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**16 December 2022**

**Online lodgement**

Market Announcements Office  
ASX Limited  
Central Park  
Level 152-158 St Georges Terrace  
Perth WA 6000

**FOR IMMEDIATE RELEASE TO THE MARKET**

Dear Sir/Madam

**Takeover bid by Mineral Resources Limited for Norwest Energy NL — Bidder's Statement**

We act for Mineral Resources Limited (ACN 118 549 910) (ASX:MIN) (**MinRes**), and have been authorised by the Board of MinRes to provide this release.

We enclose, in accordance with item 5 of subsection 633(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**), a copy of MinRes' bidder's statement in relation to its off-market takeover bid under Chapter 6 of the Corporations Act for all of the ordinary shares in Norwest Energy NL (ACN 078 301 505) (ASX:NWE) (**NWE**) (**Bidder's Statement**).

A copy of the Bidder's Statement was today lodged with the Australian Securities and Investments Commission and was sent to NWE.

For the purposes of subsections 633(2) and 633(4)(a) of the Corporations Act, MinRes has set 7:00pm (Sydney time) on 19 December 2022 as the date for determining persons to whom information is to be sent under items 6 and 12 of subsection 633(1) of the Corporations Act.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Justin Mannolini'.

**Justin Mannolini**  
Partner  
T +61 8 9413 8491  
jmannolini@gtlaw.com.au

A handwritten signature in blue ink, appearing to read 'Simon Rear'.

**Simon Rear**  
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This is an important document and requires your immediate attention.

If you are in any doubt about how to deal with this document, you should contact your broker, financial adviser or legal adviser immediately.



# Bidder's Statement

# Accept the Offer

by

**Mineral Resources Limited (ACN 118 549 910)**

to purchase all of your ordinary shares in

**Norwest Energy NL (ACN 078 301 505)**

MinRes Offer Information Line 1300 916 995 (toll free for callers within Australia) and  
+61 3 9415 4653 (for callers outside Australia)

The Offer closes at 7:00 pm (Sydney time) on *[insert date]* 2023, unless extended or withdrawn

Financial Adviser

**J.P.Morgan**

Legal Adviser



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## Important notices

### Nature of this document

This Bidder's Statement is issued by Mineral Resources Limited ACN 118 549 910 (**MinRes**) under Part 6.5 of the Corporations Act.

A copy of this Bidder's Statement was lodged with ASIC on 16 December 2022. Neither ASIC nor its officers takes any responsibility for the content of this Bidder's Statement.

This Bidder's Statement is an important document and you should read it in its entirety.

### Investment advice

In preparing this Bidder's Statement, MinRes has not taken into account the individual objectives, financial situation or needs of individual Norwest Shareholders. Accordingly, before deciding whether or not to accept the Offer, you may wish to consult with your financial, tax or other professional adviser.

### Disclaimer as to forward looking statements

Some of the statements appearing in this Bidder's Statement may be in the nature of forward looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which members of the Norwest Group and MinRes Group operate, as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement. None of MinRes, its related bodies corporate or any of the officers or employees of any of them, nor any persons named in this Bidder's Statement, with their consent or any person involved in the preparation of this Bidder's Statement makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this Bidder's Statement reflect views held only as at the date of this Bidder's Statement.

### Statements of past performance

This Bidder's Statement includes information regarding the past financial performance of MinRes and Norwest and Total Shareholder Return information.

Norwest Shareholders should be aware that past performance should not be relied on as being indicative

of future performance. See the risk disclosure in Section 9.3(a) of this Bidder's Statement.

### Disclaimer as to Norwest and Combined Group information

The information on Norwest, Norwest's securities and the Norwest Group contained in this Bidder's Statement has been prepared by MinRes using publicly available information. Further, the information in this Bidder's Statement concerning Norwest and the assets and liabilities, financial position and performance, profits and losses and prospects of the Norwest Group has not been independently verified by MinRes. Accordingly, subject to the Corporations Act, MinRes does not make any representation or warranty (express or implied) as to the accuracy or completeness of any such information.

The information on the Combined Group contained in this Bidder's Statement, to the extent that it incorporates or reflects information on Norwest and the Norwest Group, has also been prepared using publicly available information. Accordingly, such information is subject to the foregoing disclaimer.

Further information relating to Norwest's business may be included in Norwest's target's statement which Norwest must provide to Norwest Shareholders in response to this Bidder's Statement.

### Foreign jurisdictions

The distribution of this Bidder's Statement in jurisdictions outside Australia may be restricted by law, and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Bidder's Statement does not constitute an offer (whether to sell or buy securities) in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify MinRes or to otherwise permit a public offering of MinRes Shares outside Australia. MinRes Shares have not been, and will not be, registered under the United States Securities Act of 1933 (Securities Act) and may not be offered or sold in the United States or to, or for the account or benefit of, a U.S. person (as defined in Regulation S under the Securities Act), except in a transaction exempt from the registration requirements of the Securities Act and applicable United States state securities laws.

None of the US Securities Exchange Commission, any United States securities commission or any other United States regulatory authority has passed comment upon or endorsed the merits of the Offer or the accuracy, adequacy or completeness of this Bidder's Statement.

## Privacy

MinRes has collected your information from the register of Norwest Shareholders for the purpose of making the Offer and, if accepted, administering acceptances of the Offer in respect of your holding of Norwest Shares. The Corporations Act requires the name and address of shareholders to be held in a public register. Your information may be disclosed on a confidential basis to related bodies corporate and external service providers of MinRes, and may be required to be disclosed to regulators such as ASIC.

The registered address of MinRes is 20 Walters Drive, Osborne Park WA 6017.

## Defined terms

A number of defined terms are used in this Bidder's Statement. Unless the contrary intention appears, the context requires otherwise or words are defined in Section 13, words and phrases in this Bidder's Statement have the same meaning and interpretation as in the Corporations Act.

## Internet sites

MinRes and Norwest each maintain internet sites. The URL location for MinRes is <https://www.mineralresources.com.au/> and for Norwest <https://norwestenergy.com.au/>. Information contained in or otherwise accessible through these internet sites is not part of this Bidder's Statement. All references to these sites in the Bidder's Statement are for information purposes only.

## Estimates and assumptions

Unless otherwise indicated, all references to estimates, assumptions and derivations of the same in this Bidder's Statement are references to estimates,

assumptions and derivations of the same by MinRes management. Management estimates reflect, and are based on, views as at the date of this Bidder's Statement, and actual facts or outcomes may materially differ from those estimates or assumptions.

## Effect of rounding

Figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Bidder's Statement may be subject to the effect of rounding. Accordingly, the actual figures may vary from those included in this Bidder's Statement.

## Currencies

In this Bidder's Statement, references to "Australian dollars", "AUD", "\$", "A\$" or "cents" are to the lawful currency of Australia.

This Bidder's Statement may contain conversions of relevant currencies to other currencies for convenience. These conversions should not be construed as representations that the relevant currency could be converted into the other currency at the rate used or at any other rate. Conversions that have been calculated at the date of this Bidder's Statement (or any other relevant date) may not correspond to the amounts shown in the historic or future financial statements of MinRes or Norwest in respect of which different exchange rates may have been, or may be, used.

## Maps and diagrams

Any diagrams and maps appearing in this Bidder's Statement are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in charts, maps, graphs and tables is based on information available at the date of this Bidder's Statement.

## Key dates and Key contacts

Key dates	
Date of this Bidder's Statement	16 December 2022
Date of Offer	[insert date] 2023
Offer closes (unless extended or withdrawn)	7:00 pm (Sydney time) on [insert date] 2023
Key contacts	
Share registry for the Offer Computershare Investor Services Pty Limited Level 11, 172 St Georges Terrace Perth WA 6000, Australia	MinRes Offer Information Line* 1300 916 995 (toll free) for callers within Australia +61 3 9415 4653 for callers outside Australia *Calls to these numbers may be recorded

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## Contents

	Page
Important notices	2
Chairman's letter	5
Why You should accept the Offer	7
1 Frequently asked questions	12
2 Information on the MinRes Group	16
3 Information on MinRes securities	31
4 Information on Norwest	38
5 Information on Norwest's securities	44
6 Sources of consideration	46
7 Effect of the Offer on MinRes and overview of the Combined Group	47
8 MinRes' intentions in relation to Norwest	49
9 Risk factors	54
10 Tax considerations	64
11 Additional information	71
12 The terms and conditions of the Offer	75
13 Definitions and interpretation	87
14 Approval of Bidder's Statement	92

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## Chairman's letter



16 December 2022

Dear Norwest Shareholder,

### Offer for Your Norwest Shares

On behalf of Mineral Resources Limited (**MinRes**), I am pleased to provide You with this attractive, all-scrip Offer to acquire all of Your Shares in Norwest Energy NL (**Norwest**).

MinRes is offering You one (1) MinRes Share for every 1,367 Norwest Shares you hold as at the Register Date.

Based on MinRes' last closing price of \$82.00 on 15 December 2022, the implied value of the Offer Consideration is \$0.06 per Norwest Share<sup>1</sup>, and an equity value of approximately \$403 million. The Offer represents an attractive and significant premium for Norwest Shareholders at various share prices:

- 33% over the closing price of Norwest Shares on 15 December 2022;
- 27% over the 1 month volume weighted share price of \$0.047 for Norwest Shares up to and including 15 December 2022; and
- 11% over the 52 week high of \$0.054 for Norwest Shares on 30 August 2022.

### About MinRes

This year MinRes celebrates 30 years in business.

From humble beginnings as a two-person crushing contractor in 1992, we have built a reputation for delivering best-in-class mining services to the Western Australian mining sector.

Today we are an ASX 50 company with more than 5,000 employees and contractors in our team. We're a recognised market leader in the delivery of mining services to some of the world's largest mining companies, and we're growing our own world-class portfolio of iron ore, lithium and energy operations, with 20-to-50-year business horizons.

As the largest holder of onshore gas acreage in the Perth and Carnarvon Basins, and joint venture partner to Norwest, our energy business is dedicated to finding cleaner ways to power our operations, including using gas and renewables to displace diesel.

### Reasons to accept the Offer

There are several reasons to accept the Offer, including the below reasons:

- The Offer represents attractive value and premium for Your Norwest Shares.

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<sup>1</sup> Implied value of the Offer Consideration calculated based on closing price of MinRes Shares on ASX on 15 December 2022 of A\$82.00.

- You will become a shareholder in a leading ASX-listed company with proven ability to deliver exceptional shareholder returns.
- You will benefit from consolidation of ownership of the Lockyer Deep gas project and reduced funding and development risks.
- You may be entitled to claim rollover relief in respect of any CGT.
- Aside from “prescribed occurrences”, the Offer is unconditional and there is no minimum acceptance condition, meaning there is a high degree of certainty that if you accept, You will receive the consideration due under the Offer.
- The Offer provides You with scrip in MinRes, which provides an opportunity for You to obtain significantly elevated liquidity on your investment in Norwest (and thus You may more readily monetise your resulting holding of MinRes Shares if desired).
- The trading price and liquidity of Norwest’s Shares may fall if the Offer is unsuccessful.
- You may not incur brokerage or stamp duty in accepting the Offer.

Please see the Section of the Bidder’s Statement entitled “Why You should accept the Offer” for more details.

### **Payment of Consideration**

Norwest Shareholders who accept the Offer will be paid the consideration due to them (in the form of MinRes Shares) on or before the earlier of:

- one month after the date of acceptance or, if this Offer is subject to a defeating condition when accepted, within one month after this Offer becomes unconditional; and
- 21 days after the end of the Offer Period.

Details and terms of the Offer are set out in this Bidder’s Statement. I encourage You to read this Bidder’s Statement carefully and in its entirety.

The Offer is currently scheduled to close at 7:00 pm (Sydney time) on *[insert date]* 2023, unless extended or withdrawn.

To accept this Offer, please follow the instructions in this Bidder’s Statement and on the enclosed Acceptance Form.

If you have any questions about this document or the Offer generally, please contact the MinRes Offer Information Line on 1300 916 995 (within Australia) or +61 3 9415 4653 (outside Australia), or consult with your professional adviser. Further information relating to the Offer can be obtained from MinRes’ website at <https://www.mineralresources.com.au/>.

I look forward to your acceptance of the Offer and to welcoming you as a MinRes Shareholder.

Yours sincerely,



James McClements  
Non-Executive Chairman  
Mineral Resources Limited

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## Why You should accept the Offer

The Offer provides significant benefits to you as a Norwest Shareholder. The key reasons why you should accept the Offer are as follows:

- ✓ **Attractive value and premium for Your Norwest Shares**
- ✓ **You will become a shareholder in a leading ASX-listed company with proven ability to deliver exceptional shareholder returns**
- ✓ **You will benefit from Lockyer Deep ownership consolidation and reduced development risks**
- ✓ **You may be eligible for CGT roll-over relief**
- ✓ **Aside from prescribed occurrences, the Offer is unconditional**
- ✓ **The Offer provides an opportunity for enhanced liquidity**
- ✓ **The price and liquidity of Norwest Shares may fall in the absence of the Offer**
- ✓ **You may not incur brokerage or stamp duty in accepting the Offer**

### **Attractive value and premium for Your Norwest Shares**

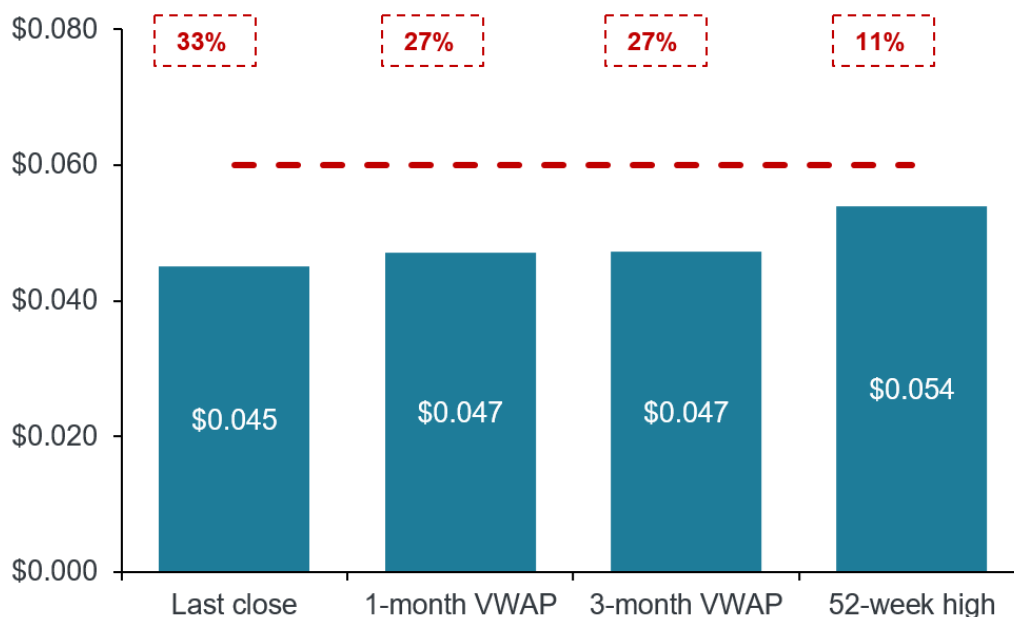
The Offer provides Norwest Shareholders with the ability to retain exposure to Norwest's assets while capturing a substantial premium to recent and historic trading levels for Your Norwest Shares.

