Resources Limited in 2006 at which time he was appointed Managing Director of the Group. He was subsequently appointed Executive Chair in 2008 and Non-Executive Chair in 2012. Peter retired and resigned as a director of the Company on 2 March 2022.

Other current directorships: None

Former directorships (last three years): SRG Global Limited (ASX: SRG) (resigned 26 November 2019)

Special responsibilities: Former Chair of Board of Directors

Interests in shares: Not applicable as no longer a director

Interests in options: Not applicable as no longer a director

CHRIS ELLISON

Title: Managing Director

Appointment: 27 February 2006

Experience and expertise: Chris is the founding shareholder of each of the three original subsidiary companies of Mineral Resources Limited (Crushing Services International Pty Ltd, PIHA Pty Ltd and Process Minerals International Pty Ltd). He has over 40 years of experience in the mining contracting, engineering and resource processing industries within Australia.

Since 2013, Chris has also served as Honorary Consul for New Zealand within Western Australia.

Other current directorships: None

Former directorships (last three years): None

Special responsibilities: Managing Director

Interests in shares: 22,522,453

Interests in options: None

KELVIN FLYNN

Title: Independent Non-Executive Director

Appointment: 22 March 2010

Qualifications: B Com, CA

Experience and expertise: Kelvin is a qualified Chartered Accountant with over 31 years' experience in investment banking and corporate advisory roles, including private equity and special situations investments in the mining and resources sector. He has held various leadership positions in Australia and Asia, having previously held the position of Executive Director/Vice President with Goldman Sachs and Managing Director of Alvarez & Marsal in Asia. He has worked in complex financial workouts, turnaround advisory and interim management.

Kelvin is the Managing Director of the specialist alternative funds manager Harvis, which focuses on structured credit finance, investments and advice in the real estate and natural resources sectors. Mr Flynn is currently a Non-Executive Director of ASX listed Silver Lake Resources Ltd.

Other current directorships: Silver Lake Resources Limited (ASX: SLR)

Former directorships (last three years): None

Special responsibilities: Chair of Audit and Risk Committee

Member of Remuneration Committee

Member of Nomination Committee

Interests in shares: 20,414

Interests in options: None

SUSAN CORLETT

Title: Independent Non-Executive Director

Appointment: 4 January 2021

Qualifications: BSc (Geo, Hons), FAusIMM, GAICD

Experience and expertise: Susie Corlett is a professional non-executive director following a 25-year executive career spanning mine operations, investment banking and private equity. Susie is currently non-executive director of Mineral Resources Ltd, Iluka Resources Ltd, Aurelia Metals Limited, a director of The Foundation for National Parks and Wildlife and a Trustee of the Australian Institute of Mining and Metallurgy (AusIMM) Education Endowment Fund.

Originally a geologist, Susie has a background in mining operations and mineral exploration. During her executive career, she was an Investment Director for global mining private equity fund and worked in mining risk management and project finance for Standard Bank Limited, Deutsche Bank and Macquarie Bank.

Susie has a track record of delivering significant value to stakeholders through the deployment of growth strategies, oversight of capital allocation, project execution andoperational excellence. Her career success has been underpinned by sound commercial judgement, strong risk management skills and a long-standing commitment to diversity, inclusion, shared values and sustainability. Susie is a member of Chief Executive Women.

Other current directorships: Iluka Resources Limited (ASX: ILU); Aurelia Metals Limited (ASX: AMI)

Former directorships (last three years): None

Special responsibilities: Chair of the Sustainability Committee

Member of Audit and Risk Committee

Member of the Nominations Committee

Member of Remuneration Committee

Interests in shares: 3,080

Interests in options: None

XI XI

Title: Independent Non-Executive Director

Appointment: 11 September 2017

Qualifications: MA in International Relations (China Studies & International Finance) from Johns Hopkins University, and holds a double BS in Chemical Engineering & Petroleum Refining, as well as Economics, from the Colorado School of Mines

Experience and expertise: Xi Xi has over 20 years' experience in the global natural resources sector having served as a director of Sailing Capital, a US$2 billion private equity fund founded by the Shanghai International Group. She has worked with numerous Chinese state owned and privately owned enterprises, advising on international acquisitions and investments. Xi Xi has previously served as an analyst and portfolio manager for the Tigris Financial Group (Electrum) in New York, focused on the oil and gas and mining sectors. She has led and managed several mineral exploration teams in West Africa and Latin America, including the successful discovery of a new silver-lead-zinc district in Mexico.

Other current directorships: Zeta Resources Ltd

Former directorships (last three years): None

Special responsibilities: Chair of Nomination Committee

Member of the Audit and Risk Committee

Member of the Sustainability Committee

Interests in shares: 18,839

Interests in options: None

ZIMI MEKA

Title: Independent Non-Executive Director

Appointment: 17 May 2022

Qualifications: B Eng (Hons) Mech, FEAust FAusIMM MAICD

Experience and expertise: Zimi is the Chief Executive Officer and a founding director of consulting and engineering firm, Ausenco Pty Ltd. He has over 40 years' experience in the design, construction and operation of minerals processing plants and infrastructure, both in Australia and internationally. He has grown Ausenco from its inception in Australia into a well-respected global business with over 3,000 people across 26 offices in 14 countries servicing the minerals and metals, oil and gas, and industrial sectors. He is the Queensland University of Technology's 2008 Alumnus of the Year, was awarded the Australian Institute of Mining and Metallurgy's 2009 Institute Medal and is one of Australia's top 100 most influential engineers as awarded by Engineers Australia. In 2013 Engineers Australia also named him Queensland Professional Engineer of the Year.

He is a Fellow of Engineers Australia, a Fellow of the Australian Institute of Mining and Metallurgy, and a Member of the Australian Institute of Company Directors. In 2019, Zimi was inducted into the Engineers Australia Hall of Fame.

Other current directorships: C3 Metals TSXV:CCCM (formerly Carube Copper Corp. TSXV:CUC)

Former directorships (last three years): None

Special responsibilities: Member of Nomination Committee
Interests in shares: 215

Interests in options: None

Note: 'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of allother types of entities, unless otherwise stated. 'Former directorships (in the last three years)' quoted above are directorships held in the last three years for listed entities andexcludes directorships of all other types of entities, unless otherwise stated. 'Interest in shares' quoted above are as at the date of this report.

COMPANY SECRETARIES

MARK WILSON

Mark joined Mineral Resources Limited as Chief Financial Officer in August 2018 and was subsequently appointed as Company Secretary on 19 October 2018. Mark is an experienced senior executive with a strong track record in development and implementation of business strategy, balance sheet management, organisational design, project management, and transaction execution. Mark has held senior positions in a number of Australian and international companies, including Laing O'Rourke, Multiplex and Brookfield Multiplex. Mark holds a Bachelor of Commerce (Finance) and Bachelor of Laws from the University of New South Wales and has a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia (FINSIA).

DEREK OELOFSE

Derek has over 35 years' financial and commercial management experience in large private, governmental and listed entities based within Australia, South Africa and the United Kingdom. Derek has a Bachelor of Accounting and Bachelor of Commerce degree from the University of the Witwatersrand in South Africa, a Master of Business Administration from Henley Management College in the United Kingdom and is a Fellow of the Institute of Chartered Accountants Australia and New Zealand. Derek joined Mineral Resources Limited in 2012 as Group Financial Controller and was appointed joint Company Secretary on 4 October 2018.

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors (the Board) and of each Board committee held during the year ended 30 June 2022, and the number of meetings attended by each director while they were a member of the Board/committee were:

	Full Board		Audit & Risk Committee		Remuneration Committee		Nomination Committee[4]		Sustainability Committee	
	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held
James McClements[1]	12	12	n/a	4	5	5	2	2	2	2
Peter Wade[2]	9	9	n/a	3	n/a	3	1	1	n/a	n/a
Chris Ellison	12	12	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Kelvin Flynn	11	12	4	4	5	5	2	2	n/a	n/a
Susan Corlett	12	12	4	4	5	5	2	2	2	2
Xi Xi	12	12	4	4	n/a	n/a	2	2	2	2
Zimi Meka[3]	1	1	n/a	1	n/a	1	n/a	n/a	n/a	n/a

[1] James McClements was appointed Non-Executive Chairman on 2 March 2022.

[2] Peter Wade retired as Non-Executive Chairman and from the Company's Board on 2 March 2022. Number Held relates to meetings held from 1 July 2021 and prior to his retirement on 2 March 2022.

[3] Zimi Meka was appointed as Non-Executive Director on 17 May 2022. Number Held relates to meetings held from 17 May 2022 to 30 June 2022.

[4] All Non-Executive Directors are members of the Nominations Committee.

REMUNERATION REPORT (AUDITED)

LETTER FROM THE REMUNERATION COMMITTEE CHAIR

Dear Shareholder,

I am pleased to present the 2022 Financial Year (FY22) Remuneration Report (Remuneration Report) for Mineral Resources Limited (MinRes, the Group or the Company) on behalf of the Remuneration Committee (the Committee).

Following my appointment as Non-Executive Chair to the MinRes Board, I will continue to Chair the Remuneration Committee for an interim period while we recruit new Non-Executive Directors to the Board.

SUSTAINABILITY

During FY22 we established the Sustainability Committee, which is Chaired by Susie Corlett, with Xi Xi and me as members.

The Committee holds bi-monthly meetings to monitor performance on MinRes' 22 sustainability targets across the six areas of Ethics and Integrity, Climate Change, Social, Health and Wellbeing, Environment, and Diverse and Inclusive workplaces.

These are issues in our industry, and we accept responsibility as an influential industry participant to achieve better outcomes. Pleasingly, over 85 per cent of our sustainability targets were exceeded, achieved, or demonstrated positive progress over the year.

The Parliamentary enquiry into sexual harassment against women in the FIFO mining industry makes it clear that as an industry we need to make sustained changes to our culture, sites and reporting processes to ensure women feel safe and work in an environment that is free from sexual harassment.

MinRes has already started making progress in these areas. We made decisions three years ago to create a different, safe and community-minded environment for our FIFO workers. One where women and couples can thrive.

As with prior years, the Short Term Incentive awards pay a significant portion in equity to align executive and shareholder interests, and enables the enactment of clawback and malus provisions if Mineral Resources' values of Integrity and Respect for all stakeholders are not upheld.

I encourage you to read our Sustainability Report which details our sustainability management approach and our performance for FY22.

OUR YEAR IN REVIEW

FY22 has been another outstanding year for MinRes, despite the challenges of COVID-19 and the uncertain external environment characterised by substantially reduced prices for our iron ore exports along with higher costs of key inputs such as fuel and labour.

MinRes has made significant progress in the development of quality, long life assets in our Lithium, Iron Ore, and Energy portfolio. These assets, coupled with the Group's continued strength in Mining Services, will underpin a strong future for many years to come.

The Company generated underlying earnings before interest, tax, depreciation, amortisation and impairment (Underlying EBITDA) of $1.0 billion, down 46 per cent on the prior corresponding period (pcp). Earnings were negatively impacted in the first half by a steep decline in iron ore prices and widening discounts before stabilising in the second half. Record lithium prices, conversion of Mt Marion spodumene concentrate into lithium hydroxide and record growth in the Mining Services division, lead to a strong second half performance.

MinRes was admitted to the ASX 50 Index on 3 June 2022, another important milestone for the Company. Since listing in 2006, we have been one of the ASX's strongest performers, delivering an annual average total return to shareholders of 30 per cent.

It is particularly pleasing to see MinRes' long term strategic investment in lithium begin to reach its potential in FY22.

In February 2022 the Group transitioned into being a producer and seller of lithium hydroxide for the first time. Lithium hydroxide is a key input in the manufacture of batteries used in electric vehicles. Prior to this MinRes had sold lithium spodumene concentrate from its Mt Marion facility, jointly owned with our partner Ganfeng. The move to have Gangfeng toll treat MinRes' 51 per cent share of mine output and sell the lithium hydroxide sees MinRes move into a vertically integrated model that derives more value across the lithium value chain, and delivers a significant cost advantage.

In November 2021 we recommenced operations at Wodgina with our joint venture partner Albemarle. First product was achieved in May, which is a remarkable achievement given the challenging labour market conditions. Wodgina is a world-class asset and is expected to contribute significant earnings for many years to come.

FY23 will see the expansion of the Lithium business' contribution as we expand our Mt Marion mine, restart Train 3 at our Wodgina mine and commence hydroxide production at our Kemerton Plant.

Our Iron Ore division also reached a significant milestone in FY22, with conditional Final Investment Decision taken by a number of the partners in the Onslow Iron project. The final remaining approval was received in August 2022. Project development has commenced with early construction works underway.

The HanMin Joint Venture (a 50/50 JV between MinRes and Hancock Prospecting), were also awarded the rights to develop a new cape size carrier berth in Port Hedland for the South West Creek project in the Pilbara. MinRes is working with Hancock and Roy Hill to evaluate the development of supporting infrastructure, which will unlock stranded assets at Marillana.

MinRes is committed to achieving Net Zero carbon emissions by 2050. Displacing diesel used across our operations with cleaner natural gas and renewable energy is a key strategy on our pathway to Net Zero.

During FY22 our Energy division made one of Australia's largest onshore gas discoveries, at Lockyer Deep in the Perth Basin. MinRes will continue to progress our search for additional gas resources in the Perth Basin and Northern Carnarvon Basin to facilitate this transition at the lowest possible cost through ownership of dedicated gas resources, which will also offer other commercial opportunities.

MinRes successfully completed a US$1.25 billion Senior Unsecured Notes Offering (the Notes) in May 2022 in a very challenging finance market. A portion of the notes mature in 2027, with the balance maturing in 2030 at an average rate of 8.2 per cent, providing funds to support growth projects. The success of this raising demonstrates the strength of support within global capital markets for the MinRes business model.

Pleasingly, our Return on Capital Employed (ROIC) being a key measure for the Executive KMP's Long Term Incentive Program, remained above 12 per cent in FY22, with the four-year rolling ROIC average at 27 per cent in FY22. MinRes' ROIC has now exceeded the 12 per cent target in nine of the thirteen four-year ROIC measurement periods since listing in FY06.

During the year the Committee reviewed the adequacy of the 12 per cent target by reference to the performance of groups separately comprising large listed Australian companies, the ASX 100 and the Remuneration Peer Group. The review highlighted MinRes' strong relative performance and the Committee has determined that the 12 per cent threshold remains appropriate (refer section 4.4 in this Report) for the LTI grant to be made during FY23. The Committee will continue to review the appropriateness of this target regularly, particularly given the rising interest rate environment currently being experienced in capital markets globally.

Late in the financial year MinRes moved into new headquarters in Perth. This world class facility assists in promoting an increased focus on mental and physical health and wellbeing and to provide a platform to attract and retain outstanding talent. This new standard of accommodation will be progressively rolled out across all operating sites with plans for substantial upgrades to camp accommodation for our FIFO workforce.

Furthering the development of our strong and deep leadership team for the organisation is a key priority of the Board to ensure sustainability of the business. Maintaining the culture and commercial DNA of MinRes, while respecting the requirement for structures appropriate for an ASX 50 listed company, is one of the key challenges and areas of focus for the Board.

CHANGES TO EXECUTIVE KMP REMUNERATION

No changes were made to key remuneration structures in FY22, with base salaries for KMP remaining largely unchanged for the third consecutive year.

As set out in Section 5.2 below, the Company expanded its STI determination process to include a new individual assessment matrix, that supplements the broader assessment of Group performance previously used in assessing performance. This new matrix focuses on six key attributes considered to be fundamental in the continued success of the Group, and is applied to the Executive KMP other than the Managing Director.

A review of remuneration conducted during the year identified a significant gap between the remuneration on offer to Executive KMP in FY22 and the Company's targeted position of 50th percentile of our Comparator Businesses for fixed remuneration and 75th percentile for maximum remuneration (including maximum STI and LTI opportunities). In order for our remuneration to remain competitive, changes will be made to the fixed remuneration and maximum STI percentage for Executive KMP for FY23. These changes are detailed in the report that follows.

CHANGES TO NON-EXECUTIVE DIRECTOR REMUNERATION

No changes were made to the Non-Executive Director (NED) fees in FY22 following the increase in FY21 made in order to align more closely with Comparator Businesses. The FY21 changes represented the first change to the fee structure since FY15, and included the introduction of board committee fees to recognise the significant workload inherent in service on these committees, and an increase in base fees for the Chair, Board and Board Committee members. These changes have been made to ensure the Company remains able to attract suitably qualified and experienced NEDs.

A review of non-executive director fees was conducted during FY22 with independent benchmarking analysis finding that the Chair and Committee Fees currently offered were well below the Company's targeted position of 50th percentile of our Comparator Businesses. In order for non-executive director remuneration to remain competitive, changes will be made to the fee paid to the Chairman for FY23 as detailed in the report that follows.

FY22 OUTCOMES AND ALIGNMENT

FY22 has been another strong year for the Company, with a positive financial performance and meeting of guidance across all key metrics. In addition there was material progress and success with several strategic initiatives commencing this financial year, most of which are the result of a number of years of planning and development, and all of which will enable the Company to continue its growth over the next decade.

Despite the success delivered across many fronts, the Group did not declare an interim dividend due to market uncertainty and a substantial reduction in iron ore prices over the first half of the year. A Final Dividend of $1.00 per share has been declared.

The Short Term Incentive (STI) outcomes for Executive KMP range between 78.8 per cent and 94.5 per cent of maximum STI, less than in prior years, reflecting the performance of the company. Consistent with the design of the Short Term Incentive program, any STI reward in excess of 50% of the participant's maximum STI (i.e. anything above 50 per cent of Fixed Annual Remuneration for the Managing Directors and 40 per cent for the remaining Executive-KMP) is deferred for up to two years and settled in equity, to further align management and shareholder interests. Further detail of these outcomes can be found in Section 5.3 of the Remuneration Report.

To ensure the company is developing deep leadership talent, MinRes has enhanced internal processes, particularly in relation to assessment of leadership performance. The STI outcomes reflect the performance of the Company across a range of key objectives, including how well individual Executive KMP demonstrated the leadership attributes expected to support growth objectives and corporate culture

Under the Long Term Incentive program issued to Executive KMP in FY22, 67 per cent of the LTI granted to each Executive KMP will vest only if the Company's four-year average ROIC exceeds 12 per cent, and for 100 per cent to vest the four year average ROIC must exceed 18 per cent, with FY22 being the first of those four years. The LTI program provides significant rewards to Executive KMP only if strong financial performance is achieved through this period (i.e., likely to cover highs and lows of commodity cycles).

In conclusion, we are satisfied that the FY22 remuneration outcomes reflect and support the Company's strategic and financial performance and requirement to develop future leadership to sustain the business in the long term.

Our EGM of Corporate Development, James Bruce, Non-Executive Director and Chair of the Sustainability Committee, Susie Corlett, and I met with Institutional Investors and Proxy Advisors over the last few months. It was pleasing to note the high level of continued support at these sessions for the Group's remuneration arrangements. This feedback is sincerely appreciated, and we continue to value any further feedback you may have in this regard.

I invite you to review the full report laid out over the following pages and thank you for your interest in our Company.

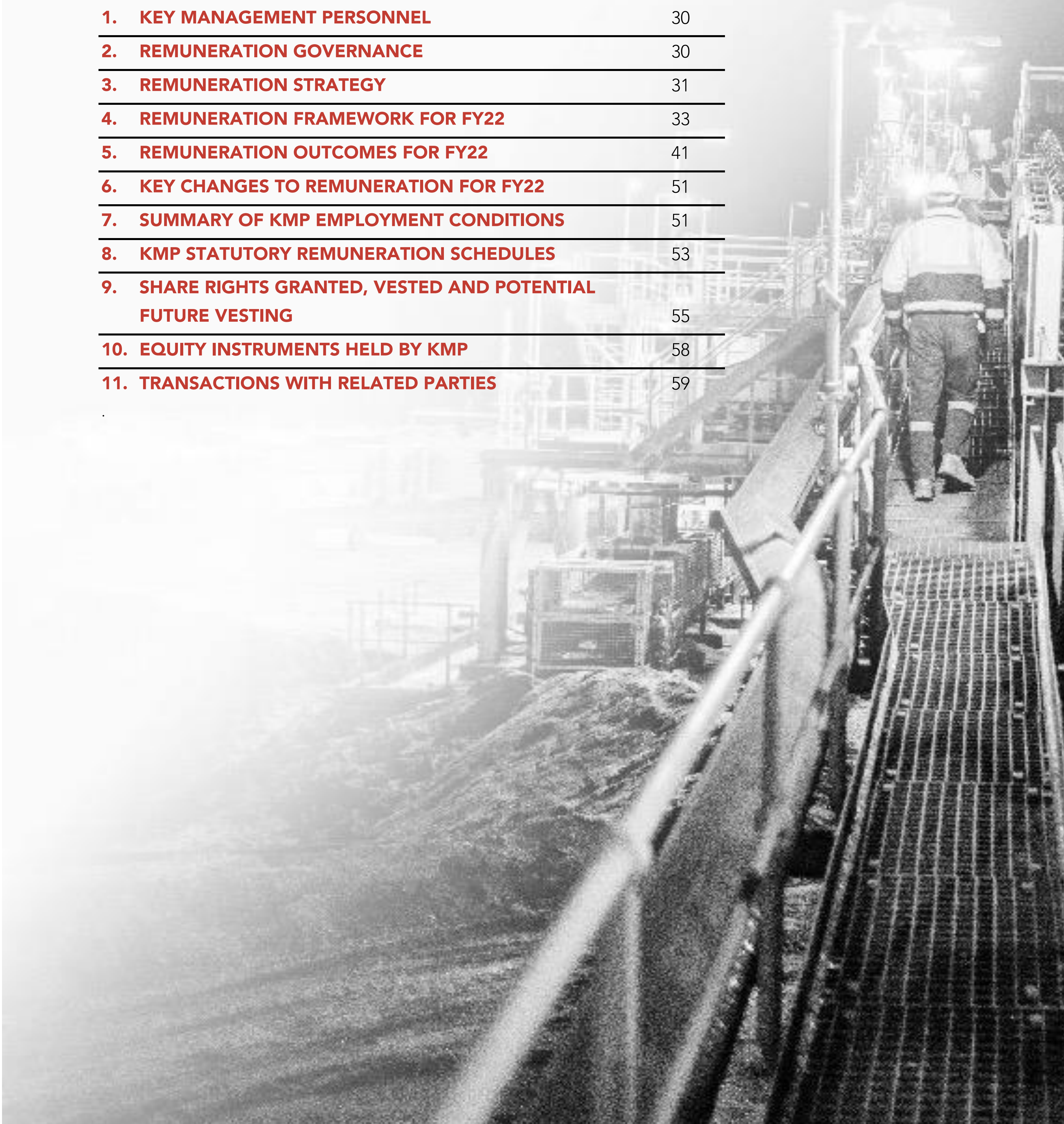
Yours faithfully,

James McClements
Independent Chair and Chair of the Renumeration Committee

REMUNERATION REPORT CONTENTS

This Remuneration Report forms part of the Directors' Report for the year ended 30 June 2022 and has been audited inaccordance with section 300A of the Corporations Act 2001

THE REPORT ADDRESSES THE FOLLOWING KEY AREAS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1. KEY MANAGEMENT PERSONNEL

Key Management Personnel (KMP) comprise those persons that have responsibility, authority and accountability for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of that entity. In this report, a reference to an "Executive" or "Executives" is a reference to a KMP, including the Managing Director.

The following table outlines the Company's KMP during the whole of FY22 and up to the date of this report, unless otherwise stated:

EXECUTIVE KMP

Current	
Chris Ellison	Managing Director (MD)
Paul Brown	Chief Executive – Lithium
Mike Grey	Chief Executive – Mining Services
Mark Wilson	Chief Financial Officer and Company Secretary

NON-EXECUTIVE KMP

Current	
James McClements	Non-Executive Chair
Susan Corlett	Non-Executive Director
Kelvin Flynn	Non-Executive Director
Zimi Meka	Non-Executive Director (appointed on 17 May 2022)
Xi Xi	Non-Executive Director
Former	
Peter Wade	Non-Executive Chair (resigned 2 March 2022)

2. REMUNERATION GOVERNANCE

2.1 REMUNERATION COMMITTEE INDEPENDENCE

The Remuneration Committee continued to be comprised solely of independent Non-Executive Directors (NED):

- James McClements, Committee Chair
- Kelvin Flynn, Committee Member
- Susan Corlett, Committee Member

2.2 ROLE OF THE REMUNERATION COMMITTEE

The Remuneration Committee advises the Board on KMP remuneration by performing the following functions:

- Making recommendations to the Board on remuneration structure, practices, policy and quantum for the Managing Director (MD), Executive KMP, and NEDs
- Determining the eligibility, award and vesting of Short Term Incentives (STI) and Long Term Incentives (LTI);
- Work closely with the Audit and Risk Committee to ensure financial measures and Risk and Compliance outcomes properly inform the relevant STI and LTI outcomes; and
- Work closely with the Sustainability Committee, providing oversight of company diversity and gender pay equity and recommendations to the Board on appropriate targets.

