



## Mineral Resources Limited

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### CORPORATE GOVERNANCE

The Board of Directors is responsible for the corporate governance of Mineral Resources Limited. The Board guides and monitors the business and affairs of Mineral Resources Limited on behalf of the shareholders by whom they are elected and to whom they are accountable.

To ensure that the Board is well equipped to discharge its responsibilities, it has established policies and guidelines as the basis for the administration of corporate governance.

#### CORPORATE GOVERNANCE DISCLOSURES

The Board and management are committed to corporate governance and to the extent that they are applicable to the Company have followed the "Principles of Good Corporate Governance and Best Practice Recommendations" issued by the Australian Stock Exchange ("ASX") Corporate Governance Council.

#### BEST PRACTICE RECOMMENDATIONS

Outlined below are the 10 Essential Corporate Governance Principles as outlined by the ASX and the Corporate Governance Council. The Company has complied with the Corporate Governance Best Practice Recommendations except as identified below.

|   | Action taken and reasons<br>if not adopted  |
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| <p><b>Principle 1: Lay solid foundation for management and oversight</b></p> <p><i>Recognise and publish the respective roles and responsibilities of the board and management</i></p> <p>1.1 Formalise and disclose the functions reserved to the Board and those delegated to management.</p> | Adopted.  |
| <p><b>Principle 2: Structure the board to add value</b></p> <p><i>Have a board of an effective composition, size and commitment to adequately discharge its responsibilities and duties</i></p>   | Adopted except as follow:-<br>2.1 The current Board is evenly balanced between independent directors and directors considered |

|  | Action taken and reasons if not adopted  |
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| <p>2.1 A majority of the Board should be Independent<br/>           2.2 The chairperson should be an Independent director<br/>           2.3 The roles of chairperson and chief executive officer should not be exercised by the same individual<br/>           2.4 The board should establish a nomination committee<br/>           2.5 Provide the information indicated in 'Guide to reporting on Principle 2'</p>  | <p>not to be independent. The Board has undertaken in section 7 of the Prospectus to use its best endeavours to appoint an additional non-executive director with appropriate qualifications and experience to meet its independence requirements within 12 months. The Board is currently in the process of identifying suitable candidates.</p>  |
| <p><b>Principle 3: Promote ethical and responsible decision-making</b><br/> <i>Actively promote ethical and responsible decision-making</i></p> <p>3.1 Establish a code of conduct to guide the directors, the chief executive officer (or equivalent), the chief financial officer (or equivalent) and any other key executives as to:<br/>           3.1.1 the practices necessary to maintain confidence in the Company's integrity<br/>           3.1.2 the responsibility and accountability of individuals for reporting or investigating reports of unethical practices</p> <p>3.2 Disclose the policy concerning trading in Company securities by directors, officers and employees<br/>           3.3 Provide the information indicated in 'Guide to Reporting on Principle 3'</p>  | <p>Adopted</p>   |
| <p><b>Principle 4: Safeguard integrity in financial reporting</b><br/> <i>Have a structure in place to independently verify and safeguard the integrity of the Company's financial reporting</i></p> <p>4.1 Require the chief executive officer (or equivalent) and the chief financial officer (or equivalent) to state in writing to the Board that the Company's financial reports present a true and fair view, in all material respects, of the Company's financial condition and operational results and are in accordance with relevant accounting standards.</p> <p>4.2 The Board should establish an audit committee<br/>           4.3 Structure the audit committee so that it consists of:</p> <ul style="list-style-type: none"> <li>▪ Only non-executive directors</li> <li>▪ A majority of independent directors</li> <li>▪ An independent chairperson who is not the chairperson of the Board</li> <li>▪ At least three members</li> </ul> | <p>Adopted except as follows:-</p> <p>4.3 Presently, the Company does not have sufficient independent directors to constitute the Audit Committee in accordance with Best practice recommendations. The Board has undertaken in section 7 of the Prospectus to use its best endeavours to appoint an additional non-executive director with appropriate qualifications and experience to meet its independence</p> |

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| <p>4.4 The audit committee should have a formal operating charter</p> <p>4.5 Provide the information indicated in the 'Guide to reporting on Principle 4'</p>  | <p>requirements within 12 months. The full Board will carry out the functions of the Audit Committee until a sufficient number of suitably qualified independent directors are in place. The Board will follow the Audit Committee Charter.</p> |
| <p><b>Principle 5: Make timely and balanced disclosure</b><br/><i>Promote timely and balanced disclosure of all material matters concerning the Company</i></p> <p>5.1 Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance</p> <p>5.2 Provide the information indicated in the 'Guide to reporting on Principle 5'</p>   | <p>Adopted</p>  |
| <p><b>Principle 6: Respect the rights of shareholders</b><br/><i>Respect the rights of shareholders and facilitate the effectiveness of those rights</i></p> <p>6.1 Design and disclose a communications strategy to promote effective communication with shareholders and encourage effective participation at general meetings.</p> <p>6.2 Request the external audit to attend the annual general meeting and be available to answer shareholder questions about the audit and the preparation and content of the auditor's report</p>  | <p>Adopted</p>  |
| <p><b>Principle 7: Recognise and manage risk</b><br/><i>Establish a sound system of risk oversight and management and internal control</i></p> <p>7.1 The Board or appropriate Board committee should establish policies on risk oversight and management</p> <p>7.2 The chief executive officer (or equivalent) and the chief financial officer (or equivalent) should state to the Board in writing that:</p> <p>7.2.1 the statement given in accordance with best practice recommendation 4.1 (the integrity of financial statements) is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board</p> <p>7.2.2 the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.</p> <p>7.3 Provide the information indicated in the 'Guide to</p> | <p>Adopted</p>  |

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| reporting on Principle 7'   |         |
| <p><b>Principle 8: Encourage enhanced performance</b></p> <p><i>Fairly review and actively encourage enhanced board and management effectiveness</i></p> <p>8.1 Disclose the process for performance evaluation of the Board, its committees and individual directors, and key executives</p>   | Adopted |
| <p><b>Principle 9: Remunerate fairly and responsibly</b></p> <p><i>Ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to corporate and individual performance is defined</i></p> <p>9.1 Provide disclosure in relation to the Company's remuneration policies to enable investors to understand (i) the cost and benefits of these policies and (ii) the link between remuneration paid to directors and key executives and corporate performance.</p> <p>9.2 The Board should establish a remuneration committee</p> <p>9.3 Clearly distinguish the structure of non-executive directors' remuneration from that of executives</p> <p>9.4 Ensure that payment of equity-based executive remuneration is made in accordance with thresholds set in plans approved by shareholders</p> | Adopted |
| <p><b>Principle 10: Recognise the legitimate interest of stakeholders</b></p> <p><i>Recognise the legal and other obligations of all legitimate stakeholders</i></p> <p>10.1 Establish and disclose a code of conduct to guide compliance with legal and other obligations to legitimate stakeholders</p>   | Adopted |