The Offer value represents a:

- 33% premium to the closing price of Norwest Shares on 15 December 2022;
- 27% premium to the 1-month VWAP of Norwest Shares on the same date;
- 27% premium to the 3-month VWAP of Norwest Shares on the same date; and
- 11% premium to the 52 week high price of Norwest Shares.

The following chart demonstrates the significant premia being offered relative to the VWAPs up to and including 15 December 2022.

**Figure 1: Offer premium to trading prices of Norwest Shares (\$ / sh)**



**You will become a shareholder in a leading ASX-listed company with proven ability to deliver exceptional shareholder returns**

Norwest Shareholders who accept the Offer will receive new MinRes Shares and become part of a larger and more diversified company with a 30 year track record of creating superior returns for shareholders.

- MinRes is an ASX 50 company with a market capitalisation of approximately A\$15.6 billion;
- MinRes is the world's largest crushing contractor, a leading pit-to-port mining services provider, a global Top 5 hard rock lithium producer, Australian Top 5 iron ore producer and the largest landholder of onshore gas acreage in the Perth and Carnarvon Basins, where Norwest's projects are located;
- MinRes has a highly experienced multi-disciplined management and operational team with a strong history of project delivery and operational capability that can de-risk projects and maximise project returns;
- Since listing in 2006, MinRes has delivered:
  - 35% per year Total Shareholder Return, the second best versus ASX 200 companies<sup>2</sup>; and
  - 20% per year growth in fully franked dividends.

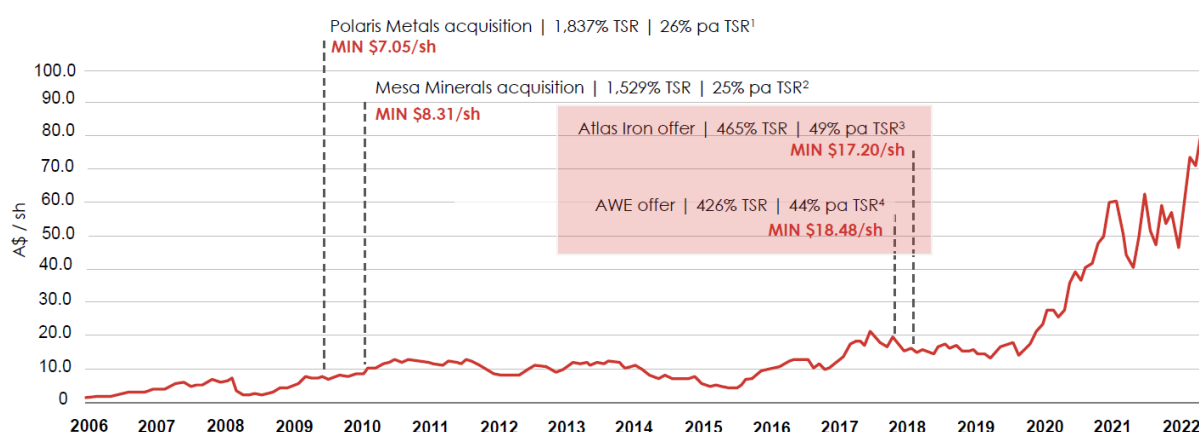
The potential benefit of receiving MinRes Shares can be seen from prior transactions in which target company shareholders received MinRes Shares (or would have received MinRes Shares if the offer had been successful):

- former Polaris Metals shareholders have benefitted from 1,837% Total Shareholder Return (26% pa on annualised basis) since transaction close on 25 January 2010 to the pre-Announcement Date;

<sup>2</sup> Compound annual growth rate in Total Shareholder Return since listing at \$0.90/share in July 2006 to 15 December 2022.

- former Mesa Minerals shareholders have benefitted from 1,529% Total Shareholder Return (25% pa on annualised basis) since transaction close on 27 August 2010 to the pre-Announcement Date;
- Atlas Iron shareholders would have benefitted from 465% Total Shareholder Return (49% on an annualised basis) since the offer expired on 1 August 2018 to the pre-Announcement Date<sup>3</sup>; and
- AWE shareholders would have benefitted from 426% Total Shareholder Return (44% on an annualised basis) since the offer expired on 31 May 2018 to the pre-Announcement Date<sup>4</sup>.

**Figure 2: MinRes share price (\$ / sh) and TSR information\***



**Notes:**

1. Total Shareholder Return (TSR) since transaction close on 25 January 2010 to 15 December 2022.

2. TSR since transaction close on 27 August 2010 to 15 December 2022.

3. This offer was not completed. TSR since expiry of competing offer on 1 August 2018 to 15 December 2022.

4. This offer was not completed. TSR since expiry of competing offer on 31 May 2018 to 15 December 2022.

\* Past performance is not an indication of future performance. There is no guarantee that similar returns will be achieved in this Offer and these returns should not be seen as representing the actual or forecast premium implied by the Offer. These examples have been included as examples from prior transactions involving MinRes. Total Shareholder Return calculations assume the relevant target company shareholders acquired MinRes Shares at the specified date, retained those MinRes Shares and reinvested all dividends received on those MinRes Shares. See the risk disclosure in Section 9.3(a) of this Bidder's Statement.

The Offer provides ongoing exposure to the upside inherent in any future development of MinRes' current business and future returns (including via dividends) to Norwest Shareholders.

## **You will benefit from Lockyer Deep ownership consolidation and reduced development risks**

Norwest's primary asset and business focus is its interest in the Lockyer Deep conventional gas discovery (20% interest in EP 368 and 22.22% interest in EP 426) located in the onshore Perth Basin. Lockyer Deep is operated by MinRes' wholly owned subsidiary, Energy Resources Limited (**EnRes**), in joint venture with Norwest (with EnRes holding the remaining 80% participating interest in EP 368 and 77.78% in EP 426).

<sup>3</sup> This is a theoretical return that the Atlas Iron shareholders would have received had the scheme of arrangement proposed by MinRes for Atlas Iron succeeded and Atlas Iron shareholders received MinRes Shares under that scheme.

<sup>4</sup> This is a theoretical return that the AWE shareholders would have received had the scheme of arrangement proposed by MinRes for AWE succeeded and AWE shareholders received MinRes Shares under that scheme.

Norwest Shareholders who accept the Offer will benefit from consolidation of the asset ownership and simplified corporate structure as the result of this transaction, unlocking value by allowing it to be developed and commercialised more quickly.

Additionally, consolidated ownership will significantly reduce project development risks for Norwest Shareholders. Norwest faces several uncertainties and risks, including future funding requirements beyond the planned exploration drilling in FY23, project development and operating risks associated with the development of the Perth Basin Project.

It is not possible to ascertain how Norwest might fund its share of any future development costs for the Perth Basin Project and therefore how Norwest Shareholders who are unable (or unwilling) to participate in any equity raisings can avoid dilution.

MinRes' relative size, diversified portfolio and strong balance sheet means that your exposure to these risks will be significantly reduced if you accept the Offer.

### **You may be eligible for CGT roll-over relief**

You may be eligible for capital gains rollover relief (subject to individual shareholder circumstances) if MinRes is able to acquire at least 80% of all Norwest Shares.

See Section 10 of this Bidder's Statement for further information on the potential taxation implications of the Offer for Norwest Shareholders.

### **Aside from prescribed occurrences, the Offer is unconditional**

Aside from "prescribed occurrences", the Offer is unconditional and there is no minimum acceptance condition, meaning there is a high degree of certainty that if you accept, you will receive the consideration due under the Offer.

Prescribed Occurrence means the events described in section 652C(1) and section 652C(2) of the Corporations Act.

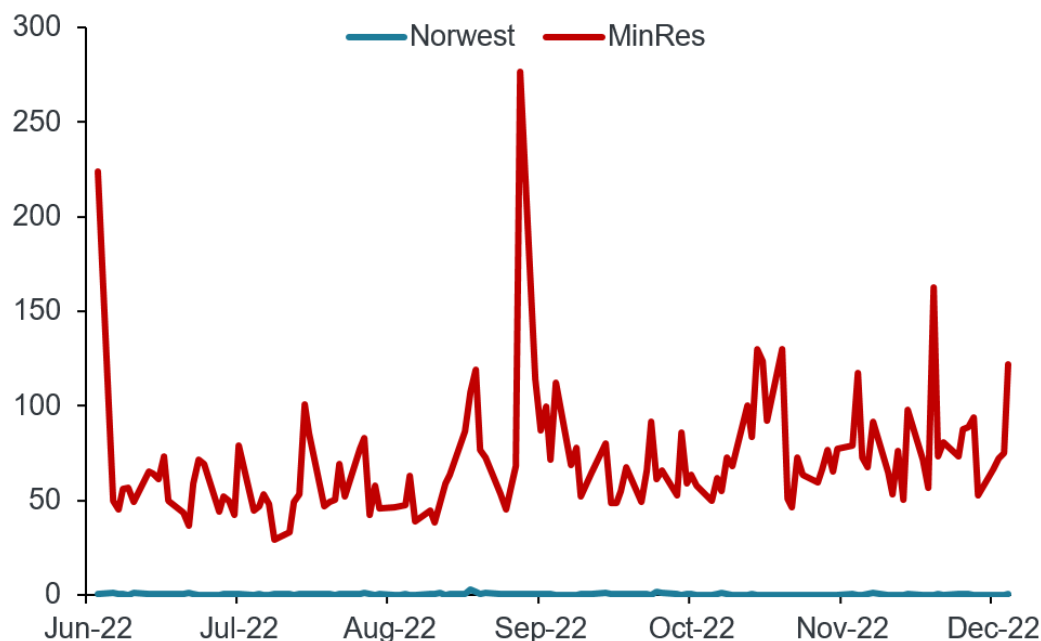
### **The Offer provides an opportunity for enhanced liquidity**

By accepting the Offer, Norwest Shareholders will receive MinRes Shares as the Offer Consideration. This provides an opportunity for Norwest Shareholders to obtain significantly elevated liquidity on their investment in Norwest (and thus they may more readily monetise their resulting holding of MinRes Shares if desired).

In the six month period ending 15 December 2022 (being the last day of ASX trading prior to the announcement of MinRes' Offer), the average daily turnover of MinRes Shares was approximately \$70.6 million per day compared to the average daily turnover of Norwest Shares of approximately \$0.5 million per day.

Moreover, should MinRes be successful in acquiring a majority ownership in Norwest but not reach the compulsory acquisition threshold, there is a risk that the trading liquidity of Norwest Shares will be negatively impacted. In this instance, should you not accept the Offer and remain a minority Norwest Shareholder, it may make it more difficult for you to sell Your Norwest Shares at prevailing price levels.

**Figure 3: Average Daily Turnover (\$mm)**



### **The price and liquidity of Norwest Shares may fall in the absence of the Offer**

While there are many factors that affect the market price of Norwest Shares, the trading price and liquidity of Norwest's Shares may fall below the value implied by MinRes' Offer if the Offer is unsuccessful.

As a result, Norwest Shareholders who have not accepted the Offer before it lapses may not have another opportunity to sell their Norwest Shares for the implied value of \$0.06 per Norwest Share as at 15 December 2022.

### **You may not incur brokerage or stamp duty in accepting the Offer**

If you accept the Offer and Your Norwest Shares are registered in an Issuer Sponsored Holding in your name, you will not incur brokerage on the transfer of Your Norwest Shares to MinRes pursuant to the Offer.

You will not be required to pay any stamp duty on the disposal of Your Norwest Shares under the Offer or on the acquisition of MinRes Shares under the Offer.

## 1 Frequently asked questions

You may have questions in relation to the Offer. The following set of questions and answers are intended to assist in your understanding of the Offer. They are qualified by, and should be read in conjunction with, the detailed information contained in this Bidder's Statement. You should read the Bidder's Statement in full before deciding whether or not to accept the Offer.