The Remuneration Committee convened regularly throughout FY22 and invited senior management and external consultant input as required.

2.3 EXTERNAL AND INDEPENDENT ADVICE

As with previous years, the Remuneration Committee engaged the services of independent external consultants to provide insights on KMP remuneration trends, regulatory and governance updates and market data.

No remuneration recommendations as defined in Section 9B of the Corporations Act 2001 were obtained during FY22.

3. REMUNERATION STRATEGY

3.1 THE CONTEXT IN WHICH WE SET OUR REMUNERATION STRATEGY

The remuneration framework is designed to support the Company's vision to be recognised as a great Australian company that:

- is a leading provider of innovative and sustainable mining services
- provides innovative and low-cost solutions across the mining infrastructure supply chain
- operates with integrity and respect, and
- works in partnership with our clients, our customers, our people and our community to achieve these objectives.

To create wealth for shareholders, we task our management team with employing the capital entrusted to them to sustain attractive rates of return, that is, exceeding the long-term returns that could be achieved elsewhere at comparable levels of risk. This is recognized through the long term incentive program, both by rewarding management when undertaking long-term strategic growth initiatives that maintain high operating returns throughout commodity cycles, and in seeking opportunities to deploy capital innovatively for sustainable high future returns for shareholders.

The Board has approved a strategy to deliver on this objective comprising:

- a core business as a mining services contractor
- an owner and operator of mining-related infrastructure
- an acquirer of significant profit share stakes in mineral projects with rights to operate the associated mines, for longer-term sustainability, higher capital efficiency and lower risk including from diversification
- recycling of capital, and
- a flexible balance sheet to fund organic growth for mining services and mining infrastructure businesses, while retaining a level of agility for opportunistic growth opportunities as they arise.

The ability to execute this strategy innovatively, sustainably and in a way that creates attractive returns for shareholders is highly dependent on the quality of the Company's culture, management and workforce.

The difficulty of attracting and retaining executives of the necessary calibre to realise the above vision and strategy varies depending on the current phase of Australia's resources industry. Presently, industry demand for executive talent has never been stronger. This requires the Company to offer competitive remuneration, both in terms of fixed and variable opportunity, and to have adequate and effective retention mechanisms in place (such as the STI deferral arrangements introduced in FY20). As part of our wider employee engagement strategies, these actions ensure the Company retains experienced and competent employees who are capable of innovating to promote growth, ultimately leading to attractive long-term rates of return.

The Company's long-term sustainable growth is promoted within the framework by the delivery of a significant portion of remuneration in equity, and the Company's requirement that KMP hold the equivalent of at least one year's FAR in Company shares, assisting in aligning the senior leadership team's interest with shareholders' interests.

3.2 REMUNERATION PRINCIPLES

The following principles guide the Company's KMP remuneration decisions:

- fairness and impartiality
- transparency
- promotion of a direct link between reward and performance
- encouraging retention of key personnel over the longer term
- alignment of employee, customer and shareholder interests
- incentivising behaviour that optimises return on shareholder capital
- flexibility to optimise returns via changes in investment strategy and
- prioritisation of the Company culture and behaviours that continue to promote physical and psychological safety, social and environmentalresponsibility, innovation and risk management.

3.3 MARKET POSITION FOR REMUNERATION

The Company again conducted a review of its market position for KMP remuneration that included examination of common practice within comparable businesses, external advice and input from investors and their advisors. Fixed remuneration for Executive KMP is targeted at the 50th percentile of comparable roles in Comparator Businesses (see below) while total maximum remuneration, inclusive of fixed and at-risk remuneration, is targeted at the 75th percentile of maximum remuneration at Comparator Businesses.

Comparator Businesses

The Board determines a group of Comparator businesses on an annual basis that are used for the purposes of benchmarking remuneration offered to KMP, in terms of amounts and structure. In determining the Comparator Businesses, the Committee considers a broad group of ASX-listed companies of a comparable size in terms of enterprise value and revenue, with a particular focus on those in the commercial services and mining sectors, head-quartered in Australia.

The Company's business model is not typical of peers in the resource sector due to its dual-pronged business operations – first in providing mining services to resources companies and secondly in the ownership and management of resource tenements. This differentiation is accentuated by the recent addition of Energy as one of the Company's focus areas, with all pillars underpinned by innovation.

The list of Comparator Businesses was again reviewed in FY22 to ensure it remains relevant, given the growth in operating activity, revenue and enterprise value. As a result of this review Newcrest Mining and Origin Energy ware added to the Comparator Group, and four companies were removed from the FY21 Comparator Businesses list: Beach Energy, New Hope Corporation, NRW Holdings and Perenti. The current Comparator Businesses therefore comprise:

ALS Limited
Aurizon Holdings Limited
CIMIC Group Limited
Cleanaway Waste Mgt Limited
Downer EDI Limited
Evolution Mining Limited
IGO Limited
Northern Star Resources Limited
Newcrest Mining
Orica Limited
Origin Energy
Oz Minerals
Qube Holdings Ltd
Seven Group Holdings Limited
Sims Limited
South32 Limited
Washington H. Soul Pattinson
Worley Limited

4. REMUNERATION FRAMEWORK FOR FY22

4.1 REMUNERATION FRAMEWORK

The table below outlines the remuneration framework that applied in FY22.

Fixed remuneration		At-risk remuneration		
Element	Salary, superannuation & other fixed benefits	Short-Term Incentive (STI)		Long-Term Incentive (LTI)
Delivery format	Cash		Share rights	
		Up to 50 per cent max STI paid in cash after the financial year	Portion of award over 50 per cent max STI deferred and awarded as share rights – the first half of which vest at 12 months, and the second half at 24 months after grant date, subject to ongoing service, claw-back and malus provisions	Rights will vest, subject to performance hurdles, ongoing service, malus and clawback provisions, four years after the grant date
Performance measures		Targets in the areas of Safety, Governance and Sustainability; Strategic Growth; Operational Performance and Financial Measures; and Organisational Culture. Assessments in the areas of leadership; wellbeing and growth of our people; strength of supporting management team; level of collaboration and teamwork; issues resolution; stakeholder engagement; and innovation and creativity.		Return on Invested Capital (ROIC)
Performance period		One year		Vesting subject to four-year average ROIC performance over the performance period (Starting 1 July in the financial year of grant)
Link to MinRes strategy	Serves to attract high-calibre people and motivate them to deliver on the Company's immediate business objectives over a 12-month period			Recognises that MinRes is a capital intensive business and management and shareholder wealth are created through achieving superior returns on capital deployed

The timeline below illustrates the timing of rewards under the FY22 remuneration arrangements for KMP. Details for each component are set out in section 4.3.

	FY22	FY23	FY24	FY25	FY26
FAR (Salary, superannuation & fixed benefits)	Paid throughout the year				
STI	Performance period (12 months)	STI up to 50 per cent max STI paid Aug 2022. Any portion of award over 50 per cent max STI is deferred to Aug. 2023 and Aug. 2024	Half of deferred portion vests Aug. 2023, subject to ongoing service and claw-back provisions. Number of shares awarded based on value of award divided by the five-day VWAP up to and including 30 June 2022	Half of deferred portion vests Aug 2024, subject to ongoing service and claw-back provisions. Number of shares awarded based on value of award divided by the five-day VWAP up to and including 30 June 2022	
LTI	Total Performance Period (4 years)				Aug 2025: Portion of LTI rights vest, subject to four year average ROIC, continuous service, malus and clawback provisions
	LTI rights granted November 2021. Number of rights granted based on the participant's LTI opportunity divided by the five-day VWAP up to and including 30 June 2021				

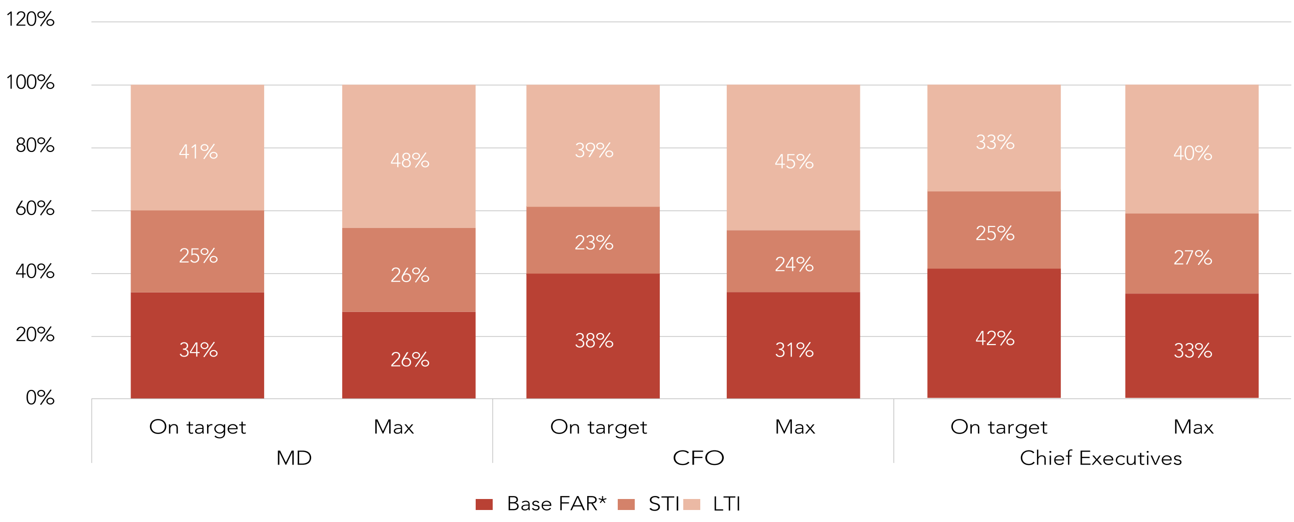
4.2 REMUNERATION MIX

The mix of KMP fixed, short and long-term remuneration reflects the Company's remuneration strategy of:

- having substantial amounts of pay subject to service and performance so that remuneration can be maximised only by sustained high levels of performance over rolling four year periods; and
- paying a significant portion in equity, to reduce cash remuneration costs, align executive and shareholder interests, and enable the enactment of clawback and malus provisions if MinRes' values of Integrity and Respect are not upheld.

The table below summarises the maximum and 'on-target' remuneration mix applicable in FY22 for Executive KMP, with on target STI being 75% of maximum STI and on-target LTI being two thirds of the LTI opportunity.

REMUNERATION MIX



*Base FAR representing FAR excluding superannuation and other fixed elements of remuneration.

4.3 KEY COMPONENTS OF REMUNERATION

The tables below summarise the key components of KMP remuneration for FY22.

FIXED ANNUAL REWARD

Composition	FAR comprises a base salary, superannuation and other fixed elements of remuneration such as vehicle allowances. Base FAR is comprised just of base salary, excluding superannuation and other fixed elements of remuneration such as vehicle allowances.
Determination	Fixed remuneration is determined with reference to the 50th percentile of similar roles in Comparator Businesses, taking account of the experience and skills of the manager involved.
Review	Base FAR is determined on appointment and reviewed annually.

SHORT-TERM INCENTIVE

The key elements of the FY22 STI plan are as follows:

Purpose	Focus participants on delivery of business objectives over a 12-month period and exhibiting the leadership attributes expected of KMP.
Participation	All Executive KMP
Opportunity	The current maximum STI opportunity is 100 per cent of base FAR for the MD and 80 per cent for other Executive KMP.
Performance Period	Performance is measured per financial year (1 July to 30 June).
Exercise of discretion	The Board has discretion, after considering recommendations from the Remuneration Committee, to adjust overall STI awards or an individual's final STI award. This discretion will be exercised in the case of extraordinary events, exceptional circumstances/business performance and/or the individual's performance.
Payment	Awards made under the STI plan that exceed 50 per cent of the maximum STI opportunity as defined above, are deferred and settled in the form of rights to Company shares (Rights) that vest in two equal instalments: one year and two years following grant of the Rights. Vesting is subject to continued service and the application of the Clawback and Malus provisions mentioned below. The quantity of Rights provided for each deferred portion is based on the deferred value for each financial year divided by the Volume Weighted Average Price for the five trading days up to and including the last day of the financial year immediately preceding the award year.
Rights on termination	To be eligible for payment, a participant in the STI must be employed by the Company on the date of payment and on the date at which Rights vest, subject to the application of the clawback and malus provisions mentioned below. Executive KMP whose employment is terminated before the date of payment/grant of Rights are not eligible for any STI payment/grant of Rights. Rights that have not yet vested will be cancelled where an Executive KMP's employment is terminated prior to the vesting date.
Clawback and Malus provisions	The Board may, at its discretion, reduce or rescind any awards made under the STI for a period of up to two years following cash payment/grant of Rights in the event that it determines that the cash payment/grant of Rights has been made inappropriately, including in the instance of fraud, dishonesty, breach of duties, misstatement or manipulation of financial information.
Performance Category, Weighting and Measure (refer section 5.3 for FY22 outcomes and section 6 for changes for FY23)	
Group Performance	
Safety, Governance and Sustainability weighting - 20 %	Safety Performance; Total Reportable Injury Frequency Rate (TRIFR), lead indicators
	Market and investor relationships including external perception study
	Sustainability performance (emissions intensity, strategy development and implementation)
Strategic Growth - weighting 30%	Development of long life projects including development of Onslow Iron project and securing access to berth rights in Port Hedland

	Recommencement of operations at Wodgina
	Deliver growth in Mining Services activities (tonnes of material moved)
	Progress gas exploration to aid energy transition and secure low cost energy
Operational performance and Financial Measures – Weighting 30%	EBITDA performance against Target
	Balance sheet management
	Cashflow performance
	Cost discipline against Target Delivery of physical outcomes in line with Guidance
	Tonnes of production
Organisational Culture - weighting 20%	Retention of senior staff
	Cultural development and brand repositioning Leadership behaviours and people development
	Individual Performance Assessment
Key Attributes expected of Executive KMP	Strength of leadership on the wellbeing and growth of our people
	Performance in growing and developing a strong management team
	Openness and directness of communication and focus on collaboration and teamwork
	Drive, energy and initiative in taking ownership of and resolving problems
	Engagement with stakeholders, and development of personal and business reputation
	Innovation and creativity

LONG-TERM INCENTIVE

The key elements of the FY22 LTI plan are as follows:

Purpose	To focus Executive KMP on: • achieving a high and sustained ROIC over the longer term, being a total of four years, including the current financial year (Grant Year); • encouraging agility and entrepreneurialism to seize opportunities for higher returns, contingent on rapid capital deployment within relatively short timeframes; and • alignment with shareholders' interests through share rights that do not vest until completion of a four-year period.

Payment vehicle	LTI grants provide rights to Company shares (Rights) with Rights granted within the first half of the Grant Year (Grant Date). Subject to the Performance Measure mentioned below, Rights vest in the fourth financial year after the Grant Year. Participants have up until the fifteenth anniversary of the Grant Date (Expiry Date) to exercise Rights (convert Rights to Company Shares) with no exercise price being payable. Any vested Rights not previously exercised are automatically exercised at the Expiry Date.
Opportunity	The LTI grant opportunity for the Managing Director is equal to 180 per cent of base FAR and 150 per cent of base FAR for other Executive KMP.
LTI grant value	An amount equal to the LTI opportunity is granted to each LTI participant annually; being the Grant Year (e.g. FY22). Rights vest in the fourth financial year after the Grant Year (e.g. following the end of FY25 for the FY22 award) subject to the Performance Measure mentioned below.
	The number of Rights to be issued is determined using the following formula: LTI Rights issued = (base salary x LTI Opportunity)/VWAP where 'VWAP' is the five-day Volume Weighted Average Price to the Grant Date (in the case of the FY22 LTIP, up to and including 30 June 2021).
Performance Period	Performance is measured over four consecutive years, being the Grant Year and the following three financial years. For grants made in FY22, the Performance Period is FY22 to FY25 inclusive, with Rights vesting in FY26.
Performance Measure	The number of Rights that vest is subject to the four-year average ROIC achieved by the Company over the Performance Period. Further discussion of the calculation of ROIC is included in Section 4.4
Vesting hurdle	The amount of Rights that vest at the end of the Performance Period is determined by reference to the following hurdles: Four year average ROIC achievement — % of maximum LTI opportunity Less than 12% — Nil Between 12% and 18% — Pro-rata between 67% & 100% 18%+ — 100% The selection of 12 per cent ROIC, being an after tax measure, as the threshold for any rights to vest, reflects a level of performance materially above the Companies nominal post-tax Weighted Average Cost of Capital and ensures that value-destroying performance is not rewarded – i.e. that KMP are focused on achieving returns for shareholders in excess of the Company's cost of capital. The high vesting at threshold performance recognises that the Company has set a high bar relative to its cost of capital and to the rates of ROIC achieved by Comparator Companies'. It also recognizes that inputs to the Cost of Capital can be volatile, so the threshold is set to remain above a cyclical increase in Weighted Average Cost of Capital.
Vesting period	All Rights vest four financial years after the Grant Year subject to the Performance Measure, Clawback and Malus provisions, and continued service.
Holding lock	No holding lock applies to Rights that vest under the FY22 LTI plan, as Rights vest only at the end of the Performance Period, provided the Performance Measure has been achieved.

Dividends	No dividends are paid to, or received by, Executive KMP on any Rights. To ensure alignment between shareholder and Executive KMP interests, each Right entitles Executive KMP to one MinRes share, plus an additional number of MinRes shares equal in value to the dividends paid on a MinRes share over the period from the Grant Date of the Rights to the date of exercise (Exercise Date) (Dividend Rights). Without this entitlement, Executive KMP might otherwise be motivated to seek growth over dividend payments. If any Rights are forfeited, their associated Dividend Rights are likewise forfeited.
Clawback and Malus provisions	The Board has the discretion to lapse Rights that are on foot, or claw back previously vested LTI awards, in the event that the Board concludes that Rights should not vest or should not have vested due to: fraud, dishonesty or fundamental breach of duties (including misstatement or manipulation of financial information) of any person; or the intentional or inadvertent conduct of any person that the Board determines resulted in an unfair benefit being obtained by a participant.
Hedging	Hedging, or the use of derivatives such as collars, caps or similar products in relation to Company securities, including vested shares or unvested Rights, allocated under Company incentive schemes, are strictly prohibited, as is KMP providing share entitlements/Rights as security for loans that may result in margin calls.
Cessation of employment	Cessation of employment prior to the Vesting date will result in automatic forfeiture of all unvested Rights unless the Board exercises its discretion (e.g. for health reasons or Change of Control as set out below).
Change of Control / Resignation / Retirement in the event of ill health	In the event of a change of control, resignation or retirement due to ill health, the Board may exercise its discretion to determine whether to vest granted but unvested Rights.
Board discretion	The Board retains the discretion to amend, vary, terminate or suspend the LTI plan at any time. Any such variation, amendment, termination or suspension is not to adversely affect or prejudice rights of LTI participants holding Company shares or Rights at that time

4.4 LTI PERFORMANCE MEASURES

CALCULATING RETURN ON INVESTED CAPITAL (ROIC)

ROIC is measured at a Group consolidated level, on the following basis:

ROIC = Net Operating Profit After Tax/Invested Capital

Where: **Net Operating Profit After Tax** (NOPAT) is calculated as the Company's statutory Earnings Before Interest and Tax (EBIT) for the year, after applying the prevailing corporate tax rate. The earnings amount is adjusted to remove the impact of changes to accounting policies and fair value adjustments for listed investments, whether favourable or unfavourable.

Profits, arising on the monetisation of investments such as on the formation of joint ventures or the divestment of portion of the Group's operations, are a standard part of the Group's strategy and are therefore included in NOPAT.

Invested Capital is the sum of closing balances for the relevant financial period's Net Assets less Strategic cash, and Net Interest Bearing Debt at balance date less, adjusted for accumulative accounting policy adjustments and accumulated fair value adjustments for listed investments.

TREATMENT OF CASH BALANCES FOR THE PURPOSES OF CALCULATING ROIC

Cash balances are included in the calculation of Invested Capital and ROIC. From FY17 though to FY21 Strategic Cash, being cash holdings over and above normal operational requirements retained for future opportunities, of $100M was deducted from ROIC. Due to the increased size of the Group's balance sheet and the relative scale of the $100M Strategic Cash holding, with effect from FY22 onwards the Board has determined that the Company will no longer deduct Strategic Cash when calculating ROIC for the purposes of measuring KMP's LTIP performance.

WHY ROIC HAS BEEN CHOSEN AS THE SOLE MEASURE TO DETERMINE LTI AWARDS

The Remuneration Committee continues to be of the view that:

1. ROIC remains the most appropriate measure for evaluating entitlement to an LTI award, as:
    - it is the key value driver considered by the Company when decisions are made on how to invest capital;
    - it provides a clear and unambiguous link between Company performance and the creation of shareholder value; and
    - financial return earned on capital deployed is closely correlated to the creation of wealth for shareholders over time.

2. MinRes continues to be a highly capital intensive business. As such, it is vital that Executive KMP ensure that maximum returns are generated on invested capital, which again supports utilisation of ROIC as the most appropriate measure for assessing Executive KMPs' entitlement to LTI

3. Any additional measure would dilute Executive KMP's focus on what is viewed by the Board as the Company's keyobjective – i.e., the effective deployment of capital to ensure creation of long-term wealth

4. Executive KMP already have a strong alignment with Total Shareholder Return (TSR) given their exposure to the Company's share price performance and dividends through the incentive structures and associated Rights

5. ROIC is a measure that is directly controlled by Executive KMP and is not influenced by market sentiment which can result in alternate measures, such as TSR, delivering volatile outcomes

6. Shareholder value is driven by a function of:
    - the excess of ROIC over the Company's WACC,
    - growth in Capital Employed, and
    - the number of years that this Growth is able to be sustained.

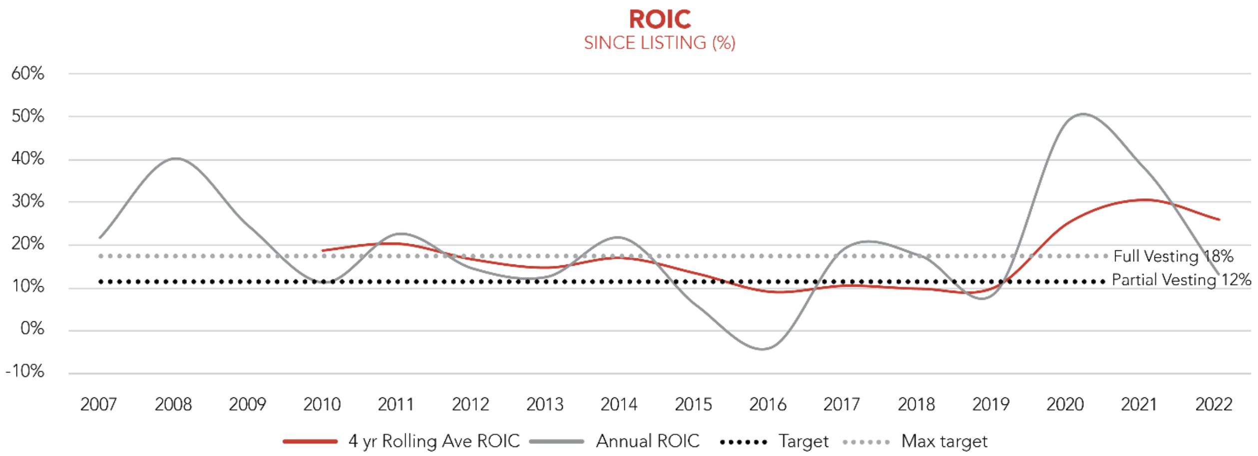
As can be seen from the above, the use of ROIC and the base target of 12 per cent, materially above the Company's post-tax Weighted Average Cost of Capital, are designed to encourage strong longer-term performance of the Company.

The following table sets out the components used to calculate ROIC for each of the last five financial years, and shows that, with the exception of FY19 where the capital base increased significantly due to the development of the Wodgina project, ROIC has exceeded the 12 per cent hurdle in each of these years.