### Overview of the Offer

Question	Answer	Further information
<b>What is the Bidder's Statement?</b>	The Bidder's Statement sets out the terms of MinRes' Offer to you for Your Norwest Shares, information relating to the Offer and relevant to your decision whether to accept or reject the Offer.	N/A
<b>What is the Offer?</b>	MinRes is offering to buy Your Norwest Shares by way of an off-market takeover offer, on the terms set out in Section 12.	Section 12
<b>What will I receive if I accept the Offer?</b>	Subject to the terms of this Offer, the consideration offered by MinRes for Your Norwest Shares is one (1) MinRes Share for every 1,367 Norwest Shares that You hold. See Section 12.2 for more information.  If you are a Foreign Shareholder or a Small Parcel Shareholder, you will not receive MinRes Shares. Instead, you will be paid by the Sale Agent the net proceeds of the sale of the MinRes Shares you would have otherwise been entitled to. See Section 12.8 for more information.	Sections 12.2 and 12.8
<b>What is the value of the Offer?</b>	Based on the closing price of MinRes on ASX on 15 December 2022, the implied value of the Offer is \$0.06.	N/A
<b>When does the Offer close?</b>	The Offer closes at 7:00 pm (Sydney time) on <i>[insert date]</i> 2023, unless it is extended or withdrawn under the Corporations Act.	Section 12.3
<b>Can I accept the Offer for part of my holding?</b>	No. You cannot accept the Offer for part of your holding. You may only accept the Offer for all of Your Norwest Shares.	Section 12.6(c)

### Overview of MinRes

Question	Answer	Further information
<b>Who is MinRes?</b>	MinRes is an ASX listed, diversified mining, and mining services company. As at December 2022, MinRes is an ASX 50 company with more than 5,000 employees and contractors in its team.	Section 2.1
<b>What rights and liabilities will be attached to my MinRes Shares?</b>	A summary of the rights and liabilities that will be attached to the MinRes Shares offered under the Offer are set out in this Bidder's Statement in Section 3.4.	Section 3.4

Question	Answer	Further information
<b>Who are the MinRes Directors and key personnel?</b>	A summary of the MinRes Board as at the date of this Bidder's Statement is set out in Section 2.4.	Section 2.4
<b>Do the MinRes Directors have any securities, or potential conflicts of interest, in relation to Norwest?</b>	As at the date of this Bidder's Statement, none of the MinRes Directors, nor those that are being appointed effective 1 January 2023, have any direct or indirect interests in Norwest securities.	Section 5.4
<b>Do the MinRes Directors have any interest in MinRes Shares?</b>	A summary of the MinRes Directors interest in MinRes Shares is set out in Section 11.11 of this Bidder's Statement.	Section 11.11
<b>What Relevant Interest does MinRes have in Norwest?</b>	As at the date of this Bidder's Statement and the date of the Offer, MinRes' voting power in Norwest is 19.9%, and MinRes has a Relevant Interest in 1,334,809,008 Norwest Shares.	Section 5.3
<b>How will MinRes fund the Offer Consideration?</b>	The sources of consideration for the Offer are set out in this Bidder's Statement in Section 6.	Section 6

#### **Overview of risks**

Question	Answer	Further information
<b>Are there risks if I accept the Offer?</b>	The risks involved with accepting the Offer are set out in this Bidder's Statement in Section 9.	Section 9

#### **Other relevant questions**

Question	Answer	Further information
<b>Does the Offer extend to my Norwest Options and / or Performance Rights?</b>	<p>The Offer relates to Norwest Shares that exist or will exist at the Register Date and extends to any Norwest Shares that are issued between that date and the end of the Offer Period due to:</p> <ul style="list-style-type: none"> <li>– the conversion of securities convertible into Norwest Shares, where such securities exist or will exist at the Register Date; or</li> <li>– the exercise of rights to be issued Norwest Shares, where such rights are conferred by securities that exist or will exist at the Register Date.</li> </ul>	Section 12.1(b)
<b>Are there any circumstances in which I will not be entitled to elect to receive the Offer Consideration?</b>	If you are a Foreign Shareholder or a Small Parcel Shareholder, you will not be entitled to receive MinRes Shares as the consideration for Your Norwest Shares as a result of accepting this Offer. Further details are set out in Sections 11.4 and 12.2(b) of this Bidder's Statement.	Sections 11.4 and 12.2(b)

Question	Answer	Further information
<b>Can MinRes extend the time at which the Offer is to close?</b>	Yes, subject to the Corporations Act the Offer Period can be extended at the election of MinRes.	Section 12.3
<b>What choices do I have as a Norwest Shareholder?</b>	<p>As a Norwest Shareholder, you have the following choices in respect of Your Norwest Shares:</p> <ul style="list-style-type: none"> <li>– accept the offer for all Your Norwest Shares;</li> <li>– sell some or all of Your Norwest Shares on the ASX (unless you have previously accepted the Offer and have not validly withdrawn your acceptance). If you sell some of Your Norwest Shares you can accept the Offer for the balance of Your Norwest Shares; or</li> <li>– do nothing.</li> </ul> <p>Even if you do not accept the Offer, if MinRes at the end of the Offer Period becomes entitled to do so under the Corporations Act, it intends to exercise its rights to compulsorily acquire Your Norwest Shares at the Offer Consideration (in which case at the same value will be available to you for Your Norwest Shares but you will be paid later in time).</p>	Section 12
<b>If I decide to accept the Offer, how do I do so?</b>	To accept the Offer, you should follow the instructions set out in Section 12.4 of this Bidder's Statement and on the enclosed Acceptance Form.	Section 12.4
<b>If I accept the Offer, can I withdraw my acceptance?</b>	Once you have accepted the Offer, you will be unable to revoke your acceptance, the contract resulting from your acceptance will be binding on you and you will be unable to withdraw Your Norwest Shares from the Offer or otherwise dispose of Your Norwest Shares, except in the scenarios detailed in Section 12.6(a) of this Bidder's Statement.	Section 12.6
<b>If I accept the Offer, when will I receive MinRes shares?</b>	<p>If you accept this Offer, MinRes will provide the consideration due to you for Your Norwest Shares on or before the earlier of:</p> <ul style="list-style-type: none"> <li>– one month after the date of Your acceptance or, if this Offer is subject to a defeating condition when you accept, within one month after this Offer becomes unconditional; and</li> <li>– 21 days after the end of the Offer Period.</li> </ul> <p>Foreign Shareholders and Small Parcel Shareholders will be provided with the net proceeds of sale to which they are entitled under the Offer at a different time. See Section 12.7 for more information.</p>	Section 12.7
<b>Will I need to pay brokerage or stamp duty if I accept the Offer?</b>	<p>MinRes will pay any stamp duty on the transfer of Your Norwest Shares to it pursuant to this Offer.</p> <p>As long as Your Norwest Shares are registered in your name and you deliver them directly to MinRes, you will not incur any brokerage connected with you accepting the Offer.</p>	Section 12.16
<b>What happens if I do not accept the Offer?</b>	If you do not accept the Offer, you will remain a Norwest Shareholder unless MinRes becomes entitled to acquire Your Norwest Shares under the compulsory acquisition	Sections 8.3 and 8.4

Question	Answer	Further information
	<p>provisions in the Corporations Act and proceeds to do so. Further information on MinRes' intentions is set out in Section 8 of this Bidder's Statement.</p> <p>If MinRes gains control of Norwest, but is not entitled to or does not otherwise compulsorily acquire the remaining Norwest Shares, those Norwest Shareholders who do not accept the Offer will become minority Norwest Shareholders in circumstances where Norwest has a controlling shareholder (being MinRes), with possibly less influence over the future direction of Norwest than they may have had previously. Further information is set out in Section 8.4 of this Bidder's Statement.</p>	
<b>If I do not accept the Offer, can I sell my Norwest Shares on the market?</b>	Yes, you can sell some or all of Your Norwest Shares on the ASX unless you have previously accepted the Offer and have not validly withdrawn your acceptance.	N/A
<b>What are the conditions of the Offer?</b>	<p>Aside from "prescribed occurrences", the Offer is unconditional and there is no minimum acceptance condition, meaning there is a high degree of certainty that if you accept, you will receive the consideration due under the Offer.</p> <p>Details of the prescribed occurrence condition to the Offer are set out in Section 12.9 of this Bidder's Statement.</p>	Section 12.9
<b>What happens if the Condition is not satisfied?</b>	If, by not later than three (3) Business Days after the end of the Offer Period, the Condition in Section 12.9 has not been fulfilled and MinRes has not declared the Offer (or it has not become) free from the Condition, all contracts resulting from the acceptance of the Offer will be automatically void.	Section 12.11
<b>What are the tax implications of accepting the Offer?</b>	A general summary of the likely Australian tax implications of accepting the Offer is set out in Section 10 of this Bidder's Statement. This summary does not take account of your individual circumstances and does not constitute tax advice. You should obtain independent professional tax advice that takes into account your own particular circumstances.	Section 10
<b>Who can I call if I have further questions?</b>	If after reading this Bidder's Statement, you have any questions in relation to this document or the Offer, please call the MinRes Offer Information Line on 1300 916 995 (toll free) for callers within Australia or +61 3 9415 4653 for callers outside Australia.	N/A

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## 2 Information on the MinRes Group

### 2.1 Overview of MinRes

MinRes is an ASX listed (ASX: MIN), diversified mining, and mining services company with a market capitalisation of A\$15.6 billion (as at the last practicable date prior to the date of this Bidder's Statement, being 15 December 2022). MinRes is an ASX 50 company with more than 5,000 employees and contractors in its team.

MinRes has a long and successful history of providing safe, high quality, low cost mining, mining construction and mining infrastructure services. MinRes is widely recognised as a leading provider of specialist contract mining services to some of the world's largest mining companies.

In addition, MinRes holds a portfolio of successful iron ore and lithium commodity operations across Western Australia.

Further, with a major gas discovery in the Perth Basin, MinRes' energy business is dedicated to finding cleaner ways to power its operations, including using gas and renewables to displace diesel. MinRes is the largest gas acreage holder in both the onshore Perth Basin and onshore Carnarvon Basin, with a total acreage position in Western Australia of 13,629 square kilometres.

Since listing in 2006, MinRes has demonstrated an impressive growth record delivering:

- (i) compound average annual Revenue growth of 23%;
- (ii) compound average annual EBITDA growth of 25%;
- (iii) compound average annual Net Asset growth of 30%; and
- (iv) as at the date of this Bidder's Statement, 35% per year Total Shareholder Return, the second best versus ASX 200 companies since listing in 2006<sup>5</sup>.

MinRes is recognised as one of the great Australian companies and a leading provider of innovative and sustainable mining services. MinRes' Business Strategy

During 2022 MinRes restructured its business under four growth pillars – Mining Services, Iron Ore, Lithium and Energy.

Each growth pillar operates as a separate business drawing on centralised shared services from MinRes. Under these pillars MinRes is targeting transformational growth over the next five years and aims to deliver value to shareholders by:

- Mining Services – Doubling in size as MinRes build, own and operate a significant portfolio of world-class assets, while continuing to offer innovative pit-to-port solutions to Tier 1 clients.
- Iron Ore – Significantly increasing production through the development of MinRes' three iron ore hubs in the Ashburton, Pilbara, and Yilgarn regions of Western Australia.

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<sup>5</sup> Compound annual growth rate in Total Shareholder Return since listing at \$0.90/share in July 2006 to 15 December 2022.

- Lithium – Becoming a global top five lithium hydroxide producer and creating a significant cost advantage through a fully-integrated business model.
- Energy – Displacing diesel with gas and renewable energy across MinRes' operations and investigating downstream opportunities.

Norwest Shareholders should refer to MinRes' FY22 Annual Report and 2022 AGM Presentation for further information in relation to MinRes' future focus.

## 2.2 Group operating structure



## 2.3 Overview of MinRes growth pillars

### (a) Mining Services

MinRes' Mining Services division provides full pit-to-port solutions through its wholly owned subsidiary, CSI Mining Services (**CSI**). CSI is a market leading provider of innovative and sustainable mining services to both MinRes and client operations.

#### (i) Crushing and processing

CSI is an industry-leading crushing, screening and processing contractor to some of the world's largest mining companies, with a history of providing safe, efficient and low cost solutions.

CSI has the proven, in-house capability to provide the full ambit of design, construction, operation and maintenance services and deliver high quality, tailor-made crushing, screening and processing plants to its clients.

#### (ii) Mining

CSI's mining offering spans all stages of open pit mining including mine planning and technical services, drill and blast engineering, and load and haul services.

#### (iii) Camps and Airports

CSI builds, owns and operates its own camps and accommodation and is considered an industry leader in site services. MinRes are setting a new standard for FIFO employees by introducing the industry's first resort-style

accommodation designed to provide a more comfortable home-away-from-home.

(iv) **Haulage**

CSI operates one of the largest and most diverse mobile equipment fleets in the Southern Hemisphere, exporting to the world through a fleet of 425 tonne gross combination mass jumbo road trains, 140 tonne quad road trains and in-house rail locomotives and wagons.

(v) **Transshipping**

MinRes Marine, a wholly owned MinRes subsidiary, has been established with the capability and experience to design, build, commission and operate marine assets. As part of the Onslow Iron project MinRes Marine will operate innovative transshipment barges and tugs to load vessels anchored offshore from the Port of Ashburton.

(vi) **Innovation**

MinRes have developed a suite of innovative and proprietary equipment designed to process and move bulk commodities at lower costs and with a reduced environmental footprint. This innovation allows MinRes to unlock both MinRes' and their client's stranded assets that would otherwise remain undeveloped including:

- NextGen Crushing Plants – relocatable crushers displacing higher-cost fixed plants and improve the environmental impact of crushing construction and operations.
- Haulage Solutions – 320 tonne jumbo road trains designed to reduce the environmental impact and costs of haulage.
- Transshippers – fully enclosed, dust free 20,000 tonne vessels which have a significantly lower environmental footprint compared to major dredging and deep-water berths, along with superior safety, efficiency and productivity.

(b) **Iron Ore**

MinRes has three iron ore hubs: Ashburton, Pilbara and Yilgarn. Planned development at these hubs underpins MinRes' Iron Ore strategy to transition from short-life, high-cost mines to lower cost, long-life operations, underpinned by innovative infrastructure solutions.

(i) **Yilgarn Hub**

The Yilgarn Hub is located in Western Australia's Goldfields region and incorporates the Koolyanobbing, Parker Range and Carina mines.

The Iron Ore growth strategy includes the transformation of its Yilgarn Hub from a hematite to magnetite operation, which will extend the life of the operation. Promising results were received from a proof-of-concept drilling program, and a Koolyanobbing Magnetite Phase 1 drilling program commenced in mid-2022 to understand the resource potential of an initial mining area footprint.

(ii) **Pilbara Hub**

The Pilbara Hub includes MinRes' Wonmunna and Iron Valley mine sites, with product from both sites hauled via road to Port Hedland for export from Utah Point.

Wonmunna is located 80 kilometres north-west of Newman and 360 kilometres south of Port Hedland in the Pilbara. Purchased as an undeveloped project from the Australian Aboriginal Mining Corporation in FY21, first ore was achieved just five months after construction began at the site.

Iron Valley, owned by BCI Minerals Limited but operated by MinRes, is located 75 kilometres north-west of Newman. Iron Valley and Wonmunna production is strategically managed to ensure grade delivery of the Central Pilbara Blend.

The next phase in the development of the Pilbara Hub is the South West Creek project, an integrated pit-to-port iron ore infrastructure solution. MinRes entered into a Port and Rail Agreement with Hancock and Roy Hill to jointly investigate the potential to develop a new iron ore export facility at the port of Port Hedland's Stanley Point Berth 3 in South West Creek. This agreement was subject to an allocation of berth space at the port, which was confirmed by the Western Australian State Government in early 2022. If the project proceeds, MinRes aims to ship approximately 20Mt of iron ore per annum<sup>6</sup> from this berth. The project remains subject to further approvals and agreements, and a positive final investment decision by MinRes and Hancock.

(iii) **Ashburton Hub**

The Onslow Iron project (previously known as the Ashburton project) will be transformational for MinRes. The project will use MinRes' proprietary mining services innovations to monetise stranded tonnes in the West Pilbara region, using unique pit-to-ship infrastructure solutions. It is expected to add 35Mtpa<sup>7</sup> to MinRes' iron ore business and introduces a low-cost, long-life operation with project economics which are compelling through commodity price cycles.

Onslow Iron will be developed with MinRes' RHIOJV joint venture partners AMCI, POSCO and Baowu, and represents a robust investment. Final investment decision (FID) has been received by all joint venture partners.

(c) **Lithium**

Battery-grade lithium products are set to remain critical to a renewable energy future as the world focuses on decarbonisation. MinRes has built a 30-plus year

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<sup>6</sup> MinRes' effective ownership interest, and attributable iron ore product, is 50%.

<sup>7</sup> MinRes effective ownership interest, and attributable iron ore product, is 60.3%.

business horizon that will support the continued growth and diversification of its lithium portfolio in line with growing market demand.

(i) **Mt Marion – Lithium Concentrate (Spodumene)**

The Mt Marion lithium operation is located approximately 40 kilometres south-west of Kalgoorlie in the Goldfields region of Western Australia.

The operation is jointly owned by MinRes (50%) and one of the world's largest lithium hydroxide producers, Jiangxi Ganfeng Lithium Co. Ltd (**Ganfeng**) (50%).

MinRes manages all mining operations at Mt Marion, along with a spodumene concentrate plant featuring a current production capacity of 450,000 tonnes per annum of mixed grade spodumene concentrate.

The plant capacity is currently being upgraded to target a run rate of 900,000 tonnes per annum of mixed grade spodumene concentrate.

(ii) **Wodgina – Lithium Concentrate (Spodumene)**

The Wodgina lithium operation is located 120 kilometres south of Port Hedland in the Pilbara region of Western Australia.

As one of the world's largest known hard rock lithium deposits, Wodgina is operated under the MARBL JV – an unincorporated joint venture between MinRes (40%) and leading lithium hydroxide producer, Albemarle Corporation (60%). MinRes continues to work with Albemarle to finalise binding agreements to execute the restructure of the MARBL JV on terms consistent with MinRes' FY22 results presentation released to the ASX on 29 August 2022. The restructure is expected to result in MinRes' ownership in Wodgina increasing from 40% to 50% and MinRes' ownership interest in Kemerton decreasing from 40% to 15%.

MinRes manages all mining operations at Wodgina, including the 750,000 tonnes per annum spodumene concentrate plant. The facility features three processing trains, each with a capacity of 250,000 tonnes of 6% spodumene concentrate. The third train is preparing for commissioning and expecting production in mid 2023 subject to market conditions.

(iii) **Kemerton – Lithium Hydroxide Plant**

The Kemerton lithium hydroxide plant is located approximately 150 kilometres south of Perth, near Bunbury in the South West region of Western Australia.

The plant forms part of the MARBL JV – with ownership shared between MinRes (40%) and Albemarle (60%).

Kemerton Train 1 conversion plant is commissioning and expected to produce qualification samples by year end. Kemerton Train 2 conversion plant has achieved mechanical completion and transitioned to commissioning.

As part of the proposed amendments to the MARBL JV, which are subject to MinRes and Albemarle negotiating and entering into binding agreements to

give effect to the transaction, MinRes ownership in Kemerton is expected to reduce from 40% to 15%.

(d) **Energy**

Clean energy and carbon reduction are critical to the sustainability of the mining industry. MinRes actively look for ways to reduce emissions through energy use.

(i) **Gas exploration and drilling**

To meet the power requirements of MinRes' operations and allow for a reduced dependence on diesel fuels, MinRes is investing in gas fuel sources.

MinRes' wholly owned subsidiary, EnRes, is the largest gas acreage holder in both the onshore Perth Basin and onshore Carnarvon Basin, with a total acreage position in Western Australia of 13,629 square kilometres.

In 2021, EnRes commenced its maiden drilling program in the Perth Basin. A drilling rig was mobilised to the Lockyer Deep-1 gas exploration well pad, located on exploration permit EP 368 in the Shire of Mingenew. Lockyer Deep is operated by EnRes in joint venture with Norwest (EnRes holds an 80% interest in EP 368 and 77.78% interest in EP 426, and is operator of the joint venture).

In September 2021, MinRes announced a significant gas discovery at Lockyer Deep-1 within the Kingia Sandstone. Initial well testing activities confirmed excellent reservoir quality, well deliverability and an instantaneous maximum gas flow rate of 117 million cubic feet per day – one of the highest rates recorded onshore in Australia.

The drilling campaign for six wells is planned to commence in early 2023, with either Lockyer 2 or North Erregulla 1 (NED1) scheduled first. Drilling remains subject to finalising the rig agreement and related regulatory approvals. The Lockyer 3 and Lockyer 4 wells are planned for later in calendar year 2023, in addition to two exploration wells elsewhere across MinRes acreage in the Perth Basin.

The Perth Basin exploration and appraisal program will continue in permit EP 368 and other acreage held by EnRes. This will enable EnRes to develop a maiden resource statement and continue reviewing options for gas production and development.

The Rococo 3D seismic survey on the Perth Basin Project area is now underway. This survey is designed to assist in planning future drilling locations.

Several 2D and 3D seismic programs were also completed in FY22 which continue to inform drilling targets and prove up resources in the Perth and Carnarvon Basins.

(ii) **Renewable Energy**

MinRes continues to investigate renewable energy for power generation, road transport and mining equipment to support the achievement of net zero emissions by 2050.

Installation of a 2.1 megawatt solar array and battery at the Wonmunna iron ore project in the Pilbara continues to progress. The combined solar-battery system will provide approximately 30% of the site's energy requirements and reduce carbon emissions on site by around 1,800 tonnes of carbon dioxide each year. With an expected life of up to 20 years, the solar power station can be redeployed to other operations when Wonmunna reaches its end-of-life.

## **2.4 Directors of MinRes**

A summary of the MinRes Board as at the date of this Bidder's Statement is set out below.

### ***Chris Ellison MNZM – Managing Director***

Chris was appointed as Managing Director of MinRes on 27 February 2006.

Chris is the founding shareholder of each of the three original subsidiary companies of MinRes (CSI, 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

### ***James McClements – Independent Non-Executive Chair***

James was appointed as an Independent Non-Executive Director of MinRes in May 2015, before being appointed as Independent Non-Executive Chair of MinRes on 2 March 2022.

James has over 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.

### ***Kelvin Flynn – Independent Non-Executive Director***

Kelvin was appointed as an Independent Non-Executive Director of MinRes on 22 March 2010.

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. Kelvin is currently a Non-Executive Director of ASX listed Silver Lake Resources Ltd.

### ***Susan Corlett – Independent Non-Executive Director***

Susie was appointed as an Independent Non-Executive Director of MinRes on 4 January 2021.

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 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 a 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 and operational 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.

### ***Xi Xi – Independent Non-Executive Director***

Xi Xi was appointed as an Independent Non-Executive Director of MinRes on 11 September 2017.

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.

### ***Zimi Meka – Independent Non-Executive Director***

Zimi was appointed as an Independent Non-Executive Director of MinRes on 17 May 2022.

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.

***Professor Colleen Hayward – Independent Non-Executive Director (effective 1 January 2023)***

Professor Colleen Hayward is a senior Noongar woman with over 35 years of experience developing and leading programs to support and empower Aboriginal people in Western Australia. She has held senior appointments at a community, state and national level, spanning health, education, training, employment and law, including at Edith Cowan University where she is an Emeritus Professor in the School of Education.

Professor Hayward was awarded the 2008 National NAIDOC Aboriginal Person of the Year Award, the 2006 Premier of Western Australia's (WA) prestigious Multicultural Ambassador's Award and in 2009 was inducted into the WA Department of Education's Hall of Fame for Achievement in Aboriginal Education. In 2012, she was inducted into the WA Women's Hall of Fame and was recognised as a Member in the General Division of the Order of Australia. In 2015, she was awarded one of Murdoch University's Distinguished Alumni for her work in the areas of equity and social justice.

***Justin Langer – Independent Non-Executive Director (effective 1 January 2023)***

Justin Langer is a former world-class cricketer and coach of the Australian national cricket team. He made his test debut for Australia in 1993 and played at national and international levels until 2007. Following his highly-successful 14-year international playing career, he held various coaching roles, serving as the Senior Assistant Coach of the Australian men's cricket team from 2009, before becoming the Head Coach of Western Australian men's cricket team and the Perth Scorchers in 2012.

After serving a period as interim coach in 2016, Justin was appointed Head Coach of the Australian men's cricket team in 2018, where he served until 2022. He led the team successfully through a difficult period in Australian cricket, which included severely disrupted international play through the COVID-19 pandemic. Justin has been a member of the board of the West Coast Eagles Football Club since 2017, and is now a highly-sought after public speaker and media commentator. Throughout his career, he has embraced partnership and mateship to build successful and resilient teams focused on strong internal culture.

## **2.5 MinRes Financial Information**

**(a) Basis of preparation of historical financial information**

The historical financial information below relates to MinRes on a stand-alone basis and accordingly does not reflect any impacts of the Offer. This information has been taken from the audited financial statements of MinRes for the years ended 30 June 2021 and 2022. You should note that past performance is not a guide to future performance.

(b) **MinRes consolidated statement of financial position**

The historical statements of financial position of MinRes set out below have been derived from the audited consolidated balance sheet of MinRes as at 30 June 2022.

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$M</b>	<b>\$M</b>
<b>Assets</b>		
<b><i>Current assets</i></b>		
Cash and cash equivalents	2,428.2	1,542.1
Trade and other receivables	626.6	331.3
Inventories	252.6	122.6
Current tax assets	0.5	-
Other assets	62.3	37.3
<b>Total current assets</b>	<b>3,370.2</b>	<b>2,033.3</b>
<b><i>Non-current assets</i></b>		
Trade and other receivables	654.5	653.4
Inventories	-	62.4
Investments accounted for using the equity method	102.7	92.1
Financial assets	58.0	296.1
Property, plant and equipment	2,162.7	1,824.6
Intangibles	24.9	36.7
Exploration and mine development	1,438.1	725.8
<b>Total non-current assets</b>	<b>4,440.9</b>	<b>3,691.1</b>
<b>Total assets</b>	<b>7,811.1</b>	<b>5,724.4</b>
<b>Liabilities</b>		
<b><i>Current liabilities</i></b>		
Trade and other payables	635.7	581.8
Borrowings	129.2	157.3
Income tax	11.2	166.7
Employee benefits	82.0	69.4
Provisions	55.5	9.2
<b>Total current liabilities</b>	<b>913.6</b>	<b>984.4</b>
<b><i>Non-current liabilities</i></b>		
Trade and other payables	197.9	-
Borrowings	2,996.5	1,104.6
Deferred tax <sup>1</sup>	220.8	194.2
Provisions	211.2	195.1
<b>Total non-current liabilities</b>	<b>3,626.4</b>	<b>1,493.9</b>

	Group	
	2022	2021
	\$M	\$M
<b>Total liabilities</b>	<b>4,540.0</b>	<b>2,478.3</b>
<b>Net assets</b>	<b>3,271.1</b>	<b>3,246.1</b>
<b>Equity</b>		
Issued capital	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
<b>Total equity</b>	<b>3,271.1</b>	<b>3,246.1</b>

**Note:**

- For comparability with current year presentation, the FY21 deferred tax asset has been offset with the FY21 deferred tax liability.

(c) **MinRes consolidated statement of comprehensive income**

The historical income statements of MinRes set out below have been derived from the audited consolidated income statement of MinRes for the financial year ended 30 June 2022.

	Group	
	2022	2021
	\$M	\$M
<b>Revenue</b>	<b>3,418.0</b>	<b>3,733.6</b>
Other income	110.3	245.3
<b>Expenses from operations</b>		
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	(352.2)	(258.0)
Impairment charges	(15.0)	(46.5)
Other expenses	(388.5)	(89.0)
<b>Profit from operations</b>	<b>601.8</b>	<b>1,878.5</b>
Finance income	10.7	10.0
Finance costs	(123.4)	(95.8)
<i>Net finance costs</i>	<i>(112.7)</i>	<i>(85.8)</i>
<b>Profit before tax</b>	<b>489.1</b>	<b>1,792.7</b>
Income tax expense	(138.3)	(525.0)

	Group	
	2022 \$M	2021 \$M
<b>Profit after tax for the year</b>	<b>350.8</b>	<b>1,267.7</b>
<b>Other comprehensive income</b>		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Net gain on cash flow hedges	4.4	4.0
Other comprehensive income for the year, net of tax	4.4	4.0
<b>Total comprehensive income for the year</b>	<b>355.2</b>	<b>1,271.7</b>
Profit 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
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	184.87	673.18
Diluted earnings per share	184.87	673.18

(d) **MinRes consolidated statements of cash flows**

The historical statements of cash flows of MinRes set out below have been derived from the audited consolidated statements of cash flows of MinRes for the financial year ended 30 June 2022.