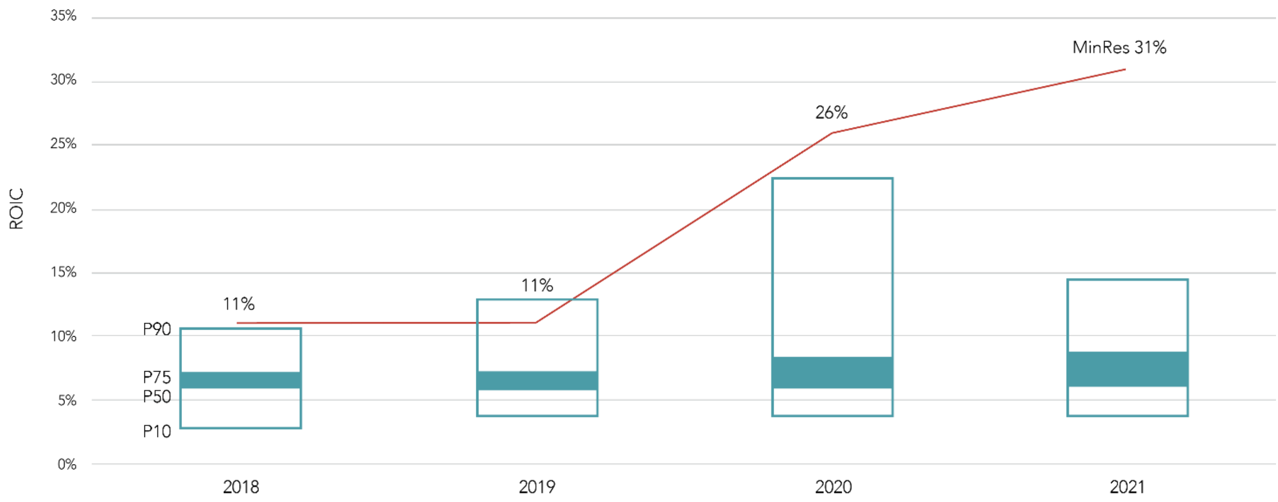
$ millions	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual
NOPAT:					
Profit before tax (per income statement)	390.2	236.0	1,436.2	1,792.7	489.1
Normalised [(a)]	(68.5)	46.8	35.4	(230.4)	196.1
Profit before tax (for ROIC)	321.7	282.8	1,471.6	1,562.3	685.2
Less: Interest income	(3.4)	(2.5)	(14.4)	(10.0)	(10.7)
Add back: Interest expense	10.1	33.9	104.9	95.8	123.4
Net Operating Profit Before Tax	328.4	314.3	1,562.1	1,648.1	797.9
Less tax at 30%	(98.5)	(94.3)	(468.7)	(494.4)	(239.3)
NOPAT	229.9	220.0	1,093.4	1,153.7	558.6
Invested Capital:					
Net assets (per balance sheet)	1,304.6	1,380.2	2,295.6	3,246.1	3,271.1
Normalised (cumulative, net of tax) [(a)]	(48.0)	(14.8)	6.9	(154.3)	(10.2)
Net assets for ROIC	1,256.6	1,365.4	2,302.5	3,091.8	3,260.9
Net debt	98.9	997.1	-	-	697.6
Total Invested Capital	1,355.5	2,362.5	2,302.5	3,091.8	3,958.5
Strategic cash holding	(100.0)	(100.0)	(100.0)	(100.0)	-
Net Invested Capital	1,255.5	2,262.5	2,202.5	2,991.8	3,958.5
ROIC %	18.3%	9.7%	49.6%	38.6%	14.1%
Four year average ROIC %	10.9%	11.2%	25.9%	31.0%	26.5%

[(a)] Normalised for the non-operating items, such as gains/losses on strategic investments where such investments are held at the discretion of the Board. Adjustments are also made to operating profits for the effect of new/revised accounting standards.

The Company's focus on disciplined investment has, since listing, delivered outstanding returns on the capital invested in it, and in turn delivered outstanding returns for its shareholders.



Four year average ROIC for the Company compares favourably against Comparator Companies, with ROIC being well in excess of the 75th percentile, and in most years above the 90th percentile, of Comparator Companies' ROIC.



Comparator Companies data available only up to June 2021.

Source: Juno Partners analysis. Adjustments made to reported results to ensure comparable with MinRes' definition of ROIC as set out above.

5. REMUNERATION OUTCOMES FOR FY22

5.1 SUMMARY OF PERFORMANCE

FY22 has been another very successful year for the Company with considerable operational success achieved, despite ongoing COVID-19 constraints. FY22 saw significant developments for the Group's Lithium, Iron Ore, and Energy pillars, supported by initiatives such as the Group's carbon fibre screens, transhippers and autonomous road trains.

The Company generated underlying earnings before interest, tax, depreciation, amortisation and impairment (Underlying EBITDA) of $1.0 billion, down 46 per cent on the prior corresponding period (pcp) with earnings negatively impacted in the first half by the steep decline in iron ore prices and widening discounts before stabilising in the second half. With record lithium prices, conversion of Mt Marion spodumene concentrate into lithium hydroxide and record growth in the Mining Services division, the Company delivered a strong second half performance.
Underlying earnings after tax was $400 million, down 64 per cent on pcp. Statutory net profit after tax was $351 million, down 72 per cent on pcp and includes $11 million post-tax impairment charges in relation to intangible assets.

A final fully franked dividend of $1.00 has been declared, in line with the Company's historical pay-out ratio of 50 per cent of Profit After Tax.

During FY22, the Group's Invested Capital increased by $966.7 million. Over this period, the Group generated a ROIC of 14.1 per cent. Operating cashflow decreased by 79 per cent. Following the successful placement of a US$1.25 billion Corporate Bond, the balance sheet remained conservatively geared at 18 per cent. In order to conserve cash for the Company's significant planned capital expenditure program in FY22 and FY23, no interim dividend was declared for the half-year, although a fully-franked final dividend of $1.00 per share, $188.3 million, has been declared.

Notable achievements in FY22 include:

- Industry leading safety, with Total Recordable Injury Frequency Rate (TRIFR) at 2.33 as at June 2022
- Establishment of the Sustainability Committee with a focus on Health and Safety including Mental Health, carbon intensity reduction, and Land and Traditional Owner engagement
- A focus on cost management, managing the effects of COVID-19, including on recruitment of personnel and on supply chains
- Expansion of the lithium business with the recommencement of operations at Wodgina, accelerated move into downstream conversion, expansion of output from Mt Marion, and planning and negotiations with Albemarle for the restructure of the MARBL JV
- Final Investment Decision taken with Red Hill Iron Joint Venture (RHIOJV) parties to develop the RHIOJV iron ore assets as part of MinRes' Onslow Iron Project, along with execution of a Binding Project Development Term Sheet, and commenced planning and acquisition of long-lead items for the commencement of the Onslow Iron Project.
- Planning and acquisition of long-lead items for the commencement of the Onslow Iron project, part of the Australian Premium Iron JV, with partners Bauwu, Posco and AMCI
- The allocation of port rights at South West Creek and the formation of the HanMin JV with Hancock Prospecting
- The onshore gas finds in the Perth Basin for development of a gas processing facility to enable commercialisation of this find as soon as practicable, and the increased focus on gas exploration in the Carnarvon basin with JV partner Buru Energy
- The US$1.25 billion corporate bond raise to ensure the provision of capital for the expansion projects summarised above, and
- The move to new Corporate Offices and planning for the upgrade of site facilities.

5.1.1 SAFETY, GOVERNANCE AND SUSTAINABILITY

The Company remains industry leading in its safety performance and continues to drive safety improvements throughout the business.

- Lost Time Injury Frequency Rate (LTIFR) of 0.00 – recording no lost time injuries over FY22 an improvement from 0.12 in prior year
- TRIFR of 2.33, slight increase from 2.31 in prior year, maintaining an outstanding safety performance year-on-year
- Establishment of the Sustainability Committee, with focus areas of Health and Safety including Mental Health, Climate Change management and response, Land and Traditional Owner engagement, Diversity and Inclusion and Human Rights
- Embedded our annual requirement for employees to undertake e-learning module on the Code of Conduct and Business Integrity, as well as the introduction of Safe and Respectful behaviours training programs, which will be augmented by e-learning modules in FY23
- Focused efforts in relation to preventing, managing and responding to risks of sexual assault and sexual harassment, including targeted "stop for safety" campaigns, strengthening prevention and controls and enhanced reporting processes
- Installation of a 2.1MW solar array and battery at the Wonmunna iron ore mine site in the Pilbara commenced in FY22, with installation of the interconnected battery system expected to be completed during FY23. The combined solar-battery system will provide approximately 30 per cent of the site's installed power requirements and reduce carbon emissions by 1,800t of CO_2 per annum, and
- Community contributions increased by 10 per cent from prior year to $5.8 million.

5.1.2 STRATEGIC GROWTH

The Group continued to focus on growing our mining services capability in FY22 to build, own and operate crushing screening and processing plants and providing infrastructure solutions to the mining industry, with mining services volumes growing 10 per cent to a record of 274 million wet metric tonnes whilst maintaining margins. The Mining Services pillar will be further bolstered in FY23 with services provided for a full year of operations at Wodgina (see below), increased activities at Mt Marion, and over the coming years, commencement of the Onslow Iron project.

Iron Ore exports also increased to a record of 19.2 million wet metric tonnes, up 11 per cent on FY21. The Yilgarn Hub shipped 8.7Mwmt and Utah Point Hub shipped 10.5Mwmt; benefitting from the Group's prior year investment in Wonmunna. These volumes will be bolstered in future with volumes from the Onslow Iron and South West Creek projects.

The restart of operations at Wodgina commenced in Q2 FY22, with first spodumene concentrate from Train 1 delivered in May and 22k dmt of spodumene concentrate produced in the quarter. The restart of Train 2 progressed well with first spodumene concentrate delivered in early July 2022. Commencing February 2022, MinRes' 51 per cent share of offtake from Mt Marion spodumene concentrate was converted into 6,722t of lithium hydroxide in China under a tolling agreement with Ganfeng. Development of the Kemerton Lithium Hydroxide Plant continued during the year, with Kemerton Train 1 commissioning occurring in July 2022, and Train 2 due for completion in Q2 FY23.

The Group's Energy Division's delivered a major gas find in Q2 FY22. Initial gas and condensate analyses from the Lockyer Deep-1 well has been completed, and indicates high-quality gas with less than 4 per cent carbon dioxide.

The Group continued to explore and develop innovative solutions for the mining industry with the deployment of its first carbon fibre screens into its lithium operations as well as the increased deployment of its 320t Jumbo Road Trains.

The drilling program for the Koolyanobbing magnetite program commenced in late FY22 following promising results that were received from the proof-of-concept drilling program undertaken earlier in FY22. The aim of the Phase 1 program is to scope the magnetite resource's potential mining area footprint, and development activities at the Ken's Bore deposit for the Ashburton Hub commenced in FY22.

5.1.3 FINANCIAL AND OPERATIONAL PERFORMANCE

Financial results for the period are summarised as follows:

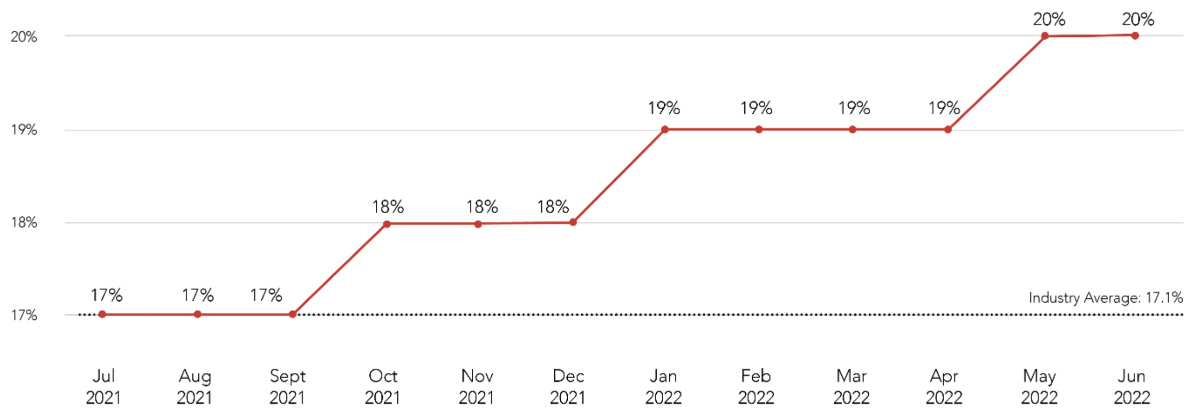
- Revenue of $3.4 billion, down 8.5 per cent year-on-year from FY21 of $3.7 billion
- EBITDA of $969 million down 56 per cent from FY21 of $2.2 billion
- Underlying EBITDA $1.0 billion down 46 per cent from FY21 of $1.9 billion
- Cash at bank $2.4 billion, with negative net cash on hand $0.7 billion
- ROIC of 14.1 per cent, and four year rolling ROIC of 26.5 per cent

5.1.4 ORGANISATIONAL CULTURE AND DEVELOPMENT

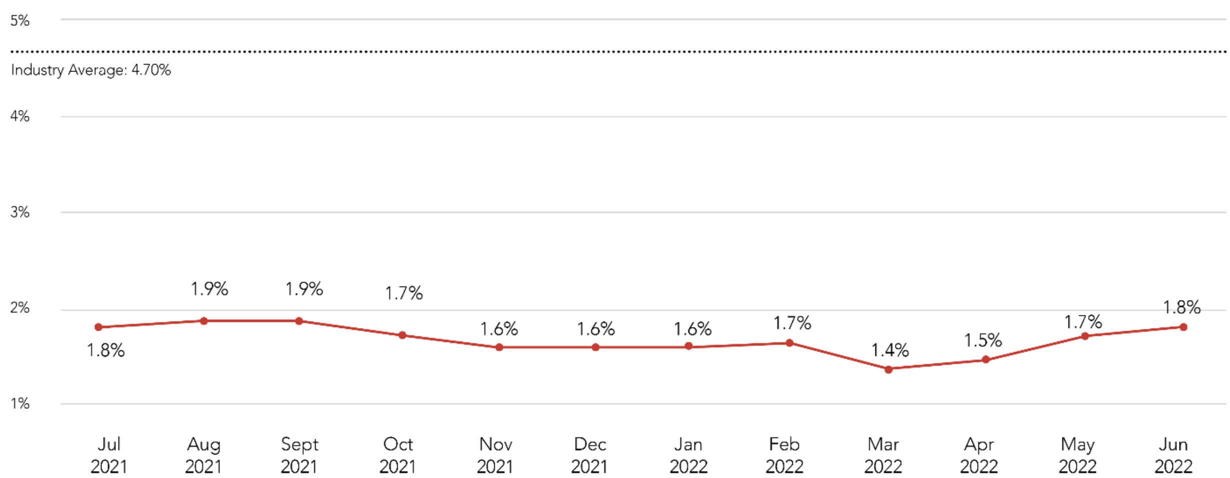
The Company continued to make significant progress in the important area of organisational culture and development:

- As of 30 June 2022, MinRes employed 3,863 employees, an increase of 18 per cent when compared to 30 June 2021
- The female workforce participation rate was 20 per cent, up from 17 per cent in FY21
- The Aboriginal and Torres Strait Islander workforce participation rate of 1.8 per cent with plans developed to increase representation in FY23

DIVERSITY OF WORKFORCE - FEMALE PARTICIPATION (YTD)



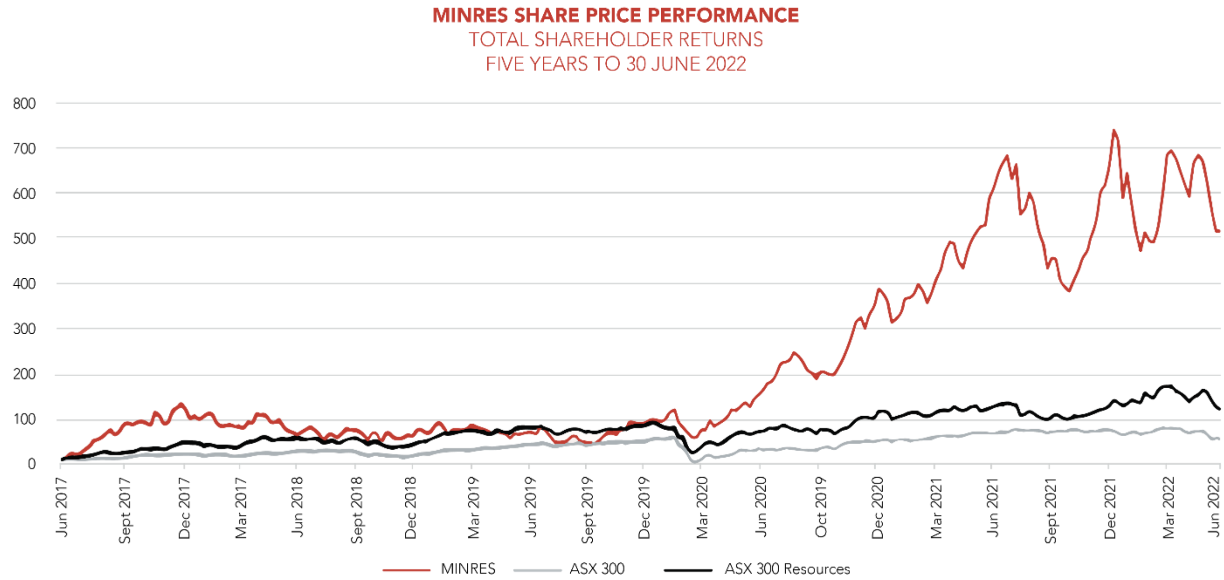
DIVERSITY OF WORKFORCE - ABORIGINAL AND TORRES STRAIT ISLANDER PARTICIPATION (YTD)



A summary of the Group's financial performance over the past five years is set out in the tables below. The relationship between the Group's financial performance, return to shareholders and KMP remuneration reflects the direct correlation between financial performance, shareholder value and executive remuneration.

Financial Summary ($millions unless otherwise stated)	FY18	FY19	FY20	FY21	FY22
Earnings					
Revenue	1,624	1,512	2,125	3,734	3,418
EBITDA	575	386	2,006	2,183	969
NPAT	272	165	1002	1,268	351
Return on Revenue	17%	11%	47%	34%	10%
Return on Equity	21%	12%	44%	39%	11%
ROIC	18.3%	9.7%	49.6%	38.6%	14.1%
Diluted EPS (cents/share)	145.30	87.09	532.96	673.18	184.87

Financial Year Ended 30 June	FY18	FY19	FY20	FY21	FY22
Final dividend for the preceding financial year	0.3300	0.4000	0.3100	0.7700	1.0000
Interim dividend for the current financial year	0.2500	0.1300	0.2300	1.0000	-
Total dividend paid	0.5800	0.5300	0.5400	1.7700	1.0000
Share price	16.00	14.98	21.17	53.73	48.27
Total Shareholder Return (TSR) (cumulative)	19.07	18.58	25.31	59.64	55.93



5.2 DETERMINING STI PERFORMANCE

The FY22 STI assessment matrix was modified to combine Group performance with a measure of individual performance as per the following matrix:

Revised STI program for KMP
Reward calculation

	GROUP PERFORMANCE		INDIVIDUAL PERFORMANCE ASSESSMENT		TARGET STI		STI REWARD
	4-5 core Group objectives for the year	x	*How well has the participant performed measured against the core attributes we expect of our KMP*	x	*75% of maximum STI*	=	*Capped at max*
FY22	▪ Safety, governance, & ESG (20%) ▪ Strategic growth (30%) ▪ Operations & Finance (30%) ▪ Organisational culture (20%)		▪ Outstanding 1.75x ▪ Exceptional 1.50x ▪ On point 1.25x ▪ Work in progress 0.75-1.0x				Rewards above 50% (MD)/40% (Other KMP) of Base FAR settled in equity vesting over 2 years
For example:	80 out of 100	x	1.25x	x	75% of max STI	=	75% of max STI

Drawing on an analysis of performance against key indicators, the Board determines Company performance by each objective and determines an overall score out of 100% with a score of 80% required for "On Target" performance. Then for Executive KMP apart from the Managing Director, a review of individual performance against core Executive KMP attributes is made by the Board to determine an individual performance assessment grading. The Individual Performance Assessment outcome can range between 0 to 1.75. A score of 1.25 is required for "On Target" performance.

With the exception of the Managing Director, the STI reward is then a product of the Group performance score (A) multiplied by the Individual's Performance Assessment (B) and the Executive KMP's Target STI, being 75% of their maximum STI opportunity (C). The Managing Director's STI outcome is not subject to the Individual Performance Assessment element – his STI reward is the product of the Group performance score and his maximum STI opportunity, so as to fully link his STI reward to the overall rating of the Group's performance.

5.3 FY22 STI OUTCOMES

Company objectives

The Board's assessment of performance against Company objectives was as follows:

OBJECTIVE	WEIGHTING	OVERALL SCORE
Safety, Governance and Sustainability	20%	16/20
Strategic Growth	30%	28/30
Financial and Operational Performance	30%	23/30
Organisational Culture	20%	17/20
Overall score for Company objectives		84/100

Individual performance assessment

Following a detailed review of performance against core attributes required of our leadership team, Executive KMP gradings (excluding the Managing Director) ranged between 'On-point' and "Outstanding" resulting in an average score of 1.25 across the Executive KMP for the purposes of the STI program in FY22.

FY22 Discretionary adjustments:
The Board determined, following consideration of above and other factors, that no discretionary adjustments to STI outcomes were required in FY22.

OUTCOMES ACROSS ALL MEASURES NOTED ABOVE

After consideration of the above factors, the Remuneration Committee recommended, and the Board accepted, the following outcomes for the Executive KMP for FY22.

EXEC -KMP	COMPANY SCORE	X	INDIVIDUAL PERFORMANCE GRADING	X	TARGET STI[1]	=	STI DECLARED	SETTLED IN CASH*	SETTLED IN EQUITY*
MD	84%		n/a		$1,200,000		$1,008,000	$600,000	$408,000
CE - Lithium	84%		1.25[2]		$510,000		$535,500	$384,000	$195,500
CE - Mining Services	84%		1.25[2]		$510,000		$535,500	$384,000	$195,500
CFO	84%		1.50		$570,000		$718,200	$380,000	$338,200

*Awards made under the STI plan to Executive KMP that exceed 50 per cent of max STI opportunity are deferred in the form of rights to Company shares (Rights) that vest in two equal instalments: one year and two years following grant of the Rights.

[1] With the exception of the Managing Director, target STI is 75 per cent of the maximum STI opportunity. For the Managing Director, target STI is equal to the maximum STI opportunity.
[2] Although the Individual Performance Grading for the CE – Lithium and the CE – Mining Services is 1.25, this was an outcome of differing ratings across the various Core Attributes for each of the two roles.

These resulted in an overall outcome of 84 per cent of maximum STI for the Managing Director, 78.8 per cent of maximum for the CE- Lithium and CE- Mining Services, and 94.5 per cent of maximum for the CFO.

5.4 LTI PERFORMANCE OUTCOMES: FY22 GRANT

A grant equal to the LTI opportunity was made to FY22 plan participants. The LTI awards will vest in early FY26 with the amount vesting subject to the participant's on-going employment with the Company and dependent on the Company's average ROIC performance over the four year period FY22 to FY25.

Where average ROIC is less than 12 per cent no LTI award will vest. Where average annual ROIC is between 12 per cent and 18 per cent over the four year period the LTI will vest pro-rata from 67 per cent to 100 per cent of the LTI grant. Where average annual ROIC is greater than 18 per cent, 100 per cent of the LTI grant will vest.

5.5 LTI PERFORMANCE OUTCOMES: EARLIER GRANTS ON-FOOT

FY18 Grant

As FY21's ROIC exceeded 12 per cent the final tranche of the FY18 LTI Plan vested in August 2021, and all three tranches were released from holding lock.

FY19 Grant

Due to a period of substantial investment, ROIC in FY19 was 9.7 per cent. Under the LTI plan rules in place at that time, there was no LTI grant for FY19 nor was there any opportunity to retest this in subsequent years despite that investment generating substantial returns for the Group.

FY20 Grant

A grant equal to the LTI opportunity was made to FY20 plan participants on 1 July 2019. The LTI awards will vest in early FY24 with the amount vesting dependent on the Company's average ROIC performance over the four year period FY20 to FY23.

Where average ROIC is less than 12 per cent no LTI award will vest. Where average annual ROIC is between 12 per cent and 18 per cent over the four year period the LTI will vest pro-rata from 67 per cent to 100 per cent of the LTI grant. Where average annual ROIC is greater than 18 per cent, 100 per cent of the LTI grant will vest.

FY20's ROIC was 49.6 per cent, FY21's ROIC was 38.6 per cent and FY22's ROIC is 14.3 per cent, therefore contributing to a favourable average ROIC over the three years of the KMP's FY20 LTIP award. This program is three-quarters through its four-year life, with average ROIC over the four years needing to meet a minimum of 12 per cent. Final vesting is due August 2023.

FY21 Grant

A grant equal to the LTI opportunity was made to FY21 plan participants on 1 July 2020. The LTI awards will vest in early FY25 with the amount vesting dependent on the Company's average ROIC performance over the four-year period FY21 to FY24.

Where average ROIC is less than 12 per cent no LTI award will vest. Where average annual ROIC is between 12 per cent and 18 per cent over the four-year period the LTI will vest pro-rata from 67 per cent to 100 per cent of the LTI grant. Where average annual ROIC is greater than 18 per cent, 100 per cent of the LTI grant will vest.

ROIC for FY21 was 38.6 per cent and FY22's ROIC is 14.1 per cent. This program is a half way through its four-year life, with average ROIC over the four years needing to meet a minimum of 12 per cent. Final vesting is due August 2024.

FY22 Grant

A grant equal to the LTI opportunity was made to FY22 plan participants on 1 November 2021. The LTI awards will vest in early FY26 with the amount vesting dependent on the Company's average ROIC performance over the four year period FY22 to FY25.

Where average ROIC is less than 12 per cent no LTI award will vest. Where average annual ROIC is between 12 per cent and 18 per cent over the four year period the LTI will vest pro-rata from 67 per cent to 100 per cent of the LTI grant. Where average annual ROIC is greater than 18 per cent, 100 per cent of the LTI grant will vest.

ROIC for FY22 is 14.1 per cent. This program is a quarter through its four-year life, with average ROIC over the four years needing to meet a minimum of 12 per cent. Final vesting is due August 2025.

5.6 REMUNERATION OUTCOMES SCHEDULES

The following tables provide a summary of the take home pay and shares vested for each KMP during the year, which may be useful in understanding current year pay and alignment with performance. These remuneration outcomes tables differ from the statutory remuneration tables in Section 8 which are prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards.

FY22	Cash Salary and Fees[2]	STI cash bonus[3]	STI vesting[9]	LTI vesting[4]	NED fees (shares)[5]	Other benefits[6]	Total	STI vesting share price growth[7]	LTI vesting share price growth[7]	Total including share price growth
	$	$		$	$	$	$		$	$
Non-Executive Directors										
Current:										
James McClements	126,528	-	-	-	126,528	24,536	**277,592**	-	-	**277,592**
Susan Corlett	100,000	-	-	-	100,000	22,944	**222,944**	-	-	**222,944**
Kelvin Flynn	102,500	-	-	-	102,500	20,500	**225,500**	-	-	**225,500**
Xi Xi	117,000	-	-	-	97,500	-	**214,500**	-	-	**214,500**
Zimi Meka[1]	11,126	-	-	-	11,126	1,962	**24,214**	-	-	**24,214**
Former:										
Peter Wade[8]	97,069	-	-	-	97,069	21,025	**215,163**	-	-	**215,163**
Executive Director										
Chris Ellison	1,200,000	600,000	267,451	839,103	-	54,570	**2,961,124**	406,672	2,541,413	**5,909,209**
Other Executives										
Paul Brown	850,000	340,000	141,828	142,649	-	103,568	**1,578,045**	215,657	432,045	**2,225,747**
Michael Grey	834,750	340,000	172,218	-	-	103,568	**1,450,536**	261,866	-	**1,712,402**
Mark Wilson	933,992	380,000	192,478	-	-	140,580	**1,647,050**	292,671	-	**1,939,721**
Total	4,372,965	1,660,000	773,975	981,753	534,723	493,253	**8,816,668**	1,176,866	2,973,458	**12,966,992**

1 Zimi Meka commenced on 17 May 2022.

2 Cash Salary and Fees exclude superannuation contributions, which are reported within 'Other Benefits'.

3 STI rewards of up to 40 per cent of an Executive KMP's base FAR (50 per cent for the Managing Director) are settled in cash, with the balance settled in equity rights. Amounts included here relate to performance during FY21, paid in FY22.

4 FY18 LTI share awards that have vested during FY22, calculated as the number of shares vested multiplied by the face value at grant date. Tranche 3 of the FY18 LTIP vested on 11 August 2021, with the trading restriction being lifted on 12 August 2021.

5 Equity component of Non-Executive Directors' (NED) remuneration. NED fees continue to be paid 50 per cent in cash and 50 per cent in Company shares. Remuneration disclosed relates to the performance during FY22.

6 Other Benefits relate to non-monetary benefits and superannuation benefits that are awarded for performance during FY22. Paul Brown, Michael Grey and Mark Wilson each received $80,000 in Resource Development Group Ltd (RDG) share options during FY22 as remuneration for serving as NEDs of RDG. RDG is 65.77 per cent owned by the Group.

7 The 'share price growth' amount is equal to the number of rights vested multiplied by the increase in the Company share price over the period from grant date to vesting date.

8 Peter Wade retired as Non-Executive Chairman and from the Company's Board on 2 March 2022.

9 FY20 STI equity settled awards that have vested during FY22 multiplied by the face value at grant date.

FY21	Cash Salary and Fees[2]	STI cash bonus[3]	LTI vesting[4]	NED fees (shares)[5]	Other benefits[6]	Total	LTI vesting share price growth[7]	Total including share price growth
	$	$	$	$	$	$	$	$
Non-Executive Directors								
Peter Wade	135,000	-	-	135,000	21,694	**291,694**	-	**291,694**
Susan Corlett[1]	46,708	-	-	46,708	8,875	**102,291**	-	**102,291**
Kelvin Flynn	86,250	-	-	86,250	16,388	**188,888**	-	**188,888**
James McClements	87,500	-	-	87,500	16,625	**191,625**	-	**191,625**
Xi Xi	90,338	-	-	82,500	-	**172,838**	-	**172,838**
Executive Director								
Chris Ellison	1,200,000	600,000	2,933,350	-	51,865	**4,785,215**	2,605,893	**7,391,108**
Other Executives								
Paul Brown	850,000	280,000	435,918	-	101,694	**1,667,612**	382,496	**2,050,108**
Michael Grey	850,000	340,000	-	-	102,069	**1,292,069**	-	**1,292,069**
Mark Wilson	950,000	380,000	-	-	143,448	**1,473,448**	-	**1,473,448**
Total	4,295,796	1,600,000	3,369,268	437,958	462,658	10,165,680	2,988,389	13,154,069

[1] Susan Corlett commenced on 4 January 2021.

[2] Cash Salary and Fees exclude superannuation contributions, which are reported within 'Other Benefits'.

[3] STI rewards of up to 40 per cent of an Executive KMP's base FAR (50 per cent for the Managing Director) are settled in cash, with the balance settled in equity rights. Amounts included here relate to the performance during FY20, paid in FY21.

[4] FY17 and FY18 LTI share awards that have vested during FY21, calculated as the number of shares vested multiplied by the face value at grant date. FY17 LTI shares were freed of trading restrictions on 20 August 2020, while FY18 LTI shares (Tranche 1 and 2) that vested on 20 August 2020 retained their trading restrictions and clawback and malus provisions until 12 August 2021.

[5] Equity component of Non-Executive Directors' (NED) remuneration. NED fees continue to be paid 50 per cent in cash and 50 per cent in Company shares. Remuneration disclosed relates to the performance during FY21.

[6] Other Benefits relate to non-monetary benefits and superannuation benefits that are awarded for performance during FY21. Paul Brown, Michael Grey and Mark Wilson each received $80,000 in Resource Development Group Ltd (RDG) share options during FY21as remuneration for their RDG NED remuneration. RDG is 65.77 per cent owned by the Group.

[7] The 'share price growth' amount is equal to the number of rights vested multiplied by the increase in the Company share price over theperiod from grant date to vesting date.

6. KEY CHANGES TO RENUMERATION FOR FY23

Consistent with prior years, the Board, in conjunction with its independent remuneration advisors, undertook a review of remuneration for Executive KMP during the year, benchmarking Fixed Annual Remuneration and Total Maximum Remuneration against a comparator group of Australian listed businesses of similar size and industry (the Comparator Group as detailed in Section 3.3).

This analysis found that the Managing Director's Fixed Remuneration is now well below the Group's policy of 50th percentile and the Total Maximum Remuneration is also well below the Group's policy of 75th percentile. This reflects the fact that the Managing Director's Fixed Remuneration has remained unchanged over the past three years, during which period the Company has grown significantly. Fixed Annual Remuneration for Executive KMP other than the Chief Financial Officer is now below the 50th percentile, and Total Maximum Remuneration for Executive KMP, at the 67th percentile, is likewise below policy.

In order to remain competitive in our remuneration offer to our most senior employees, and to align their remuneration more closely with the Company's policy for these positions, in FY23 the Company will increase the Managing Director's salary (base FAR) from $1.2m to $1.6m. There may be other changes to align the remaining Executive KMP with the Group's policy but these are not expected to be substantial.

The STI Opportunity for the Managing Director will increase from 100 per cent of base FAR to 125 per cent. The STI Opportunity for other Executive KMP will be increased to 100 per cent of base FAR. These changes reflect the growth in the size of the Company and will more closely align their remuneration with the Company's policy of total maximum remuneration being at the 75th percentile of similar roles in Comparator Businesses.

Finally, benchmarking by the Company's remuneration advisors has indicated that the fees paid to the Board Chairman are substantially below the 50th percentile. As a result, the fee paid to the Chairman will increase from $290,000 to $380,000, effective 1 July 2022.

7. SUMMARY OF KMP EMPLOYMENT CONDITIONS

7.1 EXECUTIVES

The table below summarises the employment agreements in place with Executive KMP as at the date of this report.

KMP	Term of agreement	Base FAR[1]	Base FAR[1]	Notice period: KMP and MRL	Termination entitlements[2]
		FY23	FY22		
Chris Ellison (Managing Director)	Full time – permanent	$1,600,000	$1,200,000	12 months	Notice period per contract
Paul Brown (Chief Executive - Lithium)	Full time – permanent	$850,000	$850,000	12 months	Notice period per contract
Michael Grey (Chief Executive – Mining Services)	Full time – permanent	$850,000	$850,000	12 months	Notice period per contract
Mark Wilson (Chief Financial Officer and Company Secretary)	Full time – permanent	$950,000	$950,000	12 months	Notice period per contract

[1] Base FAR comprises the executive's salary and excludes superannuation and other fixed entitlements.

[2] Should this amount be a value that requires shareholder approval then it can be reduced to maximum permissible amount without shareholder agreement.

7.2 NON-EXECUTIVE DIRECTORS

A Non-Executive Director (NED) receives fees to recognise their contribution to the work of the Board and the additional time and effort associated with chairing and/or participating in Board sub-committees on which they serve.

NED remuneration is reviewed annually by the Remuneration Committee.

The following table outlines the Non-Executive Director fees, exclusive of superannuation, effective as at the date of this report for the Board and associated Committees.

NED remuneration is not linked to Company performance, although in order to create alignment with shareholders, NED fees continue to be paid 50 per cent in cash and 50 per cent in Company shares. NEDs are encouraged to hold at least one year's worth of fees in Company shares and NEDs are subject to the Company's Security Trading Policy.

Board/Committee Fees (per annum)	Chair $		Member $	
	FY23	FY22	FY23	FY22
Board	380,000	290,000	170,000	170,000
Board - Lead Independent Director	25,000	25,000	20,000	20,000
Audit and Risk Committee	20,000	20,000	10,000	10,000
Remuneration Committee	20,000	20,000	10,000	10,000
Nominations Committee	-	-	-	-
Sustainability Committee	10,000	10,000	10,000	10,000

A resolution was passed at the 2020 AGM to approve an increase in the maximum pool to $2,000,000 to facilitate sufficient headroom in the pool to allow for the appointment of additional NEDs, an allocation of entitlements for participation in Board Sub-committees, and for an increase in NED fees should this be recommended by the Remuneration Committee. The fee pool was previously at $1,000,000 per annum, which had not been increased since the 2015 Financial Year. The changes in NED fees took effect from 1 January 2021.

8. KMP STATUTORY REMUNERATION SCHEDULES

The following tables detail the statutory remuneration disclosures prepared in accordance with Australian Accounting Standards. These tables differ from the remuneration outcomes tables in section 5.5, due to the accounting treatment of share-based payments.

	Short-Term Benefits				Post-Employment Benefits	Share-based payments				
FY22	Cash salary and fees $	Other[4] $	STI cash value[2] $	Non-Monetary $	Super annuation $	STI equity value $	LTI equity value $	NED remun-eration[3] $	Total $	Perform-ance related %
Non-Executive Directors										
Current:										
James McClements	126,528	-	-	-	24,536	-	-	126,528	277,592	-
Susan Corlett	100,000	-	-	-	22,944	-	-	100,000	222,944	-
Kelvin Flynn	102,500	-	-	-	20,500	-	-	102,500	225,500	-
Xi Xi	117,000	-	-	-	-	-	-	97,500	214,500	-
Zimi Meka[1]	11,126				1,962			11,126	24,214	
Former:										
Peter Wade[5]	97,069	-	-	-	21,025	-	-	97,069	215,163	-
Executive Director										
Chris Ellison	1,200,000	-	600,000	31,002	23,568	170,012	1,621,316	-	3,645,898	66%
Other Executives										
Paul Brown	850,000	80,000	340,000	-	23,568	81,462	650,628	-	2,025,658	53%
Michael Grey	834,750	80,000	340,000	-	23,568	81,462	765,633	-	2,125,413	56%
Mark Wilson	933,992	80,000	380,000	37,012	23,568	140,930	1,069,620	-	2,665,122	60%
Total	4,372,966	240,000	1,660,000	68,014	185,239	473,866	4,107,197	534,724	11,642,004	

[1] Zimi Meka commenced on 17 May 2022.

[2] 40 per cent of the FY21 STI plan on each Executive KMP's base salary, is paid in cash (50 per cent for the Managing Director) and relates to the performance during FY21, paid in FY22.

[3] Equity component of Non-Executive Directors' (NED) remuneration. NED Remuneration is not linked to Company performance, however to create alignment with shareholders, Non-Executive Director fees continue to be paid 50 per cent in cash and 50 per cent in MinRes shares.

[4] Paul Brown, Michael Grey and Mark Wilson each received $80,000 in Resource Development Group Ltd (RDG) share options during FY21 as remuneration for their RDG NED remuneration. RDG forms part of the Group.

[5] Peter Wade retired as Non-Executive Chairman and from the Company's Board on 2 March 2022.

	Short-Term Benefits				Post-Employment Benefits	Share-based payments				
FY21	Cash salary and fees $	Other[4] $	STI cash value[2] $	Non-Monetary $	Super annuation $	STI equity value $	LTI equity value $	NED remun-eration[3] $	Total $	Perform-ance related %
Non-Executive Directors										
Peter Wade	135,000	-	-	-	21,694	-	-	135,000	291,694	-
Susan Corlett[1]	46,708	-	-	-	8,875	-	-	46,708	102,291	-
Kelvin Flynn	86,250	-	-	-	16,388	-	-	86,250	188,888	-
James McClements	87,500	-	-	-	16,625	-	-	87,500	191,625	-
Xi Xi	90,338	-	-	-	-	-	-	82,500	172,838	-
Executive Director										
Chris Ellison	1,200,000	-	600,000	30,172	21,694	175,087	1,454,710	-	3,481,663	64%
Other Executives										
Paul Brown	850,000	80,000	340,000	-	21,694	125,485	545,625	-	1,962,804	52%
Michael Grey	850,000	80,000	340,000	375	21,694	125,485	510,622	-	1,928,176	51%
Mark Wilson	950,000	80,000	380,000	41,754	21,694	140,226	713,366	-	2,327,040	53%
Total	4,295,796	240,000	1,660,000	72,301	150,358	566,283	3,224,323	437,958	10,647,019	

[1] Susan Corlett commenced on 4 January 2021.

[2] 40 per cent of the FY20 STI plan on each Executive KMP base salary, is paid in cash (50 per cent for the Managing Director) and relates to the performance during FY20, paid in FY21.

[3] Equity component of Non-Executive Directors' (NED) remuneration. NED Remuneration is not linked to Company performance, however to create alignment with shareholders, Non-Executive Director fees continue to be paid 50 per cent in cash and 50 per cent in MinRes shares.

[4] Paul Brown, Michael Grey and Mark Wilson each received $80,000 in Resource Development Group Ltd (RDG) share options during FY21 as remuneration for their RDG NED remuneration. RDG forms part of the Group.

9. SHARE RIGHTS GRANTED, VESTED AND POTENTIAL FUTURE VESTING

												Rights to shares:		
FY22	Plan	Grant Date [1]	Performance Periods	No. of share rights granted	Value per share right granted at grant [10] $/right	Total value of share rights granted at grant date $	No. vested during the year	Vested during the year %	No. forfeited during the year	% forfeited during the year %	Remaining, subject to vesting conditions	Year in which share rights may vest	No. of share rights which may vest	Maximum value yet to vest $
Chris Ellison	FY18 LTI[3]	15/08/2018	FY18 to FY21	168,157	14.97	2,517,310	56,052	33%	-	-	-	-	-	-
	FY19 LTI[4]	22/08/2019	FY19 to FY22	-	-	-	-	0%	-	-	-	N/A	-	-
	FY20 LTI[5]	01/07/2019	FY20 to FY23	142,577	15.05	2,145,784	-	0%	-	-	142,577	FY24	142,577	2,145,784
	FY20 DER[6]	01/07/2019	FY20 to FY23	18,251	33.73	615,550	-	0%	-	-	18,251	FY24	18,2511	615,550
	FY20 STI[7]	01/07/2020	FY20 to FY22	25,267	21.17	534,902	12,634	50%	-	-	12,634	-	-	-
												FY23	12,634	267,451
	FY21 LTI[8]	01/07/2020	FY21 to FY24	102,950	21.17	2,179,452	-	0%	-	-	102,950	FY25	102,950	2,179,452
	FY21 DER[6]	01/07/2020	FY21 to FY24	9,043	41.42	374,529	-	0%	-	-	9,043	FY25	9,043	374,529
	FY21 STI[9]	01/07/2021	FY21 to FY23	7,875	53.36	420,210	-	0%		-	7,875	FY23	3,938	210,105
												FY24	3,938	210,105
	FY22 LTI[11]	01/07/2021	FY22 to FY25	41,710	51.79	2,160,027	-	0%	-	-	41,710	FY26	41,710	2,160,027
	FY22 DER[6]		FY22 to FY25	1,408	51.86	73,019	-	0%	-	-	1,408	FY26	1,408	73,019
	FY22 STI[12]	01/07/2022	FY22 to FY24	8,348	48.88	408,029	-	0%	-	-	8,348	FY24	4,174	204,014
												FY25	4,174	204,014
Paul Brown	FY20 LTI[5]	01/07/2019	FY20 to FY23	55,447	15.05	834,477	-	0%	-	-	55,447	FY24	55,447	834,477
	FY20 DER[6]	01/07/2019	FY20 to FY23	7,098	33.73	239,391	-	0%	-	-	7,098	FY24	7,098	239,391
	FY20 STI[7]	01/07/2020	FY20 to FY22	13,399	21.17	283,657	6,700	50%	-	-	6,700	-	-	-
												FY23	6,700	141,828
	FY21 LTI[8]	01/07/2020	FY21 to FY24	48,616	21.17	1,029,201	-	0%	-	-	48,616	FY25	48,616	1,029,201
	FY21 DER[6]	01/07/2020	FY21 to FY24	4,271	41.42	176,892	-	0%	-	-	4,271	FY25	4,271	176,892
	FY21 STI[9]	01/07/2021	FY21 to FY23	5,644	53.36	301,164	-	0%	-	-	5,644	FY23	2,822	150,582
												FY24	2,822	150,582
	FY22 LTI[11]	01/07/2021	FY22 to FY25	19,697	51.79	1,020,045	-	0%	-	-	19,697	FY26	19,697	1,020,045
	FY22 DER[6]		FY22 to FY25	665	51.86	34,487	-	0%	-	-	665	FY26	665	34,487
	FY22 STI[12]	01/07/2022	FY22 to FY24	4,000	48.88	195,510	-	0%	-	-	4,000	FY24	2,000	97,755
												FY25	2,000	97,755
Michael Grey	FY19 LTI[4]	22/08/2019	FY19 to FY22	-	-	-	-	0%	-	-	-	N/A	-	-
	FY20 LTI[5]	01/07/2019	FY20 to FY23	67,328	15.05	1,013,286	-	0%	-	-	67,328	FY24	67,328	1,013,286
	FY20 DER[6]	01/07/2019	FY20 to FY23	8,619	33.73	290,684	-	0%	-	-	8,619	FY24	8,619	290,684
	FY20 STI[7]	01/07/2020	FY20 to FY22	16,270	21.17	344,436	8,135	50%	-	-	8,135	-	-	-
												FY23	8,135	172,218
	FY21 LTI[8]	01/07/2020	FY21 to FY24	48,616	21.17	1,029,201	-	0%	-	-	48,616	FY25	48,616	1,029,201
	FY21 DER[6]	01/07/2020	FY21 to FY24	4,271	41.42	176,892	-	0%	-	-	4,271	FY25	4,271	176,892
	FY21 STI[9]	01/07/2021	FY21 to FY23	5,644	53.36	301,164	-	0%	-	-	5,644	FY23	2,822	150,582
												FY24	2,822	150,582
	FY22 LTI[11]	01/07/2021	FY22 to FY25	19,697	51.79	1,020,045	-	0%	-	-	19,697	FY26	19,697	1,020,045
	FY22 DER[6]		FY22 to FY25	665	51.86	34,487	-	0%	-	-	665	FY26	665	34,487
	FY22 STI[12]	01/07/2022	FY22 to FY24	4,000	48.88	195,510	-	0%	-	-	4,000	FY24	2,000	97,755
												FY25	2,000	97,755

9. SHARE RIGHTS GRANTED, VESTED AND POTENTIAL FUTURE VESTING (CONTINUED)

												Rights to shares:		
FY22	Plan	Grant Date [1]	Performance Periods	No. of share rights granted	Value per share right granted at grant [10] $/right	Total value of share rights granted at grant date $	No. vested during the year	Vested during the year %	No. forfeited during the year	% forfeited during the year %	Remaining, subject to vesting conditions	Year in which share rights may vest	No. of share rights which may vest	Maximum value yet to vest $
Mark Wilson	FY19 LTI[4]	22/08/2019	FY19 to FY22	-	-	-	-	0%	-	-	-	N/A	-	-
	FY20 LTI[5]	01/07/2019	FY20 to FY23	94,061	15.05	1,415,618	-	0%	-	-	94,061	FY24	94,061	1,415,618
	FY20 DER[6]	01/07/2019	FY20 to FY23	12,041	33.73	406,100	-	0%	-	-	12,041	FY24	12,041	406,100
	FY20 STI[7]	01/07/2020	FY20 to FY22	18,184	21.17	384,955	9,092	50%	-	-	9,092	- FY23	- 9,092	- 192,478
	FY21 LTI[8]	01/07/2020	FY21 to FY24	67,919	21.17	1,437,845	-	0%	-	-	67,919	FY25	67,919	1,437,845
	FY21 DER[6]	01/07/2020	FY21 to FY24	5,966	41.42	247,093	-	0%	-	-	5,966	FY25	5,966	247,093
	FY21 STI[9]	01/07/2021	FY21 to FY23	6,307	53.36	336,542	-	0%	-	-	6,307	FY23 FY24	3,154 3,154	168,271 168,271
	FY22 LTI[11]	01/07/2021	FY22 to FY25	27,517	51.79	1,425,017	-	0%	-	-	27,517	FY26	27,517	1,425,017
	FY22 DER		FY22 to FY25	929	51.86	48,178	-	0%	-	-	929	FY26	929	48,178
	FY22 STI[12]	01/07/2022	FY22 to FY24	6,920	48.88	338,232	-	0%	-	-	6,920	FY24 FY25	3,460 3,460	169,116 169,116

[1] Grant date is determined in accordance with AASB 2 Share Based Payments.

[3] FY18 was the Award Year for the LTI Plan (ROIC for FY18 exceeded 12 per cent). Each tranche of the FY18 LTI Plan vests in favour of participants provided participants remain employed with the Company over each of the subsequent Performance Years (FY19 to FY21) and ROIC for each subsequent Performance Years (FY19 to FY21) equals or exceeds 12 per cent. As ROIC for FY19 was less than 12 per cent, Tranche 1 of the FY18 LTI Plan became a Suspended Tranche. As average ROIC for FY19 and FY20 exceeded 12 per cent Tranche 1 and Tranche 2 of the FY18 LTI Plan vested on 20 August 2020, subject to trading restrictions.

[4] FY19 was the Award Year for the FY19 LTI Plan. As ROIC for FY19 is less than 12 per cent there is no LTI award for FY19.

[5] FY20 was the Award Year for the FY20 LTI Plan.

[6] Dividend equivalent rights that attach to the FY20, FY21 and FY22 LTIP grants. These rights have an automatic vesting / exercise upon exercise of the underlying LTIP share right and can be satisfied in cash or shares at the Board's discretion.

[7] FY20 was the Award Year for the FY20 STI Plan. The number of share rights granted was calculated using the value of the award divided by the VWAP for the five days up to and including 30 June 2020. The value reflected in the table above is the quantity of shares calculated via this method, multiplied by the share price on the 1 July 2020 as required by Australian Accounting Standards. The share rights vest equally in August 2021 (FY22) and August 2022 (FY23).

[8] FY21 was the Award Year for the FY21 LTI Plan. The number of share rights granted was calculated using the value of the award divided by the share price on 1 July 2020. The value reflected in the table above is the quantity of shares calculated via this method, multiplied by the share price on the 1 July 2020.

[9] FY21 was the Award Year for the FY21 STI Plan. The number of share rights granted was calculated using the value of the award divided by the VWAP for the five days up to and including 30 June 2021. The value reflected inthe table above is the quantity of shares calculated via this method, multiplied by the share price on the 1 July 2021 as required by Australian Accounting Standards. The share rights vest equally in August 2022 (FY23) and August 2023 (FY24).

[10] Value per share right granted at grant refers to share price used for expense purposes under AASB 2 Share Based Payments, being the date when the entity and the counterparty has a mutual understanding to the termsand conditions of the arrangement. For the LTI and STI plans this is the first day of the financial year.