	Group	
	2022 \$M	2021 \$M
<b>Cash flows from operating activities</b>		
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	279.8	1,309.4

	Group	
	2022 \$M	2021 \$M
<b>Cash flows from investing activities</b>		
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)
<b>Cash flows from financing activities</b>		
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	2,428.2	1,542.1

(e) **Management commentary on historical results**

The first half of FY22 was difficult financially, with iron ore prices falling almost US\$130 per tonne in two months. At the same time, product discounts increased and MinRes faced considerable cost pressures across the supply chain, particularly with shipping and haulage.

Market conditions rebounded in the second half, and by the end of the year the business had delivered record iron ore export tonnes of 19.2 million tonnes, and record Mining Services volumes with 274 million tonnes moved.

MinRes' Mining Services business remains at the core of its operations and delivered record EBITDA of \$533 million.

The market for lithium in the second half was very strong and helped MinRes deliver a record lithium EBITDA contribution of \$585 million for the year.

Total revenue was \$3.4 billion, down eight per cent on the prior year as a result of lower iron ore prices, and MinRes continued to deliver strong Return on Invested Capital at 14.1%.

While underlying EBITDA was down 46% to \$1 billion compared to the prior year, FY22 saw MinRes' second best financial performance in its history. The expansion of MinRes' lithium business impacted its operating cash flow, which reduced to \$344 million.

MinRes continued to reinvest heavily in projects that will support the long-term future of the company. MinRes invested \$800 million in FY22, with more than half spent on growth projects including the restart of the Wodgina lithium mine, the development of the Wonmunna iron ore operation, the company's natural gas drilling program and early development activities on Onslow Iron.

In May 2022, MinRes took steps to strengthen its balance sheet in the face of an uncertain external environment, by raising US\$1.25 billion through a new bond issue which was conducted in a difficult market. The issue was heavily oversubscribed, demonstrating the confidence investors have in the MinRes business. MinRes is well positioned to support its next phase of growth with a strong balance sheet, holding cash and cash equivalents of \$2.4 billion as at 30 June 2022.

## 2.6 Borrowings

The historical statements of borrowings of MinRes set out below have been derived from the audited statements of borrowings of MinRes for the year ended 30 June 2022. Further information on MinRes accounting policies in relation to the recognition and recording of borrowings is contained in MinRes' FY22 Annual Report

	Group	
	2022	2021
	\$M	\$M
<b>Current</b>		
Other borrowings	14.2	26.4
Lease liability	115.0	130.9
	129.2	157.3
<b>Non-current</b>		
Senior unsecured notes (1 – 3)	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

**Notes:**

1. US\$700 million senior unsecured notes offering due 2027, at an interest rate of 8.125% per annum.
2. US\$625 million senior unsecured notes offering due 2027, at an interest rate of 8.000% per annum.
3. US\$625 million senior unsecured notes offering due 2030, at an interest rate of 8.500% per annum.

## 2.7 Outlook and guidance

MinRes has provided 2023 financial year guidance across its operations, which are shown in the table below:

	Yilgarn Hub	Utah Point Hub	Mt Marion	Wodgina
Commodity	Iron ore	Iron ore	Spodumene	Spodumene
MinRes Share	100%	100%	51% <sup>1</sup>	50% <sup>2</sup>
Volume	6.7 to 7.3Mt	10.5 to 11.5Mt	300 to 330kdt	190 to 210kdt
(Shipped MinRes share)	20% Lump	20% Lump	40% High-grade	100% SC6
FOB costs <sup>3</sup>	\$85-\$95/t	\$65-\$75/t	\$460-\$510/t	\$800-\$850/t
Mining Services volumes 270 – 280Mt				
Capital Expenditure \$2,060M				

**Notes:**

1. MinRes equity ownership in the Mt Marion project is 50% and MinRes has an offtake entitlement to purchase 51% of spodumene concentrate produced from the project.
2. Subject to change and finalisation of restructured MARBL JV agreement. MinRes continues to work with Albemarle to negotiate binding agreements for the restructure of the MARBL JV on terms consistent with MinRes' FY22 results presentation released to the ASX on 29 August 2022. The proposal for the MARBL JV restructure has been updated since the original announcement of the non-binding agreement with Albemarle. The proposed amendments to the MARBL JV are subject to MinRes and Albemarle negotiating and entering into binding agreements to give effect to the transaction.
3. Excludes freight and royalties.

## 2.8 Publicly available information about MinRes

As an ASX listed company and a 'disclosing entity' for the purposes of section 111AC(1) of the Corporations Act, MinRes is subject to regular reporting and disclosure obligations. Broadly, these require it to announce price sensitive information to ASX as soon as it becomes aware of the information, subject to exceptions for certain confidential information.

MinRes' most recent announcements are available from MinRes' website at <https://www.mineralresources.com.au/investorresources/latest-asx-announcements/all/>.

Additionally, copies of documents lodged with ASIC in relation to MinRes may be obtained from or inspected at an ASIC service centre. Please note, ASIC may charge a fee in respect of such services. MinRes will provide a copy of each of the following documents, free of charge, to any Norwest Shareholder on request:

- (a) MinRes' Constitution;
- (b) MinRes' annual report for the financial year ended 30 June 2022;
- (c) MinRes' half-year financial report for the half-year ended 31 December 2021; and
- (d) MinRes' public announcements.

Requests for free copies of these documents may be made by contacting MinRes. Further, copies of all publicly disclosed documents lodged with ASX in relation to MinRes are available at MinRes' website at <https://www.mineralresources.com.au/investorresources/latest-asx-announcements/all/> or the ASX website at [www.asx.com.au](http://www.asx.com.au). A substantial amount of information about MinRes is also available in electronic form from <https://www.mineralresources.com.au/>.

### 3 Information on MinRes securities

#### 3.1 MinRes' capital structure

MinRes' current capital structure is summarised below:

MinRes Shares	Number
Quoted fully paid ordinary MinRes Shares on issue	189,780,300

#### 3.2 Recent trading of MinRes Shares

Key metrics in relation to the recent trading performance of MinRes Shares are summarised in the table below:

Comparative trading period	Price of MinRes Shares (\$)
Lowest trading price in the four months prior to the date this Bidder's Statement was lodged with ASIC, on 15 December 2022	\$58.71
Highest trading price in the four months prior to the date this Bidder's Statement was lodged with ASIC, on 15 December 2022	\$90.64
Closing trading price on the last practicable day before the date MinRes announced the Offer	\$82.00
Last available closing sale price of MinRes Shares prior to the date this Bidder's Statement was lodged with ASIC	\$82.00
One month VWAP of MinRes Shares before the Announcement Date	\$85.46
Three month VWAP of MinRes Shares before the Announcement Date	\$76.76
Six month VWAP of MinRes Shares before the Announcement Date	\$64.87

Set out below in Figure 4 is a chart showing trading prices and trading volumes of MinRes Shares for the 12 months to 15 December 2022, being the last full day of trading prior to the Announcement Date.

**Figure 4: Trading prices and volumes of MinRes Shares prior to the Announcement Date**



### 3.3 Option plans, performance rights and other securities

As at the date of this Bidder's Statement, MinRes has the following share plans in place:

(a) **Short Term Incentive Plan (STIP)**

Executive key management personnel are eligible to participate in the STIP, under which awards made under the STIP that exceed 50% of the fixed annual remuneration for executive key management personnel 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 provisions

(b) **Long Term Incentive Plan (LTIP)**

Executive key management personnel are eligible to participate in the LTIP, under which participants receive share rights in MinRes, subject to four years of continuing service and testing of the performance measure over a four-year performance period. The performance measure is the four-year average return on invested capital enjoyed by MinRes over the performance period compared with hurdles set in advance by the MinRes Board.

Senior management are also eligible to participate in the LTIP, where participants receive share rights in MinRes, that vest subject to three years of continuing service.

(c) **One-off Rights Plan (ORP)**

Under the MinRes ORP, eligible employees are invited to receive share rights in MinRes, subject to employees remaining in service for a period of five years from the date of grant. Rights under the ORP do not carry voting entitlements.

(d) **Rights on issue**

The number of STIP, LTIP and ORP that may convert to MinRes Shares are presented in the following table:

Plan	Grant Date	Expected vesting date	Rights on foot
FY20 ORP	FY20	FY25	874,223
FY20 LTIP	FY20	FY23	
FY20 KMP LTIP	FY20	FY24	
FY20 KMP STIP-- T1	FY20	FY21	
FY20 KMP STIP-- T2	FY20	FY22	
FY21 ORP	FY21	FY26	114,318
FY21 LTIP	FY21	FY24	377,573
FY21 KMP LTIP	FY21	FY25	268,101
FY21 KMP STIP-- T1	FY21	FY23	0
FY21 KMP STIP-- T2	FY21	FY24	12,740
FY22 ORP	FY22	FY27	28,741
FY22 LTIP	FY22	FY25	226,305
FY22 KMP LTIP	FY22	FY26	108,621
FY22 KMP STIP-- T1	FY22	FY24	13,598
FY22 KMP STIP-- T2	FY22	FY25	13,598
FY23 ORP	FY23	FY28	33,526
FY23 LTIP	FY23	FY26	342,176
FY23 KMP LTIP	FY23	FY27	176,773
FY23 KMP STIP-- T1	FY23	FY25	
FY23 KMP STIP-- T2	FY23	FY26	
Dividend equivalent rights KMP *			69,874
Dividend equivalent rights-- non-KMP *			232,899

\* Vesting in line with expected vesting above

MinRes may acquire MinRes Shares' on market to be reissued to the MinRes' employees from the vesting of awards and exercise of rights under the employee share-based plans.

### 3.4 Rights and liabilities attaching to MinRes Shares

#### (a) Introduction

The MinRes Shares which will be issued as the consideration under the Offer will rank equally in all respects with existing ordinary shares in MinRes. Full details of the rights attaching to MinRes Shares are set out in its Constitution, a copy of which can be inspected at MinRes' registered office.

The rights, privileges and restrictions attaching to MinRes Shares can be summarised as follows:

#### (b) Meetings of MinRes Shareholders and voting rights

MinRes Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of MinRes.

MinRes Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of MinRes.

Subject to any rights or restrictions for the time being attached to any class or classes of MinRes Shares, at general meetings of MinRes Shareholders or classes of MinRes Shareholders:

- (i) each MinRes Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a MinRes Shareholder or a proxy, attorney or representative of a MinRes Shareholder has one vote; and
- (iii) on a poll, every person present who is a MinRes Shareholder or a proxy, attorney or representative of a MinRes Shareholder shall, in respect of each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the MinRes Share, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such MinRes Shares registered in the MinRes Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividends**

The MinRes Directors may from time to time declare a dividend to be paid to the MinRes Shareholders entitled to the dividend. Subject to MinRes' Constitution and subject to the rights of any preference MinRes Shareholders and to the rights of the holders of any MinRes Shares created or raised under any special arrangement as to dividend, the dividend as declared shall be payable on all MinRes Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such MinRes Shares in accordance with Part 2H.5 of Chapter 2H of the Corporations Act.

(d) **Winding up**

If MinRes is wound up, the liquidator may, with the authority of a special resolution of MinRes, divide among the MinRes Shareholders in kind the whole or any part of the property of MinRes, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the MinRes Shareholders or different classes of MinRes Shareholders.

(e) **Transferability of MinRes Shares**

Generally, MinRes Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act.

(f) **Alteration of capital**

Subject to the Listing Rules, MinRes may, by ordinary resolution:

- (i) issue new MinRes Shares of such amount specified in the resolution;

- (ii) consolidate and divide all or any of its MinRes Shares into MinRes Shares of larger amount than its existing MinRes Shares;
- (iii) subject to the Listing Rules, sub-divide all or any of its MinRes Shares into MinRes Shares of smaller amount, but so that in the sub-division the proportion between the amount paid and the amount (if any) unpaid on each such MinRes Share of a smaller amount remains the same; and
- (iv) cancel MinRes Shares that, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person or have been forfeited and, subject to the Corporations Act, reduce the amount of its share capital by the amount of the MinRes Shares so cancelled.

(g) **Variation of rights**

Pursuant to section 246B of the Corporations Act, MinRes may, with the sanction of a special resolution passed at a meeting of MinRes Shareholders vary or abrogate the rights attaching to MinRes Shares.

If at any time the issued capital is divided into different classes of MinRes Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the MinRes Shares of that class), whether or not MinRes is being wound up may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued MinRes Shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the MinRes Shares of that class.

### 3.5 Dividend Reinvestment Plan

MinRes operates a Dividend Reinvestment Plan. Participation is open to all holders of MinRes Shares listed for quotation on the official lists of ASX except for holders whose address is in a country whose regulations make it impracticable, impossible or illegal in the opinion of the Directors for the Dividend Reinvestment Plan to be offered to them. Participation is optional and participation in the Dividend Reinvestment Plan in respect of dividends on MinRes Shares may be either full or partial.

Further information about the Dividend Reinvestment Plan is available on MinRes' website at: [www.mineralresources.com.au/app/uploads/2021/08/Revised-Dividend-Reinvestment-Plan-Aug-21.pdf](http://www.mineralresources.com.au/app/uploads/2021/08/Revised-Dividend-Reinvestment-Plan-Aug-21.pdf).

### 3.6 Substantial holders of MinRes Shares

The substantial holders of MinRes Shares as at the date immediately before the date of this Bidder's Statement are as follows:

Name	Person's Votes	Voting Power
Chris Ellison	22,285,311	11.8%
BlackRock, Inc.	12,450,561	6.6%

MinRes has relied on substantial holder notices provided to it up to the date of this Bidder's Statement, which are available on the ASX website, to compile the above table. Information in regard to substantial holdings arising, changing or ceasing after this time or in respect of which the relevant announcement is not available on the ASX website is not included above.

### 3.7 Corporate governance of MinRes

MinRes' Board and management consider that an uncompromising commitment to safety, environmental performance, corporate governance, and accountability is essential for the MinRes Group to achieve its objective of being a world class supplier of goods and services to the resources sector. As a result, specific corporate governance policies have been issued to detail the expected behaviour required from MinRes employees and major sub-contractors, to ensure these objectives are met.

#### (a) Board of Directors

The MinRes Board is majority independent in composition, with five of the six board members being classified as independent non-executive directors. From 1 January 2023, seven of the eight board members will be classified as independent non-executive directors. The activities of the MinRes Board are governed by the Board Charter.

The Managing Director, Mr. Chris Ellison, is classified as non-independent by virtue of currently holding the position of Managing Director of MinRes. Given the current chair of MinRes qualifies as independent, the lead independent MinRes director position is not required.

A formal evaluation of the performance of the Board and the Board's sub-committees was undertaken by the chairman in October 2022. The formal process for review is further disclosed in the Performance Evaluation Practices policy document, which can be found on the Group's website.

#### (b) Board Committees

The MinRes Board has established the following committees to assist with the implementation of its corporate governance practices. Each of the committees is comprised entirely of independent non-executive directors, other than the Nominations Committee which is comprised of all directors. Each committee has a written charter and operating procedures that are reviewed on a regular basis.

##### (i) Audit and Risk Committee

The MinRes Board has a dedicated Audit and Risk Committee with specific powers delegated by the MinRes Board. The Committee's operation is governed by the Audit and Risk Committee Charter. The primary function of the committee is to assist the MinRes Board in fulfilling its responsibilities in overseeing MinRes' financial reporting and compliance with legal and regulatory requirements and overseeing MinRes' systems of internal control and risk management framework.

The current members of the Audit Committee are as follows: Mr Kelvin Flynn (Chair), Ms Susie Corlett and Ms Xi Xi.

##### (ii) Remuneration Committee

The MinRes Board has a dedicated Remuneration Committee and the committee's operation is governed by the Remuneration Committee Charter.

The primary function of the committee is to assist and advise the MinRes Board on matters relating to the compensation, bonuses, incentives and remuneration considerations of the Managing Director, non-executive

directors and staff. It is not a policy making body but assists the MinRes Board by implementing MinRes Board policy.

The current members of the Remuneration Committee are as follows: Mr James McClements (Chair), Mr Kelvin Flynn and Ms Susie Corlett.

(iii) **Nomination Committee**

The MinRes Board has a dedicated Nomination Committee and the committee's operation is governed by the Nomination Committee Charter.

The primary function of the committee is to ensure the best possible MinRes Directors are selected, appointed to the MinRes Board, and retained; and to plan and advise on the appointment and succession for MinRes' Managing Director. The current members of the Nomination Committee are as follows: Ms Xi Xi (Chair), Mr Chris Ellison, Mr Kelvin Flynn, Mr James McClements, Ms Susie Corlett and Mr Zimi Meka.

(iv) **Sustainability Committee**

The MinRes Board has a dedicated Sustainability Committee and the committee's operation is governed by the Sustainability Committee Charter.

The primary function of the committee is to provide oversight of the sustainable development of MinRes and ensure the MinRes Board is kept informed on emerging areas of sustainability that may impact MinRes.

The current members of the Sustainability Committee are as follows: Ms Susie Corlett (Chair), Mr James McClements and Ms Xi Xi.

(c) **Diversity**

MinRes fully supports diversity and inclusion and has established a Diversity and Inclusion Policy to support and facilitate an inclusive work environment. The MinRes Board currently has two female non-executive directors, with another to be appointed effective from 1 January 2023.

MinRes' Diversity and Inclusion Policy can be found on MinRes' website.

(d) **Other corporate governance policies**

In addition to the charters and policies mentioned above, MinRes' Corporate Governance Policies are available at the Corporate Governance section of the Group's website: <http://www.mineralresources.com.au/corporate/corporate-governance.html>.

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## 4 Information on Norwest

### 4.1 Disclaimer

The information on Norwest has been prepared by MinRes using publicly available information. The information has not been independently verified and MinRes does not make any representation or warranty, express or implied, as to the accuracy or completeness of that information.

The information on Norwest in this Bidder's Statement should not be considered comprehensive. MinRes and its Directors make no representation about the accuracy or otherwise of information published by Norwest.

Further information relating to Norwest may be included in the target's statement which Norwest must provide to Norwest Shareholders in response to this Bidder's Statement.

### 4.2 Overview of Norwest

Norwest is an Australian based petroleum exploration and development company with assets in Australia.

Norwest's portfolio includes interests in oil and gas permits EP 368 (20% interest) and EP 426 (22.22% interest) in the Perth Basin in Western Australia, as well as a 20% equity interest in Pilbara Clean Fuels Pty Ltd (**PCF**).

Norwest previously held an interest in exploration permit TP/15, however, it withdrew from the joint venture and the permit was surrendered by all parties effective 6 December 2022.

### 4.3 Norwest's Business Strategy

Norwest's strategy is focused on:

- (a) developing quality assets in high value markets in Australia;
- (b) advancing and appraisal of drilling program at the Lockyer Deep project; and
- (c) a commitment to low-emissions.

### 4.4 Overview of Norwest's Projects

Norwest's key projects are as follows:

#### (a) EP 368 & EP 426

Norwest holds a 20% working interest in EP 368 and 22.22% in EP 426 through its wholly owned subsidiary Westranch Holdings Pty Ltd. The remaining 80% and 77.78% respective interests are held by MinRes' wholly owned subsidiary, EnRes.

Exploration permits EP 368 and EP 426 encompass an area of some 1,725 km<sup>2</sup> within the highly prospective "sweet spot" of the northern Perth Basin. The permits' prospectivity has been greatly enhanced by the very significant Permian gas discoveries at Waitsia, West Erregulla and Beharra Springs Deep.

In September 2021, the EP 368 Joint Venture drilled the Lockyer Deep-1 gas discovery well, resulting in a very significant conventional gas discovery that flowed up to 117 mmscfd on test.

The Lockyer Deep discovery is situated just 10 kms to the north of the 2019 West Erregulla gas discovery, and 20 kms due east of the giant Waitsia gas field. The structure is comprised of a three way dip feature, fault-closed to the west, with the primary Kingia reservoir at a depth of approximately 4,000 metres (MDRT). Reservoir quality is exceptional, as is the apparent height of the gas column at the Lockyer Deep-1 location.

These factors combine to suggest that Lockyer Deep is a very large gas discovery that significantly exceeds Norwest's pre-drill expectations, and may extend across an area of 102 Sq Kms.

Additional prospects and leads are present across EP 368/426, including a variety of gas targets and the Greater Springy Creek oil prospect which offers up to 61 MMbbls oil recoverable (gross) prospective resources. The Ringneck 2D seismic program was completed in March 2022, aimed at maturing exploration leads to the southeast of the Lockyer Deep-North Erregulla Deep structure.

**(b) Pilbara Clean Fuels Pty Ltd**

Norwest currently holds an 20% interest in PCF, an early-stage project development company formed to progress the development of clean fuels production opportunities at Port Hedland.

PCF is progressing a development concept for a new, low carbon footprint LNG plant to be located at Port Hedland in Western Australia; the world's largest iron ore export port.

The principal purpose of the plant will be the conversion of pipeline natural gas to liquefied natural gas (**LNG**) on a tolling basis, with the LNG to be marketed as marine bunker fuel for bulk iron ore carriers operating out of Port Hedland. A key feature of the concept is an electrified plant.

An initial capacity of 0.5 Mtpa is planned, with potential future expansion up to 1.5 Mtpa. An outsourced power supply from predominantly renewable sources will offer the potential to significantly reduce Scope-1 and Scope-2 emissions when compared to a conventional LNG plant.

Norwest has invested \$300,000 in PCF to fund an initial six-month Assess stage work program that is designed to progress the project towards the Select stage, at which point the technical and commercial options for the project can be defined to attract further investment.

PCF has selected Air Products Inc. as the liquefaction technology licensor and core equipment supplier for the project and is partnering with Technip Energies and other specialist consulting groups to implement the initial work program.

A similar LNG plant that has been producing 0.5 Mtpa LNG since 2015 in Yangling, China, was developed by Air Products Inc. in partnership with the Shaanxi LNG Investment Development Co. Ltd.

#### 4.5 Directors

As at the date of this Bidder's Statement, the Norwest Directors are:

- (a) Ernest Myers – Non-Executive Chairman;
- (b) Iain Smith – Managing Director; and
- (c) Bruce Clement – Non-executive Director.

#### 4.6 Substantial holders

As at the date of this Bidder's Statement, so far as known to MinRes based on publicly available information, the substantial holders of Norwest Shares are set out below:

Name	Number of Norwest Shares	Voting power
Mineral Resources Ltd	1,334,809,008	19.9%

#### 4.7 Norwest Financial Information

(a) **Basis of preparation of historical financial information**

The historical financial information below relates to Norwest on a stand-alone basis and accordingly does not reflect any impacts of the Offer. This information has been taken from the audited financial statements of Norwest for the years ended 2022 and 2021.

(b) **Norwest consolidated statement of financial position**

The historical statements of financial position of Norwest set out below have been derived from the audited consolidated statement of financial position of Norwest as at 30 June 2022.

	Consolidated Entity	
	2022 \$	2021 \$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	22,807,806	3,524,952
Trade and other receivables	22,221	204,161
<b>Total Current Assets</b>	<b>22,830,027</b>	<b>3,729,113</b>
<b>Non-Current Assets</b>		
Property, plant, and equipment	384	2,008
Exploration and evaluation expenditure	6,171,672	1,394,382
Other Assets	235,010	81,188
<b>Total Non-Current Assets</b>	<b>6,407,066</b>	<b>1,477,578</b>
<b>Total Assets</b>	<b>29,237,093</b>	<b>5,206,691</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and other payables	1,301,786	499,863
Provision for Annual Leave	10,853	7,134
Provision for Long Service Leave	5,945	13,287
Other Liabilities	73,029	91,440
<b>Total Current Liabilities</b>	<b>1,391,613</b>	<b>611,724</b>
<b>Non-Current Liabilities</b>		
Provision for Restoration	47,500	11,180
Other Liabilities	161,981	-
<b>Total Non-Current Liabilities</b>	<b>209,481</b>	<b>11,180</b>
<b>Total Liabilities</b>	<b>1,601,094</b>	<b>622,904</b>
<b>NET ASSETS</b>	<b>27,635,999</b>	<b>4,583,785</b>
<b>EQUITY</b>		
Contributed equity	90,678,445	65,822,236
Reserves	509,899	320,000
Accumulated losses	(63,552,345)	(61,558,451)
<b>Total Equity</b>	<b>27,635,999</b>	<b>4,583,785</b>

(c) **Norwest statement of changes in equity**

The historical changes in equity statements of Norwest set out below have been derived from the audited consolidated changes in equity statements of Norwest for the year ended 30 June 2022.

	Contributed Equity \$	Share-Based Payment Reserve \$	Accumulated Losses \$	Total Equity \$
<b>Balance at 1 July 2021</b>	<b>65,822,236</b>	<b>320,000</b>	<b>(61,558,451)</b>	<b>4,583,785</b>
<b>Comprehensive income for the year</b>				
Profit/(Loss) for the year	-	-	(1,993,894)	(1,993,894)
<b>Total Comprehensive Income for the Year</b>	<b>65,822,236</b>	<b>320,000</b>	<b>(63,552,345)</b>	<b>2,589,891</b>
Transactions with owners in their capacity as owners:				
Share issue (net of costs)	24,856,209		-	24,856,209
Unlisted Options Exercised	-	(56,000)		(56,000)
Unlisted Options Granted	-	229,200		229,200
Performance Rights Granted	-	16,699		16,699
<b>Balance at 30 June 2022</b>	<b>90,678,445</b>	<b>509,899</b>	<b>(63,552,345)</b>	<b>27,635,999</b>
<b>Balance at 1 July 2020</b>	<b>63,920,369</b>	<b>320,000</b>	<b>(61,113,196)</b>	<b>3,127,173</b>
<b>Comprehensive income for the year</b>				
Profit/(Loss) for the year	-		(445,255)	(445,255)
<b>Total Comprehensive Income for the Year</b>	<b>63,920,369</b>	<b>320,000</b>	<b>(61,558,451)</b>	<b>2,681,918</b>
Transactions with owners in their capacity as owners:				
Share issue (net of costs)	1,901,867	-	-	1,901,867
Share options expired/exercised (1)	-			
Share based payments expense	-			
<b>Balance at 30 June 2021</b>	<b>65,822,236</b>	<b>320,000</b>	<b>(61,558,451)</b>	<b>4,583,785</b>

(d) **Historical statements of cash flows**

The historical statements of cash flows of Norwest set out below have been derived from the audited consolidated statements of cash flows of Norwest for the year ended 30 June 2022.

	Consolidated Entity	
	2022 \$	2021 \$
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(1,529,834)	(1,208,226)
Joint Venture Operator Management Fees	67,614	81,702
R&D Incentive Grant	-	174,278
Recoveries and Government Grants	169,482	237,789
Interest received	517	691

	Consolidated Entity	
	2022 \$	2021 \$
Net Cash Used In Operating Activities	(1,292,221)	(713,767)
<b>Cash flows from investing activities</b>		
Payments for property, plant, and equipment	-	100
Proceeds from sale of Production Assets	100,000	-
Payments for exploration and evaluation expenditure	(4,107,371)	(704,885)
Net Cash Used In Investing Activities	(4,007,371)	(704,785)
<b>Cash flows from Financing Activities</b>		
Proceeds from share issue	25,754,328	2,033,858
Share issue costs	(1,171,882)	(145,190)
Net Cash Provided by Financing Activities	24,582,446	1,888,668
<b>Net Increase / (Decrease) in Cash Held</b>	<b>19,282,854</b>	<b>470,117</b>
Cash and Cash Equivalents at the Beginning of the Financial Year	3,524,952	3,054,835
Effects of exchange rate changes on cash held	-	-
<b>Cash and Cash Equivalents at 30 June</b>	<b>22,807,806</b>	<b>3,524,952</b>

#### 4.8 Publicly available information about Norwest

As an ASX listed company and a 'disclosing entity' for the purposes of section 111AC(1) of the Corporations Act, Norwest is subject to regular reporting and disclosure obligations. Broadly, these require it to announce price sensitive information to ASX as soon as it becomes aware of the information, subject to exceptions for certain confidential information.