[11] FY22 was the Award Year for the FY22 LTI Plan. The number of share rights granted was calculated using the value of the award divided by the share price on 1 July 2021. The value reflected in the table above is the quantity of shares calculated via this method, multiplied by the share price on the 1 July 2021.

[12] FY22 was the Award Year for the FY22 STI Plan. The number of share rights granted was calculated using the value of the award divided by the VWAP for the five days up to and including 30 June 2022. The value reflected in the table above is the quantity of shares calculated via this method, multiplied by the share price on the 1 July 2022 as required by Australian Accounting Standards. The share rights vest equally in August 2023 (FY24) and August 2024 (FY25).

FY21	Plan	Grant Date [1]	Performance Periods	No. of share rights granted	Value per share right granted at grant [10] $/right	Total value of share rights granted atgrant date $	No. vested during the year	Vested during the year %	No. forfeited during the year	% forfeited during the year %	Remaining, subject to vesting conditions	Rights to shares: Year in which share rights may vest	Rights to shares: No. of share rights which may vest	Rights to shares: Maximum value yet to vest $
Chris Ellison	FY17 LTI[2]	16/08/2017	FY17 to FY20	269,730	13.96	3,765,431	89,910	33%	-	-	-	-	-	-
	FY18 LTI[3]	15/08/2018	FY18 to FY21	168,157	14.97	2,517,310	112,105	67%	-	-	56,052	FY22	56,052	839,103
	FY19 LTI[4]	22/08/2019	FY19 to FY22	-	-	-	-	0%	-	-	-	N/A	-	-
	FY20 LTI[5]	01/07/2019	FY20 to FY23	142,577	15.05	2,145,784	-	0%	-	-	142,577	FY24	142,577	2,145,784
	FY20 DER[6]	01/07/2019	FY20 to FY23	13,001	26.40	343,285	-	0%	-	-	13,001	FY24	13,001	343,285
	FY20 STI[7]	01/07/2020	FY20 to FY22	25,267	21.17	534,902	-	0%	-	-	25,267	FY22	12,634	267,451
												FY23	12,634	267,451
	FY21 LTI[8]	01/07/2020	FY21 to FY24	102,950	21.17	2,179,452	-	0%	-	-	102,950	FY25	102,950	2,179,452
	FY21 DER[6]	01/07/2020	FY21 to FY24	5,387	34.33	184,929	-	0%	-	-	5,387	FY25	5,387	184,929
	FY21 STI[9]	01/07/2021	FY21 to FY23	7,875	53.36	420,210	-	0%		-	7,875	FY23	3,938	210,105
												FY24	3,938	210,105
Paul Brown	FY20 LTI[5]	01/07/2019	FY20 to FY23	55,447	15.05	834,477	-	0%	-	-	55,447	FY24	55,447	834,477
	FY20 DER[6]	01/07/2019	FY20 to FY23	5,056	26.0	133,493	-	0%	-	-	5,056	FY24	5,056	133,493
	FY20 STI[7]	01/07/2020	FY20 to FY22	13,399	21.17	283,657	-	0%	-	-	13,399	FY22	6,700	141,828
												FY23	6,700	141,828
	FY21 LTI[8]	01/07/2020	FY21 to FY24	48,616	21.17	1,029,201	-	0%	-	-	48,616	FY25	48,616	1,029,201
	FY21 DER[6]	01/07/2020	FY21 to FY24	2,544	34.33	87,330	-	0%	-	-	2,544	FY25	2,544	87,330
	FY21 STI[9]	01/07/2021	FY21 to FY23	5,644	53.36	301,164	-	0%	-	-	5,644	FY23	2,822	150,582
												FY24	2,822	150,582
Michael Grey	FY19 LTI[4]	22/08/2019	FY19 to FY22	-	-	-	-	0%	-	-	-	N/A	-	-
	FY20 LTI[5]	01/07/2019	FY20 to FY23	67,328	15.05	1,013,286	-	0%	-	-	67,328	FY24	67,328	1,013,286
	FY20 DER[6]	01/07/2019	FY20 to FY23	6,140	26.40	162,123	-	0%	-	-	6,140	FY24	6,140	162,123
	FY20 STI[7]	01/07/2020	FY20 to FY22	16,270	21.17	344,436	-	0%	-	-	16,270	FY22	8,135	172,218
												FY23	8,135	172,218
	FY21 LTI[8]	01/07/2020	FY21 to FY24	48,616	21.17	1,029,201	-	0%	-	-	48,616	FY25	48,616	1,029,201
	FY21 DER[6]	01/07/2020	FY21 to FY24	2,544	34.33	87,330	-	0%	-	-	2,544	FY25	2,544	87,330
	FY21 STI[9]	01/07/2021	FY21 to FY23	5,644	53.36	301,164	-	0%	-	-	5,644	FY23	2,822	150,582
												FY24	2,822	150,582
Mark Wilson	FY19 LTI[4]	22/08/2019	FY19 to FY22	-	-	-	-	0%	-	-	-	N/A	-	-
	FY20 LTI[5]	01/07/2019	FY20 to FY23	94,061	15.05	1,415,618	-	0%	-	-	94,061	FY24	94,061	1,415,618
	FY20 DER[6]	01/07/2019	FY20 to FY23	8,577	26.40	226,457	-	0%	-	-	8,577	FY24	8,577	226,457
	FY20 STI[7]	01/07/2020	FY20 to FY22	18,184	21.17	384,955	-	0%	-	-	18,184	FY22	9,092	192,478
												FY23	9,092	192,478
	FY21 LTI[8]	01/07/2020	FY21 to FY24	67,919	21.17	1,437,845	-	0%	-	-	67,919	FY25	67,919	1,437,845
	FY21 DER[6]	01/07/2020	FY21 to FY24	3,554	34.33	122,007	-	0%	-	-	3,554	FY25	3,554	122,007
	FY21 STI[6]	01/07/2021	FY21 to FY23	6,307	53.36	336,542	-	0%	-	-	6,307	FY23	3,154	168,271
												FY24	3,154	168,271

[1] Grant date is determined in accordance with AASB 2 Share Based Payments
[2] FY17 was the Award Year for the LTI Plan (ROIC exceeded 12 per cent). Each tranche of the FY17 LTI Plan vests in favour of participants provided participants remain employed with the Company over each of the subsequent Performance Years (FY18 to FY20) and ROIC for each subsequent Performance Years (FY18 to FY20) equals or exceeds 12 per cent. As the average ROIC for FY18 and FY19 exceeded 12 per cent, Tranche 2 of the FY17 LTI Plan vested in favour of participants who remained employed for all of FY20, and as FY20's ROIC exceeded 12 per cent Tranche 3 of the FY17 LTI Plan vested on 20 August 2020. Trading restrictions on all three FY17 LTI Plan Tranches were lifted as at that date, subject to clawback provisions.
[3] FY18 was the Award Year for the LTI Plan (ROIC for FY18 exceeded 12 per cent). Each tranche of the FY18 LTI Plan vests in favour of participants provided participants remain employed with the Company over each of the subsequent Performance Years (FY19 to FY21) and ROIC for each subsequent Performance Years (FY19 to FY21) equals or exceeds 12 per cent. As ROIC for FY19 was less than 12 per cent, Tranche 1 of the FY18 LTI Plan became aSuspended Tranche. As average ROIC for FY19 and FY20 exceeded 12 per cent Tranche 1 and Tranche 2 of the FY18 LTI Plan vested on 20 August 2020, subject to trading restrictions. [4] FY19 was the Award Year for the FY19 LTI Plan. As ROIC for FY19 is less than 12 per cent there is no LTI award for FY19. [5] FY20 was the Award Year for the FY20 LTI Plan. [6] Dividend equivalent rights that attach to the FY20 and FY21 LTIP grants. These rights have an automatic vesting / exercise upon exercise of the underlying LTIP share right. [7] FY20 was the Award Year for the FY20 STI Plan. The number of share rights granted was calculated using the value of the award divided by the VWAP for the five days up to and including 30 June 2020. The value reflected in the table above is the quantity of shares calculated via this method, multiplied by the share price on the 1 July 2020 as required by Australian Accounting Standards. The share rights vest equally in August 2021 (FY22) and August 2022 (FY23).
[8] FY21 was the Award Year for the FY21 LTI Plan. The number of share rights granted was calculated using the value of the award divided by the share price on 1 July 2020. The value reflected in the table above is the quantity of shares calculated via this method, multiplied by the share price on the 1 July 2020.
[9] FY21 was the Award Year for the FY21 STI Plan. The number of share rights granted was calculated using the value of the award divided by the VWAP for the five days up to and including 30 June 2021. The value reflected inthe table above is the quantity of shares calculated via this method, multiplied by the share price on the 1 July 2021 as required by Australian Accounting Standards. The share rights vest equally in August 2022 (FY23) and August 2023 (FY24).
[10] Value per share right granted at grant refers to share price used for expense purposes under AASB 2 Share Based Payments, being the date when the entity and the counterparty has a mutual understanding to the terms and conditions of the arrangement. For the LTI and STI plans this is the first day of the financial year.

10. EQUITY INSTRUMENTS HELD BY KMP

10.1 RIGHTS AWARDED UNDER INCENTIVE PLANS

The following table details share rights awarded under incentive plans that are subject to service conditions and performance hurdles that are yet to be tested and vested rights that have not yet been exercised and converted into shares. Non-Executive Directors do not participate in incentive plans and do not hold unvested share rights.

Number of rights	Balance at the start of the year	Granted	Exercised and converted to shares	Notional dividends attaching in year[1]	Balance at the end of the year	Balance vested and exercisable
Executive Director						
Chris Ellison	353,109	50,058	(68,686)	10,314	344,795	-
Other KMP						
Paul Brown	140,235	23,697	(16,229)	4,434	152,137	-
Michael Grey	146,542	23,697	(8,135)	4,871	166,975	-
Mark Wilson	198,602	34,437	(9,092)	6,805	230,752	-
Total	838,488	131,889	(102,142)	26,424	894,659	-

[1] Dividend equivalent rights that attach to the FY20, FY21 and FY22 LTIP grants. These rights have an automatic vesting / exercise upon exercise of the underlying LTIP share right.

10.2 KMP SHAREHOLDINGS

The number of MinRes shares held during FY22 by each Director and Other Executive of the Company, including their related parties, is set out below:

Number of Shares	Balance at the start of the year	Issued as part of remuneration	Other Additions[2]	Disposals/ Other[4]	Balance at the end of the year
Non-Executive Directors[1]					
Current:					
James McClements	18,383	2,489	-	-	20,872
Susan Corlett	1,071	2,009	-	-	3,080
Kelvin Flynn	18,354	2,060	-	-	20,414
Xi Xi	16,887	1,952	-	-	18,839
Zimi Meka[3]	-	215	-	-	215
Former:					
Peter Wade[4]	348,498	1,994	-	(350,492)	-
Executive Director					
Chris Ellison	22,425,745	68,686	28,022	-	22,522,453
Executive KMP					
Current					
Paul Brown	19,058	37,807	-	-	56,865
Michael Grey	-	8,135	-	-	8,135
Mark Wilson	26,422	9,092	6,117	-	41,631
Total	22,874,418	134,439	34,139	(350,492)	22,692,504

[1] Shares paid to Non-Executive Directors disclosed in this table were part of their FY22 remuneration package. Shares for their FY21 remuneration package were issued in the current financial year. The quantity of shares granted is based on the proportion of fees payabledivided by the Volume Weighted Average price for the five trading days to the end of each quarter of the financial year.

[2] Other additions include shares received as part of the Company's Dividend Re-investment Program.

[3] Zimi Meka commenced on 17 May 2022.

[4] Peter Wade retired as Non-Executive Chairman and from the Company's Board on 2 of March 2022.

11. TRANSACTIONS WITH RELATED PARTIES

The following transactions occurred with related parties:

Key Management Personnel / Director's interests:	2022 $	2021 $
Properties from which some of the Group's operations are performed are rented from parties related to Chris Ellison and Peter Wade.[1]	(2,307,826)	(2,215,091)

[1] Occupation of these premises date back prior to the Company's listing in 2006. The ongoing need for occupation of these premises, as well as rental arrangements, are assessed periodically. The Group has a Related Party Transaction Policy that requires the review and approval of Related Party Transactions by the Audit and Risk Committee (the Committee).

A number of Directors of the Company hold or have held positions in other companies (personally related entities) where it is considered they control or significantly influence the financial or operating policies of those entities. Other than the transactions shown above, there were no reportable transactions with those entities for the period ending 30 June 2022 (30 June 2021: Nil).

This concludes the Remuneration Report, which has been audited.

INDEMNITY AND INSURANCE OF OFFICERS

The Company has indemnified the Directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the Directors and Executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

INDEMNITY AND INSURANCE OF AUDITOR

The Company has not, during or since the financial year, indemnified or agreed to indemnify the auditor of the Company orany related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

NON-AUDIT SERVICES

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 34 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in note 34 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

COMPANY OFFICERS WHO ARE FORMER PARTNERS OF RSM AUSTRALIA PARTNERS

There are no officers of the Company who are former partners of RSM Australia Partners.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest million dollars, unless otherwise stated.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' Report.

AUDITOR

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors

Chris Ellison
Managing Director

29 August 2022
Perth

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Mineral Resources Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA PARTNERS

TUTU PHONG
Partner

Perth, WA
Dated: 29 August 2022

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2022

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2022

		Group	
	Note	2022 $m	2021 $m
Revenue	4	3,418.0	3,733.6
Other income	5	110.3	245.3
Expenses from operations			
Changes in closing stock		214.8	118.9
Raw materials and consumables		(299.6)	(344.4)
Equipment costs		(201.7)	(191.2)
Subcontractors		(234.0)	(188.5)
Employee benefits expense		(655.3)	(504.1)
Transport and freight		(995.0)	(597.6)
Depreciation and amortisation	6	(352.2)	(258.0)
Impairment charges	6	(15.0)	(46.5)
Other expenses	6	(388.5)	(89.0)
Profit from operations		601.8	1,878.5
Finance income		10.7	10.0
Finance costs	6	(123.4)	(95.8)
Net finance costs		(112.7)	(85.8)
Profit before tax		489.1	1,792.7
Income tax expense	7	(138.3)	(525.0)
Profit after tax for the year		350.8	1,267.7
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Net gain on cash flow hedges		4.4	4.0
Other comprehensive income for the year, net of tax		4.4	4.0
Total comprehensive income for the year		355.2	1,271.7
Profit after tax for the year is attributable to			
Non-controlling interest		1.6	(2.0)
Owners of Mineral Resources Limited		349.2	1,269.7
		350.8	1,267.7
Total comprehensive income for the year is attributable to			
Non-controlling interest		1.6	(2.0)
Owners of Mineral Resources Limited		353.6	1,273.7
		355.2	1,271.7
		Cents	Cents
Basic earnings per share	8	184.87	673.18
Diluted earnings per share	8	184.87	673.18

The above consolidated income statement should be read in conjunction with the accompanying note.

CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2022

	Note	Group 2022 $m	Group 2021 $m
Assets			
Current assets			
Cash and cash equivalents	9	2,428.2	1,542.1
Trade and other receivables	10	626.6	331.3
Inventories	11	252.6	122.6
Current tax assets		0.5	-
Other assets	12	62.3	37.3
Total current assets		3,370.2	2,033.3
Non-current assets			
Trade and other receivables	10	654.5	653.4
Inventories	11	-	62.4
Investments accounted for using the equity method	29	102.7	92.1
Financial assets	13	58.0	296.1
Property, plant and equipment	14	2,162.7	1,824.6
Intangibles	15	24.9	36.7
Exploration and mine development	16	1,438.1	725.8
Total non-current assets		4,440.9	3,691.1
Total assets		7,811.1	5,724.4
Liabilities			
Current liabilities			
Trade and other payables	18	635.7	581.8
Borrowings	19	129.2	157.3
Income tax		11.2	166.7
Employee benefits	20	82.0	69.4
Provisions	21	55.5	9.2
Total current liabilities		913.6	984.4
Non-current liabilities			
Trade and other payables	18	197.9	-
Borrowings	19	2,996.5	1,104.6
Deferred tax[1]	7	220.8	194.2
Provisions	21	211.2	195.1
Total non-current liabilities		3,626.4	1,493.9
Total liabilities		4,540.0	2,478.3
Net assets		3,271.1	3,246.1
Equity			
Issued capital	22	504.5	514.5
Reserves		28.9	15.7
Retained profits		2,693.5	2,673.3
Equity attributable to the owners of Mineral Resources Limited		3,226.9	3,203.5
Non-controlling interest		44.2	42.6
Total equity		3,271.1	3,246.1

[1] For comparability with current year presentation, the FY21 deferred tax asset has been offset with the FY21 deferred tax liability

The above consolidated balance sheet should be read in conjunction with the accompanying note.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

	Issued capital	Reserves	Retained profits	Non-controlling interest	Total equity
Group	$m	$m	$m	$m	$m
Balance at 1 July 2020	516.3	10.1	1,738.4	30.8	2,295.6
Profit/(loss) after tax for the year	-	-	1,269.7	(2.0)	1,267.7
Other comprehensive loss for the year, net of tax	-	4.0	-	-	4.0
Total comprehensive income for the year	-	4.0	1,269.7	(2.0)	1,271.7
Transactions with owners in their capacity as owners:					
Shares issued under Dividend Reinvestment Plan (note 22)	9.2	-	-	-	9.2
Equity settled share-based payments	-	10.3	-	-	10.3
Purchase of shares under employee share plans (note 22)	(20.2)				(20.2)
Employee share awards issued (note 22)	9.2	(8.7)	-	-	0.5
Acquisition of subsidiary	-	-	-	12.0	12.0
Acquisition of non-controlling interest	-	-	(1.0)	1.8	0.8
Dividends paid (note 23)	-	-	(333.8)	-	(333.8)
Balance at 30 June 2021	514.5	15.7	2,673.3	42.6	3,246.1

	Issued capital	Reserves	Retained profits	Non-controlling interest	Total equity
Group	$m	$m	$m	$m	$m
Balance at 1 July 2021	514.5	15.7	2,673.3	42.6	3,246.1
Profit after tax for the year	-	-	349.2	1.6	350.8
Other comprehensive income for the year, net of tax	-	4.4	-	-	4.4
Total comprehensive income for the year	-	4.4	349.2	1.6	355.2
Transactions with owners in their capacity as owners:					
Shares issued under Dividend Reinvestment Plan (note 22)	5.9	-	-	-	5.9
Equity settled share-based payments	-	12.3	-	-	12.3
Purchase of shares under employee share plans (note 22)	(19.4)				(19.4)
Employee share awards issued (note 22)	3.5	(3.5)	-	-	-
Dividends paid (note 23)	-	-	(329.0)	-	(329.0)
Balance at 30 June 2022	504.5	28.9	2,693.5	44.2	3,271.1

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

	Note	Group	
		2022 $m	2021 $m
Cash flows from operating activities			
Receipts from customers		3,284.6	3,689.7
Payments to suppliers and employees		(2,665.2)	(1,719.6)
		619.4	1,970.1
Interest received		10.7	10.0
Interest and other finance costs paid		(82.5)	(86.4)
Income taxes paid		(267.8)	(584.3)
Net cash from operating activities	9	279.8	1,309.4
Cash flows from investing activities			
Payments for investments		(36.4)	(50.1)
Proceeds from disposal of investments		326.2	9.5
Payments for property, plant and equipment		(456.8)	(517.2)
Proceeds from disposal of property, plant and equipment		39.3	11.5
Payments for intangibles		(5.5)	(16.4)
Payments for exploration and evaluation		(265.8)	(51.4)
Payments for mine development expenditure		(271.8)	(174.7)
Amounts advanced to/(from) joint operations		12.5	(17.2)
Amounts advanced to other parties		4.0	(10.0)
Net cash (used in)/from investing activities		(654.3)	(816.0)
Cash flows from financing activities			
Dividends paid		(324.3)	(324.6)
Proceeds from borrowings		1,754.9	31.9
Repayment of borrowings		(28.5)	(12.8)
Payment of finance lease liabilities		(150.0)	(109.8)
Purchase of shares under employee share plans		(19.5)	(20.2)
Net cash provided by/(used in) financing activities		1,232.6	(435.5)
Net increase in cash and cash equivalents		858.1	57.9
Cash and cash equivalents at the beginning of the financial year		1,542.1	1,521.8
Effects of exchange rate changes on cash and cash equivalents		28.0	(37.6)
Cash and cash equivalents at the end of the financial year	9	2,428.2	1,542.1

The above consolidated statements of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

1.SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Foreign currency

The financial statements are presented in Australian dollars, which is Mineral Resources Limited's functional and presentation currency.

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest million dollars, unless otherwise stated.

1.2 PRINCIPLES OF CONSOLIDATION

(a) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Company as at 30 June 2022 and the results of all subsidiaries for the year then ended.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

(b) Joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The Group has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications.

(c) Employee share trust

The Group has in place a trust to administer the Group's employee share and share rights schemes. This trust is consolidated, as the substance of the relationship is that the trust is controlled by the consolidated entity. Shares held by the Mineral Resources Employee Share Trust are disclosed as treasury shares and deducted from contributed equity.

1.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a summary of the accounting policies that are considered significant and relevant to the preparation of the financial statements, to the extent that they have not already been disclosed in other notes to the financial statements throughout the report. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(b) Current and non-current classification

Assets and liabilities are presented in the balance sheet based on current and non-current classification.
An asset is current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, it is held primarily for the purpose of trading, it is expected to be realised within 12 months after the reporting period, or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within 12 months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.
Deferred tax assets and liabilities are always classified as non-current.

(c) Goods and Services Tax (GST) and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.
Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the balance sheet.
Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

(d) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2022. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group,are set out below. There is currently no material impact from these new standards for the Group.

AASB 2020-1 Amendments to Australian Accounting Standards – Classifications of Liabilities as Current or Non-Current

The amendment applies to annual reporting periods beginning on or after 1 January 2023. This narrow-scope amendments to AASB 101 Presentation of Financial Statements clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period; and also clarifies the definition of settlement of a liability.

Application date for the Group: 1 July 2023

AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current –Deferral of Effective Date

The amendment applies to annual reporting periods beginning on or after 1 January 2023. AASB 2020-6 defers the mandatory effective date of amendments that were originally made in AASB 2020-1 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2023 instead of 1 January 2022.

Application date for the Group: 1 July 2023

AASB 2014 – 10 Sale or contribution of Assets between an Investor and its Associate or Joint Venture

AASB 2015-10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB128 AASB

2017-5 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 andEditorial Corrections

2021-7 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 andEditorial Corrections

These amendments address and acknowledged inconsistency between the requirements in AASB 10 and those in AASB 128 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

As a consequence of the amendment:

- a full gain or loss on the sale or contribution of assets between an investor and investee is recognised when a transaction involves a business (whether it is housed in a subsidiary or not);
- a partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

Application date for the Group: 1 July 2025

AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments

The amendment applies to annual reporting periods beginning on or after 1 January 2022. This amending standard makes narrow scope amendments to a number of standards:

- AASB 1: to simplify its application by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences;
- AASB 3: updating the reference to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations;
- AASB 9: clarifying which fees an entity includes when assessing whether the terms of a new or modified financial lability are substantially different from the terms of the original financial liability;

- AASB 116: requiring an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use, and the related cost, in profit or loss, instead of deducting the amounts received from the cost of the asset;
- AASB 137: specifying the costs that an entity includes when assessing whether a contract will be loss-making; and
- AASB 141: removing the requirement to exclude cash flows from taxation when measuring fair value, thereby aligning the fair value measurement requirements in AASB 141 with those in other Australian Accounting Standards.

Application date for the Group: 1 July 2022

AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

The amendment applies to annual reporting periods beginning on or after 1 January 2023. This amending Standard impacts a number of standards:

- AASB 7: clarifying that information about measurement bases for financial instruments is expected to be material to an entity's financial statements;
- AASB 101: requiring entities to disclose their material accounting policy information rather than their significant accounting policies;
- AASB 108: clarifying how entities should distinguish changes in accounting policies and changes in accounting estimates;
- AASB 134: identifying material accounting policy information as a component of a complete set of financial statements; and
- AASB Practice Statement 2, providing guidance on how to apply the concept of materiality to accounting policy disclosures.

Application date for the Group: 1 July 2023

AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a single transaction.

This Standard amends AASB 112 to clarify the accounting for deferred tax on transactions that, at the time of the transaction, give rise to equal taxable and deductable temporary differences.

The Standard amends AASB 1 to require deferred tax related to leases and decommissioning, restoration and similar obligations to be recognised by first time adopters at the date of transaction to Australian Accounting Standards, despite the exemption set out in AASB 12

Application date for the Group: 1 July 2023

2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are found in the respective notes below:

	Note
Income tax	7
Recovery of deferred tax assets	7
Exploration and evaluation costs	16
Ore reserve and mineral resource estimates	16
Impairment of non-financial assets	17
Site rehabilitation provisions	21
Project closure	21

3. OPERATING SEGMENTS

Business segment

The Group has identified its operating segments based on internal management reports that are reviewed by the Board (the Chief Operating Decision Makers) in assessing performance and in determining the allocation of resources.