Norwest's most recent announcements are available from Norwest's website at <https://norwestenergy.com.au/investor-centre/#announcements> or the ASX website at [www.asx.com.au](http://www.asx.com.au).

Additionally, copies of documents lodged with ASIC in relation to Norwest may be obtained from or inspected at an ASIC service centre. Please note, ASIC may charge a fee in respect of such services.

A substantial amount of information about Norwest is also available in electronic form from <https://norwestenergy.com.au/>.

## 5 Information on Norwest's securities

### 5.1 Norwest's issued securities

According to documents provided by Norwest to ASX, as at the date of this Bidder's Statement, Norwest's issued securities consisted of:

ASX description	Total number of securities on issue
<b>Quoted securities</b>	
Ordinary fully paid shares	6,713,571,592
<b>Unquoted securities</b>	
Option expiring 30-Jun-2024 ex 0.0089	32,486,172
Option expiring 30-Jun-2024 ex 0.0107	10,000,000
Option expiring 30-Jun-2025 ex 0.0089	32,060,485
Option expiring 30-Jun-2025 ex 0.0107	10,000,000
Option expiring 30-Jun-2025 ex 0.0341	191,000,000
Option expiring 30-Jun-2026 ex 0.0089	36,011,364
Option expiring 30-Jun-2026 ex 0.0107	10,000,000
Performance rights – class A	10,000,000
Performance rights – class B	10,000,000
Performance rights – class C	10,000,000

### 5.2 Norwest's option plans, rights and other securities

#### (a) Norwest Executive Remuneration Plan

Norwest operates the Norwest Short- and Long-Term Incentive Plans. The objective of the Norwest Remuneration Plan is to:

- (i) reward executives with a level and mix of remuneration commensurate with their position and responsibilities within Norwest;
- (ii) align the interests of executives with those of shareholders and business objectives; and
- (iii) ensure total remuneration is competitive by market standards.

#### (b) Norwest Incentive Awards Plan

Norwest operates the Norwest Incentive Awards Plan. The objective of the Norwest Incentive Awards Plan is to attract, motivate and retain key officers, employees and consultants of Norwest by providing them with the opportunity to acquire equity securities that allow them to participate in the future growth of Norwest.

### **5.3 Interests in Norwest's securities**

As at the date of this Bidder's Statement and the date of the Offer:

- (a) MinRes' voting power in Norwest is 19.9%; and
- (b) MinRes has a Relevant Interest in 1,334,809,008 Norwest Shares.

### **5.4 Disclosure of interests of MinRes Directors in Norwest Shares**

As at the date of this Bidder's Statement, none of the MinRes Directors, nor those that are being appointed effective 1 January 2023, have any direct or indirect interests in Norwest securities.

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## **6 Sources of consideration**

### **6.1 Total consideration**

The maximum number of MinRes Shares which would be issued under the Offer is approximately 4,191,895 MinRes Shares.

### **6.2 Ability to issue scrip consideration**

There are no constraints on MinRes' ability to issue the maximum number of MinRes Shares required to be issued under the Offer.

### **6.3 No cash consideration**

There is no cash consideration payable under the Offer.

The costs associated with the Offer will be paid from MinRes' internal cash reserves which stood at \$2,428 million as at 30 June 2022.

## 7 Effect of the Offer on MinRes and overview of the Combined Group

### 7.1 Overview of the Combined Group

The maximum number of MinRes Shares that could be issued under the Offers, being 4,191,895 MinRes Shares, represents an increase of approximately 2.2% in the total number of MinRes Shares on issue.

MinRes does not consider the Offer to be material in terms of overall impact on its capital structure. Nor would the acquisition of Norwest be expected to have a material effect on the existing assets and operations of MinRes, given that Norwest's assets are currently in the exploration and appraisal stage.

### 7.2 Effect on capital structure of MinRes

The effect of the Offer on MinRes' capital structure will depend on the level of acceptances under the Offer.

Assuming MinRes acquires 100% of the Norwest Shares, the effect on capital structure of MinRes will be as follows:

Capital structure of Combined Group	Number held by MinRes Shareholders	Number held by Norwest Shareholders <sup>1</sup>	Total for Combined Group <sup>2</sup>
Ordinary shares <sup>3</sup>	189,780,300	4,191,895	193,972,195
Undiluted percentage <sup>4</sup>	97.8%	2.2%	100%

**Notes:**

1. Excludes the Norwest Shares in which MinRes has a Relevant Interest in as at the date of this Bidder's Statement. Assumes all Norwest Options and Norwest Performance Rights either vest or are exercised and accept into the Offer.
2. Assumes no new securities are issued by MinRes, other than as contemplated under the Offer contained in this Bidder's Statement.
3. Assumes that the Offer is accepted by all Norwest Shareholders (other than MinRes) and the Condition to the Offer is satisfied or waived prior to the close of the Offer Period.
4. Excludes any MinRes Shares that may be issued from the vesting of awards and exercise of rights under MinRes' employee share-based payment plans, noting that MinRes also acquires MinRes Shares on market for the purpose of satisfying any such rights on exercise or vesting.

### 7.3 Effect on pro forma financial position of MinRes

The effect of the Offer on MinRes will depend on the level of acceptances of the Offer.

Assuming MinRes acquires 100% of the Norwest Shares under the Offer (and following completion of compulsory acquisition in accordance with the Corporations Act):

- (a) the total assets of the MinRes Group representing \$7,811 million will increase by 0.37%;
- (b) the consolidated issued capital of the MinRes Group will increase by \$344 million; and
- (c) the excess of the fair value of purchase consideration over the book value of assets will be allocated to exploration and mine development,

in each case based on the financial position of MinRes and Norwest as of 30 June 2022 as set out in their respective annual reports for FY22.

As the Offer is not considered to be material to MinRes, MinRes does not consider that the provision of pro forma financial information in relation to the Combined Group would be material to a decision by a Norwest Shareholder whether to accept the Offer.

#### **7.4 Forecast financial information**

MinRes has given careful consideration as to whether forecast financial statements can and should be included in this Bidder's Statement in respect of MinRes or the Combined Group. In particular, MinRes has considered whether there is a reasonable basis for the preparation and disclosure in the Bidder's Statement of reliable and useful forecast financial statements in this regard. MinRes has concluded that forecast financial statements for the Combined Group cannot be provided as it does not have a reasonable basis for such forecasts as required by applicable law and practice, and therefore the forecasts would not be meaningful or material to Norwest's Shareholders.

In connection with the publication of its full year results, MinRes has provided 2023 financial year guidance across its operations, which are shown in the table in Section 2.7.

#### **7.5 Disclaimer regarding Norwest and the Combined Group Information**

In preparing the information relating to Norwest and the Combined Group contained in this Bidder's Statement, MinRes has relied on publicly available information relating to Norwest and this has not been independently verified by MinRes or its Directors. Risks may exist in relation to Norwest (which may affect the Combined Group) of which MinRes is unaware. If any material risks are known to the directors of Norwest, they must be disclosed in the target's statement to be issued by Norwest.

Accordingly, subject to any applicable laws, MinRes makes no representations or warranties (express or implied) as to the accuracy and completeness of such information.

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## 8 MinRes' intentions in relation to Norwest

### 8.1 Introduction

This Section 8 sets out MinRes' current intentions on the basis of facts and public information concerning Norwest which are known to MinRes as at the date of this Bidder's Statement, in relation to the following:

- (a) MinRes' intentions regarding Norwest;
- (b) MinRes' intentions for Norwest as a wholly-owned controlled entity;
- (c) MinRes' intentions for Norwest as a part owned controlled entity;
- (d) MinRes' intentions for Norwest if not controlled by MinRes; and
- (e) MinRes' other intentions.

MinRes does not have detailed knowledge of all material information necessary to reach final decisions as to its intentions. MinRes will only reach final decisions in light of material facts and circumstances at the relevant time and following completion of the review of Norwest's operations referred to below.

Accordingly, the statements set out in this Section 8 are statements of current intentions only and may vary as new information becomes available or circumstances change.

### 8.2 Rationale for the Offer

MinRes is the largest shareholder in Norwest with a shareholding of approximately 19.9% and has identified energy as one of the four pillars on which it will seek to build enduring value for shareholders.

The Offer aligns with and supports MinRes' energy strategy, which is focused on delivering a low-cost, long-life secure energy supply, including for MinRes' lithium and iron ore mining operations in Western Australia. Increased introduction of gas into MinRes' energy supply chain, alongside significant investment in renewable energy, will also allow MinRes to displace diesel with gas and other alternative energy sources across MinRes' operations. This strategy aligns with MinRes' pathway to reducing our carbon emissions by 50% by 2035 and net zero emissions by 2050.

Gas from the Perth Basin also has the potential to fill an expected domestic gas supply shortfall in the latter part of the current decade. MinRes is planning a \$100 million capital expenditure programme across its energy portfolio, with the objective of production in FY25.

Given Norwest's joint venture with MinRes across its Perth Basin gas assets, the MinRes Board considers that acquiring Norwest is a logical and accretive addition to unlocking MinRes' portfolio of gas assets.

### 8.3 Intentions for Norwest as a wholly-owned controlled entity

This Section 8.3 describes MinRes' intentions if MinRes and its associates acquire a Relevant Interest in 90% or more of the Norwest Shares, with the result that MinRes becomes entitled to proceed to compulsory acquisition of outstanding Norwest Shares in accordance with Part 6A.1 of the Corporations Act.

(a) **Compulsory acquisition of Norwest Shares**

If MinRes and its associates collectively have Relevant Interests in at least 90% of Norwest Shares during, or at the end of the Offer Period, MinRes will give a notice pursuant to Part 6A.1 of the Corporations Act to compulsorily acquire all outstanding Norwest Shares, even if Norwest Shares to which those notices relate are issued after the Offer closes but before notices are given (pursuant to section 661A(4)(b) of the Corporations Act). If MinRes compulsorily acquires all outstanding Norwest Shares, it will also be required to make a compulsory offer to all holders of securities which are convertible into Norwest Shares (pursuant to section 665A of the Corporations Act).

The income tax consequences to a Norwest Shareholder of a compulsory acquisition may differ from the income tax consequences to such Norwest Shareholder accepting the Offer. See Section 10 for further information on taxation considerations for Norwest Shareholders who dispose their Norwest Shares under the Offer.

(b) **ASX listing**

At the conclusion of the compulsory acquisition process, MinRes intends to arrange for Norwest to be removed from the official list of the ASX.

(c) **Lockyer Deep**

MinRes is the owner of an 80% interest in EP 368 and a 77.78% interest in EP 426, and is operator of Lockyer Deep. Upon the acquisition of Norwest, MinRes will be in a position to consolidate 100% ownership of the asset. MinRes intends to continue to invest in the exploration and development of EP 368 and EP 426 in line with its broader energy strategy as set out in Section 2.3(d) of this Bidder's Statement.

(d) **Strategic review of remaining assets**

MinRes will undertake a wider strategic review of Norwest's assets and operations, other than Lockyer Deep, with a view to maximising the value of its ownership of Norwest and minimising the cost of its ownership.

The strategic review provides an opportunity to determine the best means of maximising the value of the remaining assets of Norwest (outside of the 20% interest in EP 368 and 22.22% interest in EP 426).

(e) **Norwest Board**

MinRes intends to replace all members of the Norwest Board with its own nominees. The identity of such nominee directors has not yet been finally determined, but it is expected they will be predominantly drawn from the current directors and management of MinRes.

(f) **Impact on Norwest's executives and employees**

As part of its strategic review, MinRes will evaluate the future operation and management requirements of the Combined Group. Depending on the outcome of this review, there may be changes to the staffing requirements of the Combined Group.

Norwest currently has only a small number of staff. It is possible that certain corporate and administrative functions (for example, those relating to the maintenance of Norwest's listing on the ASX and some head office functions) may become redundant.

The extent and timing of any potential job losses cannot be fully predicted in advance of the strategic reviews to be undertaken by MinRes. Where practicable, MinRes will seek to minimise job losses through redeployment of the relevant Norwest employees into other parts of the MinRes business. If redundancies do occur, the relevant employees will be treated in accordance with their contractual and other legal entitlements.

#### **8.4 Intentions for Norwest as a part owned controlled entity**

This Section 8.4 describes MinRes' intentions if Norwest becomes a controlled entity of MinRes, but MinRes is not entitled to proceed to compulsory acquisition of outstanding Norwest Shares in accordance with Part 6A.1 of the Corporations Act.

The ability of MinRes to implement any of the intentions set out in Section 8.4 will be subject to, among other things:

- the legal obligations of the Norwest Directors to have regard to the interests of Norwest and Norwest Shareholders;
- the requirements of the Corporations Act relating to transactions between related parties; and
- potentially the Listing Rules relating to transactions between related parties.

These shareholder protections may limit or modify the implementation of the intentions outlined below. As a result of those requirements, the approval of minority Norwest Shareholders may be required for the implementation of some of the intentions outlined below.

Subject to the limitations noted above, MinRes' intentions for Norwest as a part owned controlled entity are as follows:

##### **(a) Directors**

Subject to the Corporations Act and Norwest's constitution, MinRes intends to seek to replace some of the members of the Norwest Board so that MinRes nominees constitute at least a majority of the members of the Norwest Board. No decision has been made at this stage about the identity of the proposed nominees to the Norwest Board or which current Norwest Directors would be removed.

##### **(b) Strategic review**

If, following the Offer Period, Norwest becomes a controlled entity but not a wholly owned subsidiary of MinRes, it is the present intention of MinRes to attempt to procure that the Norwest Board implements the objectives outlined in Section 8.3(c) to the extent possible and appropriate, noting the limitations outlined above.