The Group reports its business results as five operating segments (referred to as "Pillars") being Mining Services and Processing, Iron Ore, Lithium, Other Commodities, and Central. All are operating within the Australian resources sector.

The measurement of segment results is in line with the basis of information presented to management for internal management reporting purposes and the performance of each segment is measured based on EBITDA contribution.

The accounting policies applied for internal reporting purposes are consistent with those applied in the preparation of the financial statements.

Operating segment information:

	Mining Services	Iron Ore[1]	Lithium[1]	Other Commodities[1]	Central	Inter-segment[2]	Total
Group - 2022	$m	$m	$m	$m	$m	$m	$m
Revenue							
External revenue	631.3	1,996.2	790.5	-	-	-	3,418.0
Intersegment revenue	1,506.1	-	-	-	-	(1,506.1)	-
Total Revenue	2,137.4	1,996.2	790.5	-	-	(1,506.1)	3,418.0
Underlying EBITDA	532.5	63.8	585.1	-	(92.7)	(65.0)	1,023.7
Depreciation and amortisation	(194.0)	(157.5)	(19.4)	-	(10.2)	28.9	(352.2)
Underlying EBIT	338.5	(93.7)	565.7	-	(102.9)	(36.1)	671.5
Items excluded from underlying earnings							(69.7)
Net finance costs							(112.7)
Profit before tax							489.1
Assets							
Segment assets	2,162.4	1,504.8	1,382.7	189.4	2,682.7	(110.9)	7,811.1
Liabilities	(651.0)	(502.2)	(197.1)	(99.3)	(3,090.4)	-	(4,540.0)
Segment liabilities							
Segment net assets	1,511.4	1,002.6	1,185.6	90.1	(407.7)	(110.9)	3,271.1

[1] Due to internal reporting requirements, the FY21 operating segment, Commodities, changed to Iron Ore, Lithium and Other Commodities in FY22. Other Commodities includes Manganese, Gas and Garnet.

[2] Net Underlying EBITDA/EBIT represents elimination of internal profits that are temporarily unrealised to the Group

Group - 2021	Mining Services $m	Iron Ore $m	Lithium $m	Other Commodities[1] $m	Central $m	Inter-segment[2] $m	Total $m
Revenue							
External revenue	546.7	3,057.1	129.8	-	-	-	3,733.6
Intersegment revenue	1,203.4	-	-	-	-	(1,203.4)	-
Total Revenue	1,750.1	3,057.1	129.8	-	-	(1,203.4)	3,733.6
Underlying EBITDA	464.2	1,528.1	(10.7)	-	(37.7)	(43.2)	1,900.7
Depreciation and amortisation	(155.5)	(93.2)	(18.5)	-	(9.5)	18.7	(258.0)
Underlying EBIT	308.7	1,434.9	(29.2)	-	(47.2)	(24.5)	1,642.7
Items excluded from underlying earnings							235.8
Net finance costs							(85.8)
Profit before tax							1,792.7
Assets							
Segment assets	1,445.9	1,032.6	1,209.4	86.7	2,022.7	(72.9)	5,724.4
Liabilities							
Segment liabilities	(619.6)	(451.0)	(74.6)	(46.6)	(1,286.5)	-	(2,478.3)
Segment net assets	826.3	581.6	1,134.8	40.1	736.2	(72.9)	3,246.1

[1] Due to internal reporting requirements, the FY21 operating segment, Commodities, changed to Iron Ore, Lithium and Other Commodities in FY22. Other Commodities includes Manganese, Gas and Garnet

[2] Net Underlying EBITDA/EBIT represents elimination of internal profits that are temporarily unrealised to the Group

Reconciliation of underlying earnings to net earnings

	Pre-tax 2022 $m	Taxation 2022 $m	Net amount 2022 $m	Pre-tax 2021 $m	Net amount 2021 $m
Underlying earnings[1]	558.8	(159.3)	399.5	1,556.9	1,102.6
Items excluded from underlying earnings					
Impairment charges (note 17)	(15.0)	4.5	(10.5)	(46.5)	(32.5)
Realised profit on sale of financial asset (Note 5)	94.4	(28.3)	66.1	-	-
Fair value (gain)/loss on equity instruments at fair value through profit or loss (Note 6)	(33.4)	10.0	(23.4)	230.3	161.2
Exchange (losses)/gains on net debt	(115.7)	34.8	(80.9)	52.0	36.4
Total excluded from underlying earnings	(69.7)	21.0	(48.7)	235.8	165.1
Net earnings	489.1	(138.3)	350.8	1,792.7	1,267.7

[1] FY22 Underlying earnings represents Underlying EBIT ($671.5m) less net finance costs ($112.7m).

Geographical information

Refer note 4 for segment revenue disaggregation based on the geographical locations of external customers.

All non-current assets of the Group exclusive of, where applicable, financial instruments and deferred tax assets, are located in Australia.

Major customer information

During the year ended 30 June 2022, Lithium segment revenues from the largest customer amounted to $763.2 million and for the Iron Ore segment revenues from three largest customers amounted to $776.6 million, $586.2 million and $378 million respectively, arising from the sale of commodities and related freight revenue. No other single customer contributed 10 per cent or more to the Group's revenue for the year.

During the year ended 30 June 2021, Lithium segment revenues from the largest customer amounted to $129.2 million and for the Iron Ore segment revenues from three largest customers amounted to $815.6 million, $899.3 million and $859.2 million respectively, arising from the sale of commodities and related freight revenue. No other single customer contributed 10 per cent or more to the Group's revenue for the year.

4. REVENUE

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Mining Services	Iron Ore	Lithium	Other	Total
Group - 2022	$m	$m	$m	$m	$m
Type of goods or service					
Sale of commodities[1]	-	2,284.1	669.6	-	2,953.7
Commodity pricing adjustments	-	(287.9)	120.9	-	(167.0)
Total sale of commodities	-	1,996.2	790.5	-	2,786.7
Contract and operational revenue	502.3	-	-	-	502.3
Other	129.0	-	-	-	129.0
Total external revenue from contracts with customers	631.3	1,996.2	790.5	-	3,418.0
Geographical information (by location of customer)					
Australia	631.3	-	-	-	631.3
China	-	96.4	764.3	-	860.7
Singapore	-	1,899.8	-	-	1,899.8
Other	-	-	26.2	-	26.2
Total external revenue from contracts with customers	631.3	1,996.2	790.5	-	3,418.0

[1] Sale of commodities in the Lithium segment for FY22 includes net earnings under the Mt Marion lithium hydroxide tolling arrangement, being the achieved price of lithium hydroxide totaling US$518 million less the cost of spodumene feed and conversion.

Group - 2021	Mining Services $m	Iron Ore $m	Lithium $m	Other $m	Total $m
Type of goods or service					
Sale of commodities	-	2,727.7	129.8	-	2,857.5
Commodity pricing adjustments	-	329.4	-	-	329.4
Total sale of commodities	-	3,057.1	129.8	-	3,186.9
Contract and operational revenue	437.8	-	-	-	437.8
Other	108.9	-	-	-	108.9
Total external revenue from contracts with customers	546.7	3,057.1	129.8	-	3,733.6
Geographical information (by location of customer)					
Australia	546.7	-	-	-	546.7
China	-	190.5	129.8	-	320.3
Singapore	-	2,866.6	-	-	2,866.6
Other	-	-	-	-	-
Total external revenue from contracts with customers	546.7	3,057.1	129.8	-	3,733.6

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs under the contact by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

The Group does not have any material contract assets as at 30 June 2022 (30 June 2021: nil), as performance and a right to consideration, occurs within a short period of time and all rights to consideration are unconditional.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to Note 10 for trade receivables.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

From time to time, the Group recognises contract liabilities in relation to:

- iron ore and lithium sales which are sold under Cost and Freight (CFR) and Cost, Insurance and Freight (CIF) Incoterms, whereby a portion of the cash may be received from the customer before the freight/insurance services are provided,
- mining services revenue, including crushing services, whereby mobilisation charges may be received from the customer but is to be allocated and recognised based on the actual tonnes crushed each period (each performance obligation).

See Note 18 for further details of contract liabilities disclosed within Trade and Other Payables.

Accounting policy for revenue recognition

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group identifies the contract with a customer, identifies the performance obligations in the contract, determines the transaction price which takes into account estimates of variable consideration and the time value of money, allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered, and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the "expected value" or "most likely amount" method. The measurement of variable consideration is subject to a constraining principle whereby revenue will be recognised only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

(i) Sale of goods

The Group earns revenue by mining, processing, and subsequently selling commodity products (including iron ore and lithium) by export to customers under a range of commercial terms.

Revenue from the sale of product is recognised at the point in time when control has been transferred to the customer, no further work or processing is required by the Group, the quantity and quality of the goods has been determined with reasonable accuracy, the price is fixed or determinable, and collectability is reasonably assured. This is generally when title passes. The majority of the Group's sales agreements specify that title passes when the product is delivered to the destination specified by the customer, which is typically the vessel on which the product will be shipped. In practical terms, revenue is generally recognised on the bill of lading date, which is the date the commodity is delivered to the shipping agent. Within each contract to sell commodity products, each unit of product shipped is a separate performance obligation.

Revenue is generally recognised at the contracted price at this reflects the stand-alone selling price.

The Group's sales agreements may provide for provisional pricing of sales with pricing subsequently adjusted to reflect market prices over a quotation period stipulated in the sales contract, typically on or after the vessel's arrival at the port of discharge. The estimated consideration in relation to provisionally priced contracts is marked to market using the spot price at the end of each reporting period with the impact of the price movements recorded as an adjustment to sales revenue.

These sales agreements also allow for an adjustment to the sales price based on a survey of the goods by the customer (an assay for mineral content) therefore recognition of the sales revenue is based on the most recently determined estimate of product specifications. The effect of variable consideration arising from these arrangements with customers is included in revenue to the extent that it is highly probable that there will be no significant reversal of the cumulative amount of revenue recognised when any pricing uncertainty is resolved.

The Group sells the majority its commodity products on CFR or CIF International Commercial Terms (Incoterms) which means that the Group is responsible for providing freight services and, in CIF instances, insurance, after the date at which title of the goods passes. The Group therefore has separate performance obligations for freight/insurance services provided for sale of products under CFR and CIF Incoterms.

Freight/insurance revenue is allocated from the overall contract price at its standalone selling price (where observable) or otherwise at its estimated cost, plus margin. The recognition of freight/insurance revenue is deferred until the product is delivered rather than when the product is shipped.

The Group does not disclose sales revenue from freight and insurance services separately as it does not consider that this is necessary in order to understand the impact of economic factors on the Group; and the Group's Chief Operating Decision Makers (as defined in the operating segments note 3) do not review information specifically relating to these sources of revenue in order to evaluate the performance of business segments, neither is information on these sources of revenue provided externally.

The Group applies the practical expedient in AASB 15 paragraph 121 for its freight/insurance services and does not disclose information on the transaction price allocated to performance obligations that remain unsatisfied at the end of thereporting period as the performance obligations arising under sales arrangement for its commodity products have an original expected duration of one year or less.

(ii) Rendering of services

The Group's Mining Services and Processing segment earns contract and operational revenue from the provision of a range of mining services, including crushing services.

Revenue from mining services is recognised over time as the services are rendered. As mining services are invoiced on a monthly basis based on the actual services provided or at cost plus margin incurred to date, the Group has used the practical expedient available under AASB 15 to recognise revenue based on the right to invoice, on the basis that the invoiced amount corresponds directly with the value to the customer of the Group's performance completed to date.

For crushing service contracts specifically, each tonne of ore crushed represents a separate performance obligation. Revenue from the rendering of crushing services is measured and recognised as each tonne is crushed based on a schedule of rates that is invoiced to the customer, being the estimate of the price to which the Group expects to be entitled, and a corresponding trade receivable is recognised. Mobilisation / demobilisation charges on crushing service contracts constitute variable charges that will be associated and allocated to each tonne crushed (each performance obligation) and therefore recognised based on the actual tonnes crushed each period, rather than when invoiced.

The Group applies the practical expedient in AASB 15 paragraph 121 for its mining services revenue and does not discloseinformation on the transaction price allocated to performance obligations that remain unsatisfied at the end of the reporting period as these are not material.

5.OTHER INCOME

	Group	
	2022 $m	2021 $m
Net fair value gain on investments held at fair value through profit or loss	-	230.3
Realised profit on sale of financial asset	94.4	-
Net gain/(loss) on disposal of property, plant and equipment	6.0	(4.0)
Share in associate profit and loss	1.8	-
Other	8.1	19.0
Other income	110.3	245.3

6. EXPENSES

	Group	
	2022 $m	2021 $m
Profit before tax includes the following specific expenses:		
Depreciation and amortisation		
Plant and equipment	243.1	183.1
Depreciation capitalised to assets	(0.3)	(0.2)
Total depreciation	242.8	182.9
Amortisation		
Mine development	106.7	72.1
Other	2.7	3.0
Total amortisation	109.4	75.1
Total depreciation and amortisation	352.2	258.0
Impairment		
Intangibles (note 15)	15.0	24.1
Property, plant and equipment (note 14)	-	14.2
Inventory (note 11)	-	8.2
Total impairment	15.0	46.5
Finance costs		
Interest on borrowings	110.5	83.6
Interest on lease liabilities	10.0	9.4
Other	2.8	2.8
Finance costs expensed	123.4	95.8
Other expenses		
Net foreign exchange loss/(gain)	92.4	(51.3)
Fair value loss on equity instruments at fair value through profit or loss	33.4	-
Short-term leases, low value leases and leases with variable payments	2.7	1.7
All other operating expenses	260.0	138.6
Total other expenses	388.5	89.0
Superannuation expense included in employee benefit expense		
Defined Contribution superannuation expense	47.8	34.8

7. INCOME TAX

Income tax expense

	Group	
	2022 $m	2021 $m
Income tax expense		
Current tax	123.9	368.4
Deferred tax - origination and reversal of temporary differences	22.3	157.4
Adjustment recognised for prior periods	(7.9)	(0.8)
Aggregate income tax expense	138.3	525.0
Deferred tax included in income tax expense comprises:		
Increase in deferred tax assets	(91.1)	(17.4)
Increase in deferred tax liabilities	113.3	174.8
Deferred tax - origination and reversal of temporary differences	22.2	157.4
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	489.1	1,792.7
Tax at the statutory tax rate of 30%	146.3	537.8
Tax effect amounts which are not deductible in calculating taxable income:		
Non allowable expenses	0.4	1.6
Temporary difference movement variance	(0.5)	-
	(0.1)	1.6
Research and Development concessions	-	(13.6)
	146.2	525.8
Adjustment recognised for prior periods	(7.9)	(0.8)
Current year tax losses not recognised	-	-
Income tax expense	138.3	525.0

	Group	
	2022 $m	2021 $m
Amounts charged directly to equity		
Deferred tax liabilities	-	-
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	26.7	33.5
Potential tax benefit @ 30%	8.0	10.0

The above potential tax benefit for tax losses has not been recognised in the balance sheet. These tax losses can only be utilised (or transferred in upon joining the tax consolidated group) in the future if the continuity of ownership test is passed, or failing that, the business continuity test is satisfied.

Net Deferred tax liability

	Group	
	2022 $m	2021 $m
Deferred tax assets and liabilities comprise temporary differences attributable to:		
Tax losses	-	5.2
Impairment of receivables	0.1	1.3
Trade and other receivables	18.5	(16.0)
Trade and other receivables – deferred income	12.0	7.3
Inventories	(1.3)	0.1
Accruals	9.6	5.5
Employee benefits	31.0	15.5
Provisions	73.5	59.4
Unrealised foreign exchange loss	34.3	(0.4)
Financial assets	0.6	(50.0)
Development Costs	12.3	30.9
Property, plant and equipment	(339.5)	(195.0)
Exploration and evaluation	(43.9)	(17.8)
Prepayments	(9.2)	(9.2)
Research and development	(8.3)	(33.2)
Employee Share Trust	(11.0)	-
Other	0.5	2.1
Deferred tax liability	(220.8)	(194.3)
Movements:		
Opening balance	(194.2)	(2.7)
Credited to profit or loss	(22.2)	(157.4)
(Over) provision from prior year	(4.4)	(34.1)
Closing balance	(220.8)	(194.2)

Accounting policy for income tax

The income tax expense for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Key judgement: Income tax

The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises the amount of tax payable or recoverable based on management's best estimate of the most likely outcome. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in atransaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Key judgement: Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Mineral Resources Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax group.

Assets or liabilities arising under tax funding agreements with the tax group are recognised as amounts receivable from or payable to other entities in the tax group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

8. EARNINGS PER SHARE

	Group	
	2022 $m	2021 $m
Profit after tax	350.8	1,267.7
Non-controlling interest	(1.6)	2.0
Profit after income tax attributable to the owners of Mineral Resources Limited	349.2	1,269.7
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	188,890,356	188,612,740
Weighted average number of ordinary shares used in calculating diluted earnings per share	188,890,356	188,612,740
	Cents	Cents
Basic earnings per share	184.87	673.18
Diluted earnings per share	184.87	673.18

Accounting policy for earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Mineral Resources Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

9. CASH AND CASH EQUIVALENTS

Cash and cash equivalents

	Group	
	2022 $m	2021 $m
Current		
Cash at bank and on hand	1,701.3	1,327.6
Short-term deposits and other cash equivalents	726.9	214.5
	2,428.2	1,542.1

Accounting policy for cash and cash equivalents

Cash and cash equivalents includes cash on hand, short-term deposits with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash flow information - Reconciliation of profit after tax to net cash from operating activities

	Group	
	2022 $m	2021 $m
Profit after income tax expense for the year	350.8	1,267.7
Adjustments for:		
Depreciation and amortisation	352.2	258.0
Share-based payments	11.6	10.2
Foreign exchange differences	115.7	(52.0)
Impairment loss	15.0	46.5
Net (gain)/loss on disposal of property, plant and equipment	(6.0)	4.0
Net (gain)/loss on disposal of financial assets	(94.4)	-
Share of (profit)/loss – interest in associates	(1.8)	-
Fair value loss/(gain) on investments held at fair value through profit or loss	33.4	(230.3)
Other non-cash transactions	1.3	(2.8)
Change in operating assets and liabilities:		
Increase in trade and other receivables	(319.3)	(123.6)
Increase in inventories	(67.5)	(12.7)
Increase in deferred tax assets	(100.8)	(10.4)
Decrease/(increase) in other operating assets	(20.5)	1.1
Increase in trade and other payables	45.7	196.8
Decrease in provision for income tax	(156.0)	(249.2)
Increase in deferred tax liabilities	127.4	200.2
(Decrease)/increase in provisions	(7.0)	5.9
Net cash from operating activities	279.8	1,309.4

Cash flow information – Changes in liabilities arising from financing activities

	Lease liability	Senior unsecured notes	Other borrowings	Total
Group	$m	$m	$m	$m
Balance at 30 June 2020	282.8	1,006.7	1.2	1,290.7
Net cash from/(used in) financing activities	(109.8)	-	25.2	(84.6)
Acquisition of leases	172.6	-	-	172.6
Exchange differences	-	(88.9)	-	(88.9)
Other changes	(30.4)	2.4	-	(28.0)
Balance at 30 June 2021	315.2	920.2	26.4	1,261.8
Balance at 1 July 2021	315.2	920.2	26.4	1,261.8
Net cash from/ (used in) financing activities	(150.0)	1,738.6	(12.2)	1,576.4
Acquisition of leases	144.8	-	-	144.8
Exchange differences	-	141.4	-	141.4
Other changes	-	1.3	-	1.3
Balance at 30 June 2022	310.0	2,801.5	14.2	3,125.7

10. TRADE AND OTHER RECEIVABLES

	Group	
	2022 $m	2021 $m
Current		
Trade receivables	602.1	301.7
Less: Allowance for expected credit losses	-	(4.3)
	602.1	297.4
Loan receivables	24.5	33.9
	626.6	331.3
Non-current		
Loan receivables	43.9	46.9
Less: Allowance for expected credit losses	(0.3)	(0.5)
	43.6	46.4
Other receivables	-	-
Security deposits	2.6	0.9
Deferred consideration receivable from sale of disposal group (note 24)	608.3	606.1
	654.5	653.4

Expected credit losses on trade and other receivables are not material. Further information about the Group's exposure to credit and market risks, and impairment losses for trade receivables and contract assets is included in Note 24.

Accounting policy for trade and other receivables

Trade receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for impairment losses. Trade receivables are generally due for settlement within 30 days.

Refer note 24 for the Group's credit risk management policies.

Impairment of trade receivables

Collectability of trade receivables is reviewed on an ongoing basis. Loss allowances for trade receivables are measured at an amount equal to lifetime expected credit losses (ECLs). Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments are considered indicators that a receivable is credit-impaired. ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Debts which are known to be uncollectable are written off by reducing the carrying amount directly. If an impairment allowance has been recognised for a debt that then becomes uncollectable, the debt is written off against the allowance account. If an amount is subsequently recovered, it is credited against profit or loss.

Loans and other receivables

Other receivables generally arise from transactions outside the usual operating activities of the Group. Loans and other receivables are classified as financial assets held at amortised cost, less any allowance for impairment losses.

The Group's other receivables do not contain impaired assets and are not past due. Based on the credit history, it is expected that these other receivables will be received when due.

11. INVENTORIES

	Group	
	2022 $m	2021 $m
Current		
Raw materials and stores	69.9	52.4
Ore inventory stockpiles	179.3	67.3
Work in progress	3.4	2.9
	252.6	122.6
Non-current		
Ore inventory stockpiles	-	62.4

Accounting policy for inventories

Raw materials, work in progress and finished goods are stated at the lower of weighted average cost and net realisable value. Cost comprises direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

12. OTHER ASSETS

	Group	
	2022 $m	2021 $m
Current		
Prepayments	58.0	37.6
Foreign exchange forward contracts	4.3	(0.3)
	62.3	37.3

13. FINANCIAL ASSETS

	Group	
	2022 $m	2021 $m
Non-Current		
Shares in listed corporations – at fair value through profit or loss	58.0	296.1
Reconciliation		
Reconciliation of the fair values at the beginning and end of the current and previousfinancial year are set out below		
Opening fair value	296.1	42.3
Additions	37.5	40.2
Disposals	(233.3)	(9.6)
Transfer	(10.1)	(7.1)
Revaluation	(32.2)	230.3
Closing fair value	58.0	296.1

Refer to note 24 for further information on fair value measurement.

Accounting policy for investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income (FVOCI) are classified as financial assets at fair value through profit or loss (FVTPL). Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

The Group's investments in equity instruments that are not held for trading are measured at FVTPL. An irrevocable election has not been made by management to measure any instruments at FVOCI. This election is made on an investment by investment basis.

14. PROPERTY, PLANT AND EQUIPMENT

	Group	
	2022 $m	2021 $m
Non-current		
Land – cost	28.9	25.4
Buildings – cost	314.9	241.7
Less: Accumulated depreciation	(52.8)	(46.5)
	262.1	195.2
Right-of-use buildings – at cost	38.9	12.7
Less: Accumulated depreciation	(15.1)	(8.9)
	23.8	3.8
Right-of-use plant and equipment – cost	494.4	550.7
Less: Accumulated depreciation	(115.9)	(152.0)
	378.5	398.7
Plant and equipment – cost	2,226.3	1,743.1
Less: Accumulated depreciation	(756.9)	(541.6)
	1,469.4	1,201.5
	2,162.7	1,824.6

Reconciliations

Reconciliations of written down values at the start and end of the current and previous financial year are set out below:

	Land	Buildings	Right-of-use buildings	Right-of-use plant and equipment	Plant and equipment	Total
Group	$m	$m	$m	$m	$m	$m
Balance at 1 July 2020	14.4	54.4	40.0	271.3	985.8	1,365.9
Additions	9.5	142.1	1.7	183.7	365.6	702.6
Disposals	-	-	(31.7)	(8.8)	(7.2)	(47.7)
Impairment of assets	-	-	-	-	(14.2)	(14.2)
Transfers	1.5	4.2	0.1	11.6	(16.3)	1.1
Depreciation expense	-	(5.5)	(6.3)	(59.1)	(112.2)	(183.1)
Balance at 30 June 2021	25.4	195.2	3.8	398.7	1,201.5	1,824.6
Additions	3.5	73.4	26.2	91.0	427.2	621.3
Disposals	-	-	-	(21.0)	(16.4)	(37.4)
Impairment of assets	-	-	-	-	-	-
Transfers	-	(0.2)	-	(28.8)	26.0	(3.0)
Depreciation expense	-	(6.3)	(6.2)	(61.4)	(168.9)	(242.8)
Balance at 30 June 2022	28.9	262.1	23.8	378.5	1,469.4	2,162.7

Capitalised borrowing costs

The amount of borrowing costs capitalised during the year ended 30 June 2022 was not material. In the prior year ended 30 June 2021, the amount of borrowing costs capitalised was not material.

Assets in the course of construction

At 30 June 2022, there were no material amounts included in property, plant and equipment relating to assets in the course of construction. In the prior year ended 30 June 2021, there were no material amounts included in property, plant and equipment relating to assets in the course of construction.

Impairment testing

Refer to note 17 for details of impairment testing.

Accounting policy for property, plant and equipment

Owned assets

Items of plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of self-constructed assets includes the cost of materials, direct labour and an appropriate portion of production overheads. The cost of self-constructed and acquired assets includes (i) the initial estimate at the time of installation and during the period of use, when relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and (ii) changes in the measurement of existing liabilities recognised for these costs resulting from changes in the timing oroutflow of resources required to settle the obligation or from changes in the discount rate.

Where parts of an item of plant and equipment have different useful lives, they are accounted for as separate items of plantand equipment.

Right-of-use assets

The Group has adopted AASB 16 *Leases* (AASB 16) from 1 July 2019. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the balance sheet when a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

Depreciation

Depreciation is calculated either on the straight-line method to write off the net cost of each item of property, plant and equipment over the shorter of the lease term (where applicable) and their expected useful lives, or units of production method where the Group's ore reserves are used to determine the units of production depreciation.

Buildings	40 years
Buildings at mine sites	10 years or usage basis
Right-of-use buildings	Shorter of 40 years or the term of the lease
Right-of-use plant and equipment	Shorter of 3 – 20 years or the term of the lease
Plant and equipment	1 – 10 years or usage basis

Subsequent costs

The Group recognises in the carrying amount of an item of plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable the future economic benefits embodied within the item will flow to the Group and the cost of the item can be measured reliably. All other costs are recognised in the income statement as an expense as incurred.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

15. INTANGIBLES

	Group	
	2022 $m	2021 $m
Non-current		
Goodwill – cost	1.4	1.4
Development – at cost	2.7	-
Patents – cost	0.6	-
Less: Accumulated amortisation and impairment	(0.1)	-
	0.5	-
Access rights – cost	56.7	56.7
Less: Accumulated amortisation and impairment	(39.3)	(37.9)
	17.4	18.8
Others – cost	10.5	23.0
Less: Accumulated amortisation	(7.6)	(6.5)
	2.9	16.5
	24.9	36.7

Reconciliations

The table below sets out reconciliations of written down values at the beginning and end of the current and previous financial year:

	Goodwill	Capitalised development costs	Patents	Access rights	Others	Total
Group	$m	$m	$m	$m	$m	$m
Balance at 1 July 2020	1.4	21.8	1.7	21.1	1.9	47.9
Additions	-	0.6	-	-	15.9	16.5
Impairment of assets	-	(22.4)	(1.7)	-	-	(24.1)
Amortisation expense	-	-	-	(2.3)	(1.3)	(3.6)
Balance at 30 June 2021	1.4	-	-	18.8	16.5	36.7
Additions	-	3.3	-	-	2.6	5.9
Transfer in/(out)	-	(0.6)	0.6	-	-	-
Impairment of assets	-	-	-	-	(15.0)	(15.0)
Amortisation expense	-	-	(0.1)	(1.4)	(1.2)	(2.7)
Balance at 30 June 2022	1.4	2.7	0.5	17.4	2.9	24.9

Allocation of goodwill to cash-generating units

The following cash generating units have carrying amounts of goodwill:

	Group	
	2022 $m	2021 $m
Process Minerals International Pty Ltd	1.4	1.4

Impairment testing

Refer to note 17 for details of impairment testing.

Accounting policy for intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortization method or period.

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Research and development

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the Group has sufficient resources; and intent to complete the development and its costs can be measured reliably. Capitalised development costs are amortised when it is available for use in the manner intended by management on a straight-line basis over the period of their expected benefit.

Patents and trademarks

Significant costs associated with patents and trademarks are deferred and amortised on a straight-line basis over the period of their expected benefit.

Access rights

Access rights acquired as part of a business combination are recognised separately from goodwill. The rights are carried at their fair value at the date of acquisition less accumulated amortisation and impairment losses. Amortisation is calculated based on the timing of projected cash flows of the access rights over their estimated useful lives.

Other Intangibles

Other Intangible assets are carried at cost and amortisation is calculated based on their useful life.

16. EXPLORATION AND MINE DEVELOPMENT

	Group	
	2022 $m	2021 $m
Non-current		
Exploration and evaluation	619.6	163.5
Mine development	1,128.4	765.5
Less: Accumulated amortisation	(309.9)	(203.2)
	818.5	562.3
	1,438.1	725.8

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Exploration and evaluation	Mine development	Total
Group	$m	$m	$m
Balance at 1 July 2020	132.0	344.4	476.4
Additions	66.9	190.7	257.6
Disposals	(2.4)	-	(2.4)
Reassessment of rehabilitation	-	65.9	65.9
Transfers	(33.0)	33.0	-
Amortisation expense	-	(71.7)	(71.7)
Balance at 30 June 2021	163.5	562.3	725.8
Balance at 1 July 2021	163.5	562.3	725.8
Additions	487.3	262.5	749.8
Disposals	-	-	-
Reassessment of rehabilitation	-	71.0	71.0
Transfers	(31.2)	29.4	(1.8)
Amortisation expense	-	(106.7)	(106.7)
Balance at 30 June 2022	619.6	818.5	1,438.1

Accounting policy for exploration and mine development assets

Exploration and evaluation assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the balance sheet where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable ore reserves.

Key judgement: Exploration and evaluation costs

Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are capitalised only if expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of ore reserves and mineral resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, the expenditure incurred in relation to the project or an area of interest will be written off in the period in which this determination is made.

Mine development

Development expenditure incurred by or on behalf of the Group is accumulated separately for each area of interest in which mineral resources have been identified. Such expenditure comprises cost directly attributable to the construction of a mine and the related infrastructure.

Once a development decision has been taken, the carrying amount of the exploration and evaluation expenditure in respect of the area of interest is aggregated with the development expenditure and classified under non-current assets as development properties.

A development property is reclassified as a mining property at the end of the commissioning phase, when the mine is capable of operating in the manner intended by management.

Depreciation is charged using the units-of-production method, with separate calculations being made for each area of interest. The units-of-production basis results in a depreciation charge proportional to the depletion of estimated total ore to be mined. These calculations require the use of estimates and assumptions, including the amount of recoverable reserves and estimates of future capital expenditure. The Group adopts a Run of Mine (ROM) tonnes of ore produced methodology.

Development properties are tested for impairment in accordance with the policy on impairment of assets.

Key estimate: Ore reserves and mineral resources

Ore reserves are estimates of the amount of product that can be economically and legally extracted from the Group's current mining tenements. The Group estimates its ore reserves based on information compiled by appropriately qualified persons able to interpret the geological data. The estimation of recoverable ore reserves is based on factors such as estimates of foreign exchange rates, commodity prices, future capital requirements, and production costs, along with geological assumptions and judgements made in estimating the size and grade of the ore body.

Changes in the ore reserves or mineral resource estimates may impact on the value of exploration and evaluation assets, mine properties, property plant and equipment, provision for rehabilitation and depreciation and amortization charges.

Stripping (waste removal) costs

As part of its mining operations, the Group incurs stripping costs both during the development phase and production phase of its operations.

Development stripping costs arise from the removal of overburden and other mine waste materials removed during the development of a mine site in order to access the mineral deposit. Costs directly attributable to development stripping activities, inclusive of an allocation of relevant overhead expenditure, are initially capitalised to exploration and evaluation expenditure. Capitalisation of development stripping costs ceases at the time that saleable material begins to be extracted from the mine. On completion of development, all capitalised development stripping included in exploration and evaluation is transferred to mine development.

Production stripping commences at the time that saleable materials begin to be extracted from the mine and, under normalcircumstances, continue throughout the life of the mine. Costs of production stripping are charged to the profit or loss as operating costs when the ratio of waste material to ore extracted for a "component" of the ore body is expected to be constant throughout its estimated life. A "component" is a specific section of the orebody that is made more accessible by the stripping activity. It will typically be a subset of the larger orebody that is distinguished by a separate useful economic life.

When the ratio of waste to ore is not expected to be constant, production stripping costs are accounted for as follows:

(i) All costs are initially charged to profit or loss and classified as operation costs.

(ii) When the current ratio of waste to ore is greater than the estimated life-of-component strip ratio, a portion of the stripping costs (inclusive of an allocation of relevant overhead expenditure) is capitalised to mine development as a stripping activity asset.

(iii) The amount of production stripping costs capitalised or charged in a financial year is determined so the stripping expense for the financial year reflects the estimated life-of-component strip ratio. The stripping activity asset is amortised on a units-of production method over the life of the component, unless another method is more appropriate.

Life-of-component strip ratios are based on estimates of ore reserves and mineral resources and the latest approved mine plan; they are a function of the mine design and therefore changes to that design will generally result in changes to the ratios. Changes to the estimated life-of-mine ratio are accounted for prospectively from the date of the change.

17. IMPAIRMENT OF NON-FINANCIAL ASSETS

	Pre-tax	Taxation	Net amount	Pre-tax	Taxation	Net amount
Group	2022 $m	2022 $m	2022 $m	2021 $m	2021 $m	2021 $m
Mining Services	-	-	-	(14.4)	4.3	(10.1)
Commodities	(15.0)	4.5	10.5	(5.2)	1.6	(3.6)
Central	-	-	-	(26.9)	8.1	(18.8)
Total impairment charge	(15.0)	4.5	10.5	(46.5)	14.0	(32.5)

Impairment testing

The Group tests non-financial assets for impairment:

- at least annually for indefinite life intangibles and goodwill; and
- where there is an indication that the asset may be impaired.

If an asset does not generate independent cash inflows and its value in use cannot be estimated to be close to its fair value, the asset is tested for impairment as part of the cash generating unit (CGU) to which it belongs. The recoverable amount of each CGU is determined based on the higher of an asset's fair value less costs of disposal (FVLCD) and value-in-use (VIU).

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount

Key assumptions: Assumptions used in the impairment assessments of non-financial assets

In determining the recoverable amount of assets, key assumptions and estimates are used that require significant levels of judgement and are subject to risk and uncertainty that are beyond the control of the Group, including political risk, climate risk, and other global uncertainty risks.

Impairment recognised - FY22

Assets are firstly assessed for impairment at the individual level. For the current financial year this resulted in a pre-tax impairment of $15.0 million in relation to intangible assets, to align carrying values with future recovery expectations.

The Group considered assets which are assessed for impairment at the CGU level, with these assessments net of impairments summarised above. There was no resulting impairment charge for the year ended 30 June 2022 at the CGU level. There was no reversal of previous impairments recorded.

Previously recognised impairment - FY21

In the previous financial year, an impairment expense of $46.5 million represented the write-down of various classes of assets, being:

- $24.1 million of capitalised development costs and associated intellectual property were impaired to align carrying values with future recovery expectations, and
- $22.4 million of various idle plant and equipment and inventory were impaired to reflect a change in management's future operational plans which no longer required utilisation of these assets.

18. TRADE AND OTHER PAYABLES

	Group	
	2022 $m	2021 $m
Current liabilities		
Trade payables and accruals	588.2	557.3
Contract liabilities (note 4(b))	47.5	24.5
	635.7	581.8
Non-Current liabilities		
Trade payables and accruals	197.9	-

Refer to note 24 for further information on financial instruments.

19. BORROWINGS

	Group	
	2022 $m	2021 $m
Current		
Other borrowings	14.2	26.4
Lease liability	115.0	130.9
	129.2	157.3
Non-current		
Senior unsecured notes (i - iii)	2,830.6	931.1
Less: capitalised transaction costs	(29.1)	(10.9)
Lease liability	195.0	184.4
	2,996.5	1,104.6

US$700 million senior unsecured notes offering due 2027, at an interest rate of 8.125 per cent per annum.

US$625 million senior unsecured notes offering due 2027, at an interest rate of 8.000 per cent per annum.

US$625 million senior unsecured notes offering due 2030, at an interest rate of 8.500 per cent per annum.

Refer to note 24 for further information on financial instruments.

Accounting policy for borrowing

Loans and borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

Lease liability

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments are comprised of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

The lease liabilities are effectively secured as the rights to the leased assets, recognised in the balance sheet as right-of-use assets and revert to the lessor in the event of default.

20. EMPLOYEE BENEFITS

	Group	
	2022 $m	2021 $m
Current		
Employee benefits	82.0	69.4

Accounting policy for employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

The current provision includes amounts for vested long service leave for which the Group does not have an unconditional right to defer settlement, regardless of when the actual settlement is expected to occur. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

21. PROVISIONS

	Group	
	2022 $m	2021 $m
Current		
Project closure	7.1	7.1
Site rehabilitation	47.8	1.4
Other	0.6	0.7
	55.5	9.2
Non-current		
Project closure	11.3	15.2
Site rehabilitation	199.9	179.9
	211.2	195.1

Movements in provisions

Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

	Project closure	Site rehabilitation	Other
Group - 2022	$m	$m	$m
Carrying amount at the start of the year	22.3	181.3	0.7
Additional provisions recognised	4.1	74.0	0.3
Amounts used	(8.0)	(8.5)	-
Unused provisions reversed	-	-	(0.4)
Unwinding of discount	-	0.9	-
Carrying amount at the end of the year	18.4	247.7	0.6

Accounting policy for provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Key estimate: Site rehabilitation provisions

In accordance with the Group's legal requirements, provision is made for the anticipated costs of future restoration and rehabilitation of areas from which natural resources have been extracted. The provision includes costs associated with dismantling of assets, reclamation, plant closure, waste site closure, monitoring, demolition and decontamination. The provision is based upon current costs and has been determined on a discounted basis with reference to current legal requirements and current technology.

Each period the impact of unwinding of the discount is recognised in the income statement as a financing cost. Any change in the restoration provision is recorded against the carrying value of the provision and the related asset, only to the extent that it is probable that future economic benefits associated with the restoration expenditure will flow to the entity, with the effect being recognised in the income statement on a prospective basis over the remaining life of the relevant operation. The restoration provision is separated into current (estimated costs arising within 12 months) and non-current components based on the expected timing of these cash flows.

Key estimate: Project closure

At the completion of some projects the Group has a liability for redundancy and the cost of relocating crushing and other mobile plant. An assessment is undertaken on the probability that such expenses will be incurred in the normal course of business for contracting services and is provided for in the financial statements.

22. ISSUED CAPITAL

	Group			
	2022 Shares	2021 Shares	2022 $m	2021 $m
Ordinary shares	189,201,267	188,735,982	558.3	535.9
Less: Treasury shares (Employee Share Plans)	(1,091,931)	(534,582)	(53.8)	(21.4)
	188,109,336	188,201,400	504.5	514.5

Movements in issued capital

Details	Ordinary shares Number	Less: Treasury shares Number	Total Number
Balance at 1 July 2020	188,469,830	(698,611)	187,771,219
Shares issued under Dividend Reinvestment Plan	266,152	-	266,152
Purchase of shares under employee share plans	-	(449,293)	(449,293)
Employee share awards issued	-	613,322	613,322
Balance at 30 June 2021	188,735,982	(534,582)	188,201,400
Shares issued under Dividend Reinvestment Plan	114,229	-	114,229
Purchase of shares under employee share plans	-	(396,784)	(396,784)
Employee share awards issued	351,056	(160,565)	190,491
Balance at 30 June 2022	189,201,267	(1,091,931)	188,109,336

Details	Ordinary shares $m	Less: Treasury shares $m	Total $m
Balance at 1 July 2020	526.6	(10.3)	516.3
Shares issued under Dividend Reinvestment Plan	9.2	-	9.2
Purchase of shares under employee share plans	-	(20.2)	(20.2)
Employee share awards issued	0.1	9.1	9.2
Balance at 30 June 2021	535.9	(21.4)	514.5
Shares issued under Dividend Reinvestment Plan	5.9	-	5.9
Purchase of shares under employee share plans	-	(19.4)	(19.4)
Employee share awards issued	16.5	(13.0)	3.5
Balance at 30 June 2022	558.3	(53.8)	504.5

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Treasury shares

Movements in treasury shares represent acquisition of the Company's shares on market and allocation of shares to the Company's employees from the vesting of awards and exercise of rights under the employee share-based payment plans.

23. DIVIDENDS

Dividends

	2022		2021	
	Dividend per share Cents	Total $m	Dividend per share Cents	Total $m
Declared and paid during the year				
Final franked dividend for the year ended 30 June 2021 (2021: 30 June 2020)	175.00	329.0	77.00	145.2
Interim franked dividend for the year ended 30 June 2022 (2021: 30 June 2021)	-	-	100.00	188.6
	175.00	329.0	177.00	333.8
Declared since the end of the financial year				
Final franked dividend for the year ended 30 June 2022 (2021:30 June 2021)	100.00	188.3	175.00	329.0

Franking credits

	Group	
	2022 $m	2021 $m
Franking credits available for subsequent financial years based on a tax rate of 30%	809.7	903.0

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date.

24. FINANCIAL INSTRUMENTS

(a) Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group may look to raise capital when an opportunity to invest in a business or company is seen as value adding relative to the current Company's share price at the time of the investment. The Group is actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The Group is subject to certain financing arrangement covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on financing arrangement covenants during the financial year.

The capital risk management policy is unchanged from the prior year. Gearing ratio at the reporting date was as follows:

	Group	
	2022 $m	2021 $m
Current liabilities - borrowings (note 19)	129.2	157.3
Non-current liabilities - borrowings (note 19)	2,996.5	1,104.6
Total borrowings	3,125.7	1,261.9
Current assets - cash and cash equivalents (note 9)	(2,428.2)	(1,542.1)
Cash and cash equivalents, net of debt	697.5	(280.2)
Total equity	3,271.1	3,246.1
Total capital	3,968.6	2,965.9
Gearing ratio	18%	(9%)

(b) Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk) credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures.

Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives (Finance) under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units. Finance reports to the Board on a monthly basis.

(c) Market risk

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The Group enters into forward exchange contracts to buy and sell specified amounts of foreign currencies in the future at stipulated exchange rates. The objective in entering the forward exchange contracts is to protect the Group against unfavourable exchange rate movements for both the contracted and anticipated future sales undertaken in foreign currencies. Certain of these foreign exchange forward contracts are designated as hedging instruments.

The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	Assets		Liabilities	
Group	2022 $m	2021 $m	2022 $m	2021 $m
USD denominated	758.0	681.7	2,887.8	1,211.2

The following table demonstrates the sensitivity of these foreign currency denominated financial assets and financial liabilities to a weakening/strengthening in the Australian dollar, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The impact on the Group's pre-tax equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges.

		2022		2021	
	AUD strengthened /(weakened)%	Profit before tax/(lower) $m	Equity higher/(lower) $m	Profit before tax/(lower) $m	Equity higher/(lower) $m
USD denominated	5%	101.4	101.2	25.2	25.2
USD denominated	-5%	(112.1)	(111.9)	(27.9)	(27.9)

Commodity price risk

The Group is exposed to commodity price risk which arises from the Group's sale of iron ore, lithium hydroxide and lithium spodumene concentrate at contracted and/or spot prices.

		2022		2021	
	Change in price %	Profit before tax/(lower) $m	Equity higher/(lower) $m	Profit before tax/(lower) $m	Equity higher/(lower) $m
Iron Ore	+/- 10%	199.6	199.6	305.7	305.7
Lithium Spodumene	+/- 10%	56.7	56.7	13.0	13.0
Lithium Hydroxide	+/- 10%	75.2	75.2	-	-

Equity price risk

The Group's investment in listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Board reviews and approves all equity investment decisions.

At the reporting date, the Group's exposure to listed equity securities at fair value was $58.0 million (2021: $296.1 million). A decrease of 10% (2021: 10 per cent) on the share prices could have an impact of approximately $5.8 million (2021: $29.6 million) on the profit or loss attributable to the Group.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's financial instruments that have variable interest rates. As at the reporting date, the Group is exposed to interest rate risk on its variable rate financial instruments as follows:

	2022		2021	
Group	Weighted Average interest rate %	Balance $m	Weighted average interest rate %	Balance %m
Cash at bank and on hand	0.07%	1,701.3	0.210%	1,327.6
Net exposure to cash flow interest rate risk		1,701.3		1,327.6

An analysis by remaining contractual maturities is shown in 'liquidity risk' note 24(e) below. The Group has considered sensitivity relating to exposure to interest rate risk at reporting date. An increase/decrease in interest rate of 100 (2021: 100) basis points would have a favorable/adverse effect on the profit before tax of $17.0 million (2021: $13.3 million) per annum.

(d) Credit risk

Nature of the risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group's exposure to financial position credit risk are as indicated by the carrying amounts of its financial assets, primarily from customer receivables from operating activities and deposits with financial instruments from financing activities. The Group does not have a significant exposure to any individual counterparty.

Credit risk management: trade receivables and contract assets

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Group based on recent sales experience, historical collection rates and available forward-looking information.

The Group has a strict policy for extending credit to customers, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Group obtains guarantees where appropriate to mitigate credit risk and obtains letters of credit to mitigate credit risk for commodity sales. The maximum exposure to credit risk at the reporting date to trade receivables and contract assets is the carrying amount, net of any allowances for credit losses, as disclosed in the balance sheet and notes to the financial statements. The Group does not hold any collateral.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than one year.

In monitoring customer credit risk, customers are grouped according to their credit characteristics and counterparty type, including whether they arise from commodity sales, crushing and processing services or construction contracts, and the existence of previous financial difficulties.

The Group's exposure to credit risk for trade receivables and contract assets by counterparty type as at the reporting date was as follows.

	Group	
	2022 $m	2021 $m
Commodity sale customers	463.0	104.5
Crushing and processing services customers	91.3	73.0
Other mining services	13.2	55.7
Other	34.6	64.3
	602.1	297.5

The Group uses an allowance matrix to measure the ECLs of trade receivables based on shared credit risk characteristics and days past due. At 30 June 2022, the Group had $55.8 million (2021: $46.9 million) of trade receivables past due.

These past due receivables substantially relate to customers for whom there is no history of default. On this basis, the resulting allowance for credit losses on trade receivables is not material.

At 30 June 2022, the carrying amount of receivables and contract assets for the Group's four major customers (Iron ore and Lithium commodity sale customers) (2021: three commodity sale customers) totaled $462.9 million (2021: $152.2 million).

The Group has no customers who are credit-impaired at the reporting date.

Credit risk management: cash deposits and derivatives

The credit risk on liquid funds and derivative financial instruments is limited as the counterparties are Australian/major international banks with high credit-ratings assigned by international credit-rating agencies.

Credit risk management: loan receivables and other financial assets

Lending to external parties may be provided; secured by acceptable collateral as defined in the Group credit policy and business unit procedures. The Group restricts its dealings to counterparties that have acceptable credit ratings. Should the rating of a counterparty fall below certain levels, Group policy dictates that approval by the Board is required to maintain the level of the counterparty exposure. Alternatively, management may consider closing out positions with the counterparty or novating open positions to another counterparty with acceptable credit ratings.

Credit risk management: financial guarantees given to banks

There is also exposure to credit risk when the Group provides a guarantee to another party. The Group's maximum exposure in this respect is the maximum amount the Group would have to pay if the guarantee is called upon. Details of contingent liabilities are disclosed in note 25.

(e) Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	Group	
	2022 $m	2021 $m
Total facilities		
Bank overdraft[3]	4.0	4.0
Loan Facility[1]	400.0	250.0
Senior unsecured notes	2,830.6	931.1
Lease liability[2]	286.8	311.1
Other borrowings	21.0	21.0
Bank guarantees	58.6	40.0
	3,601.0	1,557.2
Used at the reporting date		
Bank overdraft[3]	-	-
Loan Facility[1]	-	-
Senior unsecured notes	2,830.6	931.1
Lease liability[2]	286.8	311.1
Other borrowings	1.6	1.3
Bank guarantees	45.2	21.6
	3,164.2	1,265.1
Unused at the reporting date		
Bank overdraft[3]	4.0	4.0
Loan Facility[1]	400.0	250.0
Senior unsecured notes	-	-
Lease liability[2]	-	-
Other borrowings	19.4	19.7
Bank guarantees	13.4	18.4
	436.8	292.1

[1] In January 2022, the Loan Facility was changed from a syndicate facility to a club facility. The club facility includes a number of separate facilities under a single common terms deed.

[2] In order to finance the acquisition of various qualifying assets such as mobile mining assets, the Company obtains commitments and funding via hire purchase master leases. The Company's hire purchase lease liabilities are limited by the conditions of both the Loan Facility and senior unsecured notes to the greater of $430 million and 10% of the total assets less cash of the borrower group.

[3] The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the balance sheet.