Following the end of the Offer Period, MinRes would continue to monitor the performance of Norwest and as appropriate conduct a strategic review of Norwest's structure, assets, business, personnel and operations. Following this process, the executive management of Norwest may be enhanced or

supplemented by MinRes, with a view to ensuring Norwest has the best possible skills and resources available to undertake its business.

(c) **ASX listing**

MinRes intends, subject to satisfying the relevant requirements, to remove Norwest from the official list of the ASX.

In relation to the removal of Norwest from the official list of the ASX, ASX guidance indicates that the usual conditions that ASX would expect to be satisfied in order for it to approve the removal of Norwest from the official list in the context of a successful takeover bid include:

- at the end of the Offer, MinRes owns or controls at least 75% of the Norwest Shares and the Offer has remained open for at least two weeks after MinRes attained ownership or control of at least 75% of the Norwest Shares; and
- the number of Norwest Shareholders (other than MinRes) having holdings with a value of at least \$500 is fewer than 150, and in such case, the ASX will not usually require MinRes to obtain Norwest Shareholder approval for Norwest's removal from the official list of the ASX.

In addition, the ASX may approve an application for Norwest to be removed from the official list of the ASX with shareholder approval and, where such removal is sought later than one month after the close of the Offer, MinRes would be entitled to vote on the resolution approving the removal.

If Norwest is removed from the official list of the ASX, there may be risks related to remaining as a minority shareholder in Norwest. These include reduced or non-existent liquidity if Norwest Shareholders wish to sell their Norwest Shares.

(d) **Further acquisition of interest in Norwest**

MinRes may, at some later time, acquire further Norwest Shares in a manner consistent with the Corporations Act and any other applicable laws.

It is possible that, even if MinRes is not entitled to proceed to compulsory acquisition of minority holdings after the end of the Offer Period under Part 6A.1 of the Corporations Act, it may subsequently become entitled to exercise rights of general compulsory acquisition under Part 6A.2 of the Corporations Act; for example, as a result of acquisitions of Norwest Shares in reliance on the "3% creep" exception in item 9 of section 611 of the Corporations Act. If so, it may exercise those rights.

## **8.5 Intentions for Norwest if not controlled by MinRes**

This Section 8.5 describes MinRes' intentions if Norwest does not become a controlled entity of MinRes.

In that circumstance:

- (a) MinRes does not expect to be in a position to give effect to the intentions set out in Sections 8.3 or 8.4 of this Bidder's Statement; and
- (b) MinRes' current intention is to continue to hold any stake in Norwest with a view to maximising returns for its investment (this may result in MinRes acquiring additional shares, to the extent permitted by law).

## **8.6 Limitation on Intentions**

The ability of MinRes to implement the intentions set out in this Section, will be subject to the legal obligations of Norwest Directors to have regard to the interests of Norwest and all Norwest Shareholders, and the requirements of the Corporations Act, including without limitation, in relation to transactions between related parties.

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## 9 Risk factors

### 9.1 Introduction

If the Offer becomes unconditional, Norwest Shareholders who accept the Offer will become MinRes Shareholders, and MinRes will acquire an interest in Norwest. In that event, Norwest Shareholders will be exposed to the risks associated with having an interest in the Combined Group's assets (including the current MinRes assets and the Norwest assets) and to general economic, share market and industry risks.

In considering the Offer you should be aware that there are a number of risk factors, which are specific to MinRes and the Combined Group, related to the Offer of a more general nature.

### 9.2 Specific risks that may affect MinRes and the Combined Group

#### (a) Contracting arrangements and counterparty risk

MinRes, through its mining services business segment, has entered into a number of commercial agreements with third parties for the provision of mining services to those parties, and may enter into further contracts. While MinRes' standard contracting position is to adopt limitations of liability that mitigate financial risk as well as to ensure the appropriate apportionment of risk and responsibilities with its contracting counterparties, there is a risk that disputes with these third parties may arise in relation to performance measurements, scope of services and other operational or contractual matters in connection with the mining services provided under these commercial agreements. There is a risk that this may result in interruption and disruption to MinRes' business.

Further, the ability of MinRes to achieve its stated objectives will depend on the performance by the counterparties, with whom MinRes has contracted with, or will contract with, of their obligations under the relevant agreements. MinRes' standard contracting position is to require minimum monthly payments that, at a minimum, cover MinRes' fixed costs. However, if any party defaults in the performance of its obligations, it may be necessary for MinRes to approach a court to seek a legal remedy, which can be costly.

#### (b) Operational risks

The current and future operations of the MinRes Group, including exploration, appraisal, construction and production activities may be affected by a range of factors, including adverse geological conditions, limitations on activities due to seasonal weather patterns and cyclone activities, unanticipated operational and technical difficulties encountered in geophysical surveys, drilling and production activities, mechanical failure of operating plant and equipment, industrial and environmental accidents, industrial disputes, riots and other force majeure events, unexpected shortages or increases in the costs of labour, consumables, spare parts, plant and equipment and delays in obtaining, or the inability to obtain necessary consents or approvals.

#### (c) Reserves and resources

MinRes engages reputable third parties to perform estimates of Ore Reserves and Mineral Resources. However, estimates of Ore Reserves and Mineral Resources are expressions of judgement based on knowledge, experience and industry practice. Estimates, which were valid when made, may change significantly when

new information becomes available. In addition, reserve and resource estimates depend on interpretations which may prove to be inaccurate. The actual reserves and resources may differ from those estimated which could have either a positive or negative effect on the Combined Group's performance. Additionally, no assurance can be given that reserve and resource estimates will be recovered during production.

**(d) Infrastructure and access**

Continued access to, and in certain circumstances the establishment of, appropriate infrastructure on commercially acceptable terms (particularly rail and port) is an essential component to MinRes' bulk commodity business (including its lithium spodumene concentrate and iron ore operations). Continued access and any additional access required to support MinRes' growth plans may not be able to be secured, or any new infrastructure may not be able to be established (including mine infrastructure) at all or on commercially acceptable terms. Ultimately, the inability to access and develop key infrastructure at all or on commercially acceptable terms may negatively impact the MinRes Group's future financial performance.

**(e) Climate change**

There are a number of climate-related factors that may affect the operations and proposed activities of the Combined Group. For instance:

- (i) climate change or prolonged periods of adverse weather and climatic conditions (including rising sea levels, floods, hail, drought, water, scarcity, temperature extremes, frosts, earthquakes and pestilences) may have an adverse effect on the Combined Group's operations; and
- (ii) changes in policy, technological innovation and consumer or investor preferences could adversely impact the Combined Group's operations and proposed activities, or may result in less favourable pricing for the commodities traded by the Combined Group, particularly in the event of a transition (which may occur in unpredictable ways) to a lower-carbon economy.

**(f) Joint Ventures**

MinRes has, and may continue to become a party to, joint venture or joint operating agreements for the tenements and in which it holds interests. While MinRes' strategy is generally to hold a majority interest in the joint venture, there is a risk that, under these agreements, MinRes may be voted into programs and budgets which it does not necessarily agree with or have the cash resources to fund. It may also be required to contribute to any increases in capital expenditure requirements and/or operating costs. Furthermore, the situation could arise where any or all of the joint venture parties are unable to fund their pro rata contributions to expenditure, in which case MinRes may have to make increased contributions to ensure that the program proceeds.

As previously disclosed to ASX, MinRes continues to work with Albemarle to negotiate binding agreements for the expansion of the MARBL JV on terms consistent with MinRes' FY22 results presentation released to the ASX on 29 August 2022. The proposal for the MARBL JV expansion has been updated since the original announcement of the non-binding agreement with Albemarle. The proposed amendments to the MARBL JV are subject to MinRes and Albemarle negotiating and entering into binding agreements to give effect to the transaction.

(g) **Competition**

The industries in which MinRes operates are highly competitive. Notwithstanding MinRes is regarded as an industry leader in the provision of specialised mining services, there is a risk that increased industry competition will result in reduced operating margins earned from the carrying on of MinRes' long term activities and reduced available growth opportunities.

(h) **Acquisitions and future growth initiatives**

MinRes regularly identifies and assesses potential opportunities for acquisitions and growth initiatives where it considers the opportunities may create shareholder value and it will continue to do so. While MinRes intends to undertake appropriate due diligence to properly assess such opportunities and initiatives, benefits expected from investments, acquisitions or growth opportunities may take longer than expected to be achieved, or not be achieved at all, which may have a material impact on the value of MinRes.

In the ordinary course of business, MinRes similarly evaluates various strategic options to maximise value creation for shareholders, including in relation to its existing businesses and assets. At this stage, any previously undisclosed potential strategic initiatives being considered by MinRes are not sufficiently advanced or certain to warrant disclosure.

(i) **Approval and access**

MinRes will require government regulatory approvals for its operations. The impact of actions, including delays and inactions, by governments may affect MinRes' activities including such matters as access to land and infrastructure, compliance with environmental regulations, production and exploration activities. This may from time to time affect timing and scope of work to be undertaken. No guarantee can be given that all necessary permits, authorisations, agreements or licences will be provided to MinRes by government bodies, or if they are, that they will be renewed, or that MinRes will be in a position to comply with all conditions that are imposed. It may not always be possible for MinRes to participate in the exploitation of successful discoveries made in any areas in which MinRes has an interest. Such exploitation will involve the need to obtain the necessary licences or clearances from the relevant authorities, which may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploitation may require the participation of other companies whose interests and objectives may not be the same as MinRes. Such further work may require MinRes to meet or commit to financing obligations for which it may not have planned.

(j) **Native title and indigenous cultural heritage**

The MinRes Group must comply with any local laws and regulations dealing with the rights of indigenous inhabitants and parties with proprietary interests, including legislation relating to indigenous land rights, cultural heritage and land access. Following several high profile incidents in this area, there has been renewed government and regulatory focus on indigenous land rights and cultural heritage in particular, which may give rise to elongated approval processes. Any failure to meet the requirements of this legislation, or address the legitimate interests of indigenous stakeholders, may have significant economic implications for the MinRes Group.

In Australia, the MinRes Group may from time to time need to negotiate with parties claiming an interest in land for access rights to tenements. In addition, agreements may need to be reached with native title claimants and holdings in the event of mining. There may be significant delays and costs associated with these negotiations and to reach agreements acceptable to all relevant parties.

**(k) Land and resource tenure**

The Combined Group's land and resource tenure may be disputed resulting in disruption and/or impediment in the operation or development of a resource.

Any new mine development or expansion of existing operations will require landholder, native title and cultural heritage issues to be addressed, which can have significant timing and cost implications.

**(l) Liquidity risk**

There can be no guarantee that there will continue to be an active market for MinRes Shares or that the price of MinRes Shares will increase. There may be relatively few buyers or sellers of MinRes Shares on ASX at any given time. This may affect the volatility of the trading price of MinRes Shares on ASX. It may also affect the prevailing trading price at which MinRes Shareholders are able to sell their MinRes Shares on ASX.

**(m) Commodity price volatility**

The price of commodities are determined by international supply and demand which is highly dependent on a variety of factors, including weather conditions, the price and availability of alternative products, actions taken by governments and international cartels, trading in international commodity markets and global economic and political developments.

Any substantial decline in the prices of iron ore or lithium could have a material adverse effect on the financial performance and ongoing operations of MinRes.

Furthermore, while the risk is mitigated through MinRes' diversified exposure to commodities, the Combined Group will be exposed to commodities to which Norwest currently has no exposure (e.g. graphite and natural gas).

**(n) Interest rate risk**

The Combined Group's interest rate risk arises from long term borrowings. Borrowings issued at variable rates will expose the Combined Group to cash flow interest rate risk. Borrowings issued at fixed rates will expose the Combined Group to fair value interest rate risk. Exposure limits are set to ensure that the Combined Group is not exposed to excess risk from interest rate volatility and appropriate hedging strategies are implemented. However, increases in interest rates, either through increases in base rates or borrowing margins, may reduce the Combined Group's cash flow and profitability.

**(o) Impairment risk**

Under applicable accounting standards, MinRes is required to undertake impairment testing in respect of the carrying value of its assets on a periodic basis. Carrying values may be impaired to the extent that modelling of the financial returns from those assets provides insufficient headroom to support their carrying value at a relevant reporting date (being December and June). Recent iron ore

price volatility may give rise to an increased risk of non-cash impairment of MinRes' iron ore assets at the December half-year balance date.

(p) **Foreign currency risk**

The functional currency for MinRes for accounting purposes will be Australian dollars. However, MinRes will incur expenditures principally denominated in the currency in the location in which activities are undertaken. Financial performance and results of MinRes will be impacted by the relative performance of the relevant currencies and conversion of costs and revenue into Australian dollars.

(q) **Insurance risks**

Insurance of all risks associated with lithium and iron ore exploration, development and production is not always available and, where available, the cost can be high. MinRes will have in place insurance considered appropriate for its needs, however there is no guarantee that such insurance will be sufficient in all circumstances.

Where MinRes does not have insurances in place in respect of a relevant loss or hazard, or a relevant insurance policy does not respond as anticipated, MinRes may be exposed to material uninsured losses which, in turn, may impact upon the financial performance of MinRes.

(r) **Environmental and health and safety risks**

Exploration, production and development of the commodities that MinRes conducts business, can potentially cause environmental damage and environmental hazards, which may give rise to substantial costs for environmental rehabilitation, damage control, and other losses. MinRes' operations will be subject to environmental controls relating to hazardous operations. MinRes' policy ensures operations are carried out in accordance with all applicable environmental laws and regulations. MinRes will be subject to various national and local laws, policies and regulations governing production and exploration licensing, environmental regulation, royalties, foreign ownership, taxation, employee relations and other matters affecting MinRes' operations or economic conditions generally. Any change to such laws and policies, including through a change of government, may adversely affect MinRes. Exploration, production and development of mining deposits, as well as the general activities relating to the operation of MinRes may expose MinRes' staff to potentially dangerous working environments. Occupational health and safety legislation and regulations differ in each jurisdiction. While MinRes' occupational health and safety systems ensure operations are carried out in accordance with all applicable safety laws and regulations, if any of MinRes' employees suffered