	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
Group - 2022	%	$m	$m	$m	$m	$m
Non-derivatives						
Non-interest bearing						
Trade payables	-	635.7	197.9	-	-	833.6
Interest-bearing - fixed rate						
Senior unsecured notes	8.205%	-	-	1,016.1	1,814.5	2,830.6
Lease liability	3.349%	115.0	75.3	105.8	13.9	310.0
Other	0.850%	1.6	-	-	-	1.6
Total non-derivatives		752.3	273.2	1,121.9	1,828.4	3,975.8

	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
Group - 2021	%	$m	$m	$m	$m	$m
Non-derivatives						
Non-interest bearing						
Trade payables	-	506.8	-	-	-	506.8
Interest-bearing - fixed rate						
Senior unsecured notes	8.125%	-	-	-	931.1	931.1
Lease liability	2.760%	130.9	95.4	88.9	0.1	315.3
Other	0.850%	1.2	-	-	-	1.3
Total non-derivatives		638.9	95.4	88.9	931.2	1,754.5

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

(f) Fair value of financial instruments

Fair value hierarchy

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Unobservable inputs for the asset or liability

	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
Group - 2022				
Assets				
Financial assets held at fair value through profit or loss: - Shares in listed corporations	58.0	-	-	58.0
Deferred consideration receivable from sale of disposal group	-	-	608.3	608.3
Foreign exchange forward contracts in cash flow hedges	4.4	-	-	4.4
Total assets	62.4	-	608.3	670.6
Liabilities				
Contingent consideration	-	(197.9)	-	(197.9)
Other liabilities: Foreign exchange forward contracts in cash flow hedges	-	-	-	-
Total liabilities	-	(197.9)	-	(197.9)

	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
Group - 2021				
Assets				
Financial assets held at fair value through profit or loss: - Shares in listed corporations	296.1	-	-	296.1
Deferred consideration receivable from sale of disposal group	-	-	606.1	606.1
Total assets	296.1	-	606.1	902.2
Liabilities				
Other liabilities: Foreign exchange forward contracts in cash flow hedges	(0.3)	-	-	(0.3)
Total liabilities	(0.3)	-	-	(0.3)

Unless otherwise stated the carrying amount of financial instruments reflect their fair value.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values to their short-term nature.

Valuation techniques for fair value measurements categorised within Level 3

The basis of the valuation of deferred consideration receivable is fair value. The Group obtained an independent valuation of the deferred consideration measured at fair value, arising from the sale of Wodgina on 1 November 2019. The main Level 3 inputs used in the independent valuation were derived and evaluated as follows:

- Discount rate, assumed fixed tolling charges per annum per feed tonne capacity, assumed variable tolling charges per wet metric tonne feed.
- Considered against the value implied by the Wodgina sale consideration for the arms-length transaction that completed on 1 November 2019.

The Group assessed that there were no material changes at the end of the reporting period since initial recognition.

Accounting policy for fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place; either in the principal market, or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external data.

25. CONTINGENT LIABILITIES

Legal claim contingency

(a) Subiaco lease for corporate headquarters

In July 2020, the Group terminated the lease agreement for corporate headquarters in Subiaco. The parties have since been in dispute over the validity of the termination. Both parties have alleged that they have incurred damages in connection with the disputed lease and the termination.

The status of the dispute is still preliminary and any potential award of damages against the Group is only possible, not probable, and cannot be reliably estimated as at the date of this report. Accordingly, no additional provision for liability has been made in these financial statements.

(b) Validity of Wonmunna mining leases

Fortescue Metals Group (ASX: FMG) (FMG) commenced legal proceedings against the Minister for Mines and Petroleum, the DMIRS Registrar and Wonmunna Iron Ore Pty Ltd (an MinRes subsidiary), seeking declarations that the Wonmunna mining leases (M47/1423, M47/1424, M47/1425) are invalid. In its claim, FMG alleges that the Minister did not have jurisdiction to grant the mining leases in 2012 as the applications for the mining leases in 2008 were not accompanied by mineralisation reports. Wonmunna Iron Ore Pty Ltd denies these claims and is defending the action.

The status of the matter is still preliminary and legal costs or potential claims are only possible, not probable, and cannot be reliably estimated as at the date of this report. Accordingly, no provision for liability has been made in these financial statements.

(c) Iron Valley haul road claim

On 25 November 2020, FMG commenced legal proceedings against the Group alleging that the access deed, executed between FMG and MinRes on 30 August 2012 for the road which is used to haul iron ore from the Group's Iron Valley project has expired. FMG alleges that Group must stop using the haul road and must remove the road and surrender its miscellaneous licenses over the area. The Group is defending the claim. By the consent of the parties, the matter has been adjourned until 1 June 2023 while MinRes pursues the construction of a new haul road.

Legal costs or potential claims or impacts of these proceedings are only possible, not probable, and cannot be reliably estimated as at the date of this report. Accordingly, no provision for liability has been made in these financial statements.

(d) Claim for introduction of Reed Industrial Minerals Pty Ltd offtake partner and equity partner

Reed Industrial Minerals Pty Ltd (RIM) is a joint operation in which the Group has a 50% interest. An individual and a related company (the Claimants) have lodged a claim in the Supreme Court against RIM's previous equity owners Neometals Limited (Neometals) and RIM (as a second defendant). The Claimants allege that agreements were reached in 2009 and 2015 which obliged Neometals to pay fees to one of the Claimants for having introduced Neometals to RIM's offtake partner and for introducing an equity partner. The Claimants allege that RIM is also liable to pay the fee relating to the introduction of the offtake partner.

Based on the information provided by the Claimants to date, the Directors consider that it is not probable that material damages will be awarded against RIM in respect of the claim. Accordingly, no provision for liability has been made in these financial statements.

There has been no other material change to contingent liabilities since the last annual report.

Bank guarantees

The Group has provided guarantee to third parties in relation to performance of contracts and against warranty obligations for a defects liability period after completion of the work. Defects liability periods are usually from 12 to 18 months duration. Bank guarantees are issued as security for these obligations.

	Group	
	2022 $m	2021 $m
Bank guarantee facility	40.0	40.0
Amount utilised	(28.9)	(21.6)
Unused facility	11.1	18.4
Cash-backed guarantee facility	18.6	-
Amount utilised	(16.3)	-
Unused facility	2.3	-

26. COMMITTMENTS

	Group	
	2022 $m	2021 $m
Capital commitments		
Commitments relating to the purchase of property, plant and equipment contracted for at reporting date and not recognised as liabilities, payable:		
- Within one year	433.7	215.8
- Later than 1 year but no later than five years	94.0	9.5
Total capital commitment	527.7	225.3
Lease commitments - finance		
Committed at the reporting date and recognised as liabilities, payable:		
Within one year	123.2	137.8
One to five years	193.7	189.7
More than five years	16.1	0.1
Total lease commitment	333.0	327.6
Less: Future finance charges	(23.0)	(12.3)
Net commitment recognised as liabilities	310.0	315.3

27. PARENT ENTITY INFORMATION

Set out below is the supplementary information about the Parent Entity.

Income statement

	Parent	
	2022 $m	2021 $m
Profit after tax	165.8	2,060.3
Total comprehensive income	165.8	2,060.3

Balance sheet

	Parent	
	2022 $m	2021 $m
Total current assets	2,076.6	1,413.6
Total assets	6,623.2	10,975.7
Total current liabilities	290.2	332.6
Total liabilities	4,951.8	9,141.7
Net assets	1,671.4	1,834.0
Equity		
Issued capital	504.5	514.6
Reserves	26.8	14.2
Retained profits	1,140.1	1,305.2
Total equity	1,671.4	1,834.0

Guarantees entered into by the Parent Entity in relation to the debts of its subsidiaries

The Parent Entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2022 and 30 June 2021 other than as obligor under its syndicated financing facilities.

Contingent liabilities

The Parent Entity had no contingent liabilities as at 30 June 2022 (2021: $nil).

Capital commitments - Property, plant and equipment

The Parent Entity had capital commitments for property, plant and equipment at as 30 June 2022 of $4.2m (2021: $nil).

Significant accounting policies

The accounting policies of the Parent Entity are consistent with those of the Group, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the Parent Entity
- Investments in associates are accounted for at cost, less any impairment, in the Parent Entity
- Dividends received from subsidiaries are recognised as other income by the Parent Entity

28. INTERESTS IN MATERIAL SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following material subsidiaries inaccordance with the accounting policy described in note 1:

		Ownership interest	
		2022	2021
Name	Country of incorporation	%	%
Crushing Services International Pty Ltd	Australia	100.00%	100.00%
PIHA Pty Ltd	Australia	100.00%	100.00%
Polaris Metals Pty Ltd	Australia	100.00%	100.00%
Process Minerals International Pty Ltd	Australia	100.00%	100.00%
Auvex Resources Pty Ltd	Australia	100.00%	100.00%
Mineral Resources (Equipment) Pty Ltd	Australia	100.00%	100.00%
MRL Asset Management Pty Ltd	Australia	100.00%	100.00%
MIS.Carbonart Pty Ltd	Australia	100.00%	100.00%
Mineral Resources Transport Pty Ltd	Australia	100.00%	100.00%
Wodgina Lithium Pty Ltd	Australia	100.00%	100.00%
Energy Resources Ltd	New Zealand	100.00%	100.00%
Cattamarra Farms Pty Ltd*	Australia	90.00%	90.00%
Yilgarn Iron Pty Ltd	Australia	100.00%	100.00%
Iron Resources Pty Ltd	Australia	100.00%	100.00%
Kumina Iron Pty Ltd	Australia	100.00%	100.00%
MinRes Health Pty Ltd	Australia	100.00%	100.00%
Bungaroo South Pty Ltd	Australia	100.00%	100.00%
Buckland Minerals Transport Pty Ltd	Australia	100.00%	100.00%
Cape Preston Logistics Pty Ltd	Australia	100.00%	100.00%
Resource Development Group Limited*	Australia	65.77%	65.77%
Wonmunna Iron Ore Pty Ltd	Australia	100.00%	100.00%
MinRes Properties Pty Ltd	Australia	100.00%	100.00%
MinRes Marine Pty Ltd	Australia	100.00%	100.00%
Bulk Ore Shuttle Systems Pty Ltd*	Australia	50.00%	50.00%

* Non-full owned subsidiaries included are not considered to be material to the group.

29. INTERESTS IN ASSOCIATES

	Group	
	2022 $m	2021 $m
Norwest Energy NL	15.9	7.1
Aquila Resources Pty Ltd	86.8	85.0
Interest in associates	102.7	92.1

Interests in associates are accounted for using the equity method of accounting. Information relating to associates that are material to the Group are set out below:

		Ownership of Interest	
Name	Principal place of business/ Country of incorporation	2022 %	2021 %
Norwest Energy NL	Australia	19.90%	19.90%
Aquila Resources Pty Ltd[1]	Australia	15.00%	15.00%

[1]Aquila Resources Limited is accounted for as an associated company as the Group has significant influence primarily through representation on Aquila Resource Limited's Board of Directors

Summarised financial information relating to Aquila Resources Pty Ltd are as follows:

	Group	
	31 December 2022[1] $m	31 December 2021 $m
Summarised statement of financial position		
Current assets	35.9	87.2
Non-current assets	586.5	618.4
Total assets	622.4	705.6
Current liabilities	418.7	23.8
Non-current liabilities	27.2	48.8
Total liabilities	445.9	72.6
Net assets	176.5	633.0
Summarised statement of profit or loss and other comprehensive income		
Revenue	24.5	7.4
Expenses	(544.0)	(76.9)
Loss before income tax	(519.5)	(69.5)
Income tax benefit	41.2	19.0
Loss after income tax	(478.3)	(50.5)
Other comprehensive income	22.0	(0.1)
Total comprehensive income	(456.3)	(50.6)
Reconciliation of the consolidated entity's carrying amount		
Opening carrying amount	85.0	-
Acquisition of ownership interest	-	85.0
Share of profit after income tax[2]	1.8	-
Closing carrying amount[3]	86.8	85.0

[1]The results between 31 December 2021 disclosed audit results and 30 June 2022 is not expected to be material.

[2]The share in profit represents amounts taken up for the financial year and exclude losses relating to provisions which have already been included in the investment carrying value at date of acquisition.

[3]The Group considered impairment indicators in line with AASB 128: *Investments in Associates and Joint Ventures* and assessed that no event has occurred since acquisition. Losses relating to provisions have already been included in the investment carrying value at date of acquisition.

30. INTERESTS IN JOINT OPERATIONS

The Group has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications. Information relating to joint operations that are material to the Group are set out below:

		Ownership of interest	
Name	Principal place of business / Country of incorporation	2022 %	2021 %
Reed Industrial Minerals Pty Ltd	Australia	50.00%	50.00%
Buru Energy Limited	Australia	50.00%	50.00%
Red Hill Iron Ore Joint Venture[1]	Australia	40.00%	-

[1] On 30 July 2021, the Group reached an agreement with Red Hill Iron Limited (ASX: RHI; Red Hill Iron) to acquire RHI's 40% participating interest in the Red Hill Iron Ore Joint Venture (RHIOJV) for a total consideration of $400M, of which $200M was paid in 1H22 and a further $200M payable on first commercial shipment of iron ore extracted from the RHIOJV tenements recognised as deferred consideration at a present value of $197.9M, refer to note 24(f).

31. RELATED PARTY TRANSACTIONS

Parent Entity

Mineral Resources Limited is the Parent Entity.

Subsidiaries

Interests in subsidiaries are set out in note 28.

Associates

Interests in associates are set out in note 29.

Joint operations

Interests in joint operations are set out in note 30.

Key Management Personnel

Disclosures relating to Key Management Personnel are set out in note 32 and the remuneration report included in the Directors' Report.

Transactions with related parties

The value of transactions with related parties and outstanding balances in relation to transactions with related parties wereas follows:

	Group			
	Transaction values for the year ended 30 June 2022 $m	Transaction values for the year ended 30 June 2021 $m	Balances outstanding as at 30 June 2022 $m	Balances outstanding as at 30 June 2021 $m
Key Management Personnel:				
Properties from which the Group's operations are performed are rented from parties related to Chris Ellison and Peter Wade[1]	(2.3)	(2.2)	-	-

[1] Occupation of these premises date back prior to the Company's listing in 2006. The ongoing need for occupation of thesepremises, as well as rental arrangements, are assessed periodically. The Group has a Related Party Transaction Policy that requires the review and approval of Related Party Transactions by the Audit and Risk Committee (the Committee).

A number of Directors of the Company hold or have held positions in other companies (personally related entities) where it is considered they control or significantly influence the financial or operating policies of those entities. Other than the transactions shown above, there were no reportable transactions with those entities for the period ending 30 June 2022 (30 June 2021: Nil).

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

32. KEY MANAGEMENT PERSONNEL DISCLOSURES

Compensation

The aggregate compensation made to Directors and other members of Key Management Personnel of the Group is set out below:

	Group	
	2022 $m	2021 $m
Short-term employee benefits	6.3	6.3
Post-employment benefits	0.2	0.2
Share-based payments	5.1	4.2
	11.6	10.7

Detailed information about the remuneration received by each KMP is provided in the Remuneration Report that is audited and forms part of the Directors' Report.

33. SHARE BASED PAYMENTS

Expense arising from share-based payment transactions

The expense recognised for employee services received during the year is shown in the following table:

	Group	
	2022 $m	2021 $m
Equity-settled share-based payment transactions	11.3	10.2

Number and fair value of share awards granted during the period

		Weighted average fair value $	Granted Number
FY22 STI plan (for Key Executives)	(Share Rights)	48.88	23,268
FY22 LTI plan (for Key Executives)	(Share Rights)	51.79	108,621
FY22 LTI and One Off Rights plans (for Employees)	(Share Rights)	51.79	251,484

The weighted average fair value of the above equity instruments granted was determined with reference to the share price on the date of grant.

Additional information on the award schemes granted in FY22 are as follows:

(i) FY22 Short Term Incentive Plan for Key Executives (FY22 STIP)

Executive KMP are invited to participate in the FY22 STIP, under which awards made under the STIP that exceed 50 per cent of the Base FAR for the Managing Director or 40 per cent of Base FAR for Executive KMP, will be settled in the form of MinRes shares that vest progressively over the two years following grant, subject to continued service and application of clawback and malus provisions.

(ii) FY22 Long Term Incentive Plan for Key Executives (FY22 LTIP)

Executive KMP are invited to participate in the FY22 LTIP, under which participants receive share rights in the Company, subject to four years of continuing service and testing of the performance measure over a four-year performance period. The performance measure is the Company's four-year average ROIC over the performance period compared with hurdles set in advance by the Board. Further details on the FY22 LTIP are provided in the Remuneration Report.

(iii) FY22 Long Term and One-off Rights Plans for Employees (FY22 LTIP and ORP)

Under the FY22 Long Term Rights and One-off Rights Plans, eligible employees are invited to receive share rights in the Company, subject to employees remaining in service for a period of three to five years from the date of grant. Share Rights under the plan do not carry voting entitlements.

Equity-settled awards outstanding

Details of equity-settled share awards outstanding as at the reporting date are presented in the following table:

		Grant Date	Expected Vesting Date	Outstanding at 30 June 2022 Number	Outstanding at 30 June 2021 Number	Vesting conditions
FY18 LTIP	(Share Rights)	Aug-18	Aug-21	-	124,755	Non-market
FY20 STIP (for Executive KMP) - Deferred shares component	(Share Rights)	July-20	Aug-21/22	36,560	73,120	Non-market
FY20 LTIP (for Executive KMP)	(Share Rights)	Sep-19	Aug-23	359,413	359,413	Non-market
FY20 LTIP & ORP (for Employees)	(Share Rights)	Sep-19	July-22/ Sep-24	1,294,411	1,320,724	Non-market
FY21 STIP (for Executive KMP) - Deferred shares component	(Share Rights)	July-21	Aug-22/23	25,470	25,470	Non-market
FY21 LTIP (for Executive KMP)	(Share Rights)	July-20	Aug-24	268,101	268,101	Non-market
FY21 LTIP & ORP (for Employees)	(Share Rights)	July-20	July-23/ Sep-25	522,152	548,283	Non-market
FY22 STIP (for Executive KMP) - Deferred shares component	(Share Rights)	July-22	Aug-23/24	23,268	-	Non-market
FY22 LTIP (for Executive KMP)	(Share Rights)	July-21	Aug-25	108,621	-	Non-market
FY22 LTIP & ORP (for Employees)	(Share Rights)	July-21	Aug-25	251,484	-	Non-market

Outstanding balance in relation to Share Rights under the FY20, FY21 and FY22 plans represent awards not yet exercised. No awards have vested as at reporting date.

Accounting policy for share-based payments

Certain employees may receive remuneration in the form of share-based compensation.

Equity-settled

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions is measured at fair value on grant date and recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as acancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

34. REMUNERATION OF AUDITORS

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the Company:

	Group	
	2022 $'000	2021 $'000
Audit services - RSM Australia Partners		
Audit or review of the financial statements	743.0	676.0
Other services - RSM Australia Partners & overseas network firms		
Taxation services	51.4	61.0
Due diligence services required for US Notes offering	175.0	-
	226.4	61.0
Audit services – unrelated firms	119.3	66.4
	1,088.7	803.4

35. EVENTS AFTER THE REPORTING PERIOD

Dividend

On 29 August 2022, the directors declared a final fully franked dividend for the year ended 30 June 2022 of $1.00 per share to be paid on 23 September 2022, a total estimated distribution of $188.3 million based on the number of ordinary shares on issue as at 29 August 2022.

COVID-19 pandemic

During FY22 the Group continued with its proactive implementation of a range of measures and adaptations to its operations in response to the COVID-19 pandemic. However, border closures and lockdowns following COVID-19 outbreaks around Australia continue to impact MinRes operations, primarily through the forced curtailment of staff movements from inter-state and overseas. This impacts our ability to transport iron ore from our operations as the shortage of road train drivers constrains movement of materials.

During FY22 MinRes continued COVID-19 testing checks as part of the fit-for-work regime for all FIFO workers as and when required. In addition, the Group maintains its ability, through MinRes Health, to rapidly re-activate these testing services, thereby benefitting the Group and the wider Resources Industry and general community in Western Australia.

Importantly, MinRes Health testing facilities are able to be re-commissioned within approximately 12 hours of a public health notification of a positive COVID-19 case in Western Australia. Despite these measures the challenges presented by COVID-19 are fluid and continue to change; it is therefore not practical to estimate the potential impact of COVID-19 after the reporting date. The Group will continue to assess its response to the COVID-19 pandemic on an ongoing basis.

Onslow Iron Project

On 29 August 2022 the Red Hill Iron Joint Venture (RHIOJV) parties made an unconditional Final Investment Decision (FID) to develop the RHIOJV iron ore assets as part of MinRes' Ashburton Hub Development (Onslow Iron Project or Project) and have executed a Binding Project Development Term Sheet. The RHIOJV is currently held 40% by MinRes and 60% by API Management Pty Ltd (APIM) on behalf of the parties to the Australia Premium Iron Joint Venture, Aquila Steel Pty Ltd (Aquila) and AMCI (IO) Pty Ltd (AMCI (IO)).

DIRECTORS'
DECLARATION

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors

Chris Ellison
Managing Director

29 August 2022
Perth

INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MINERAL RESOURCES LIMITED

Opinion

We have audited the financial report of Mineral Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated balance sheet as at 30 June 2022, the consolidated income statement, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed this matter
Revenue - Refer to Note 4 in the financial statements	
Revenue was considered a key audit matter as it is the most significant account balance in the income statement. The Group's sale agreements provide for provisional pricing of sales with pricing subsequently adjusted to reflect market pricing over a quotation period stipulated in the sales contract, typically on or after the vessel's arrival at the port of discharge. For sales where the final settlement price is yet to be determined, the value of this revenue is adjusted by considering tonnes subject to price finalisation at the end of the period.	We performed the following audit procedures, amongst others, in relation to revenue: • Assessed whether the revenue recognition policies are in compliance with Australian Accounting Standards; • Sampled sales contracts with provisional pricing recorded at the reporting date, by recalculating the recorded provisional pricing adjustment to ensure it is comparable to relevant external price indices; • Sampled a selection of sales contracts and delivery documentation to ensure that revenue has been recognised in accordance with the Group's accounting policy; • Sampled sales transactions before and after the reporting date to ensure that revenue is recognised in the correct financial period; and • Assessed the disclosures in the financial report to ensure they are in accordance with the requirements of the Australian Accounting Standards.
Provision for Site Rehabilitation - Refer to Note 21 in the financial statements	
As at 30 June 2022, the Group had provisions for site rehabilitation of $247.7 million relating to the estimated future cost of rehabilitation and restoration of areas disturbed as a result of its mining operations. The provision for site rehabilitation was considered a key audit matter due to the materiality of the balance, the significant judgements and estimation uncertainty, and the complexity involved in the quantification of the liability.	We performed the following audit procedures, amongst others, in relation to the provision for site rehabilitation: • Obtained an understanding of the process involved in determining the provision; • Obtained the calculations and the methodology used to determine if the provision had been calculated in accordance with Australian Accounting Standards; • Considered the competence and objectivity of the Group's internal and external experts involved in determining the cost estimates used in the calculations; • Where external expert reports were used to support the estimation of the provision, we assessed the information provided and ensured it was appropriately reflected in the calculation of the provision; • We checked the mathematical accuracy of provision calculations; • On a sample basis, agreed inputs used in the calculations to supporting documentation; and • Benchmarked the key market related assumptions, being inflation rates and discount rates, used in the calculations against external market data.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2022, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Mineral Resources Limited, for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

RSM AUSTRALIA PARTNERS

TUTU PHONG
Partner

Perth, WA
Dated: 29 August 2022

GLOSSARY

1H, 2H, FY	First half, second half, full financial year
$	Australian dollar
US$	United States dollar
Australian Accounting Standards	Australian Accounting Standards are developed, issued and maintained by the Australian Accounting Standards Board, an Australian Government agency under the Australian Securities and Investments Commission Act 2001
AASB	Australian Accounting Standards Board
ASX	The Australian Securities Exchange

bn	Billion
CAGR	Compound annual growth rate
CFR	Cost and freight rate
CFR cost	Operating costs of mining, processing, rail/road haulage, port, freight and royalties, including mining infrastructure service agreements with MinRes Group entities, direct administration costs, and apportionment of corporate and centralised overheads
Corporations Act	Corporations Act 2001 of the Commonwealth of Australia
dmt	Dry metric tonnes
EPS	Earnings per share
Gross debt	Total borrowings and finance lease liabilities
Gross gearing	Gross debt / (gross debt + equity)
k	Thousand
LTIFR	Lost Time Injury Frequency Rate
M	Million
Net debt / (cash)	Gross debt less cash and cash equivalents. Includes finance lease liabilities.
pcp	Prior corresponding period
ROIC	Return on invested capital
T or t	Wet metric tonnes unless otherwise stated
TMM	Total Material Mined
TRIFR	Total Recordable Injury Frequency Rate per million hours worked
TSR	Total Shareholder Return being CAGR in gain from change in share price plus dividends paid
Underlying EBIT	Earnings Before Interest and Tax adjusted for impact of one-off, non-operating gains or losses
Underlying EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation adjusted for impact of one-off, non-operating gains or losses
Underlying PBT	Profit Before Tax adjusted for impact of one-off, non-operating gains or losses
Underlying NPAT	Net Profit After Tax adjusted for after tax impact of one-off, non-operating gains or losses
wmt	Wet metric tonnes


MINERAL
RESOURCES

MINERAL RESOURCES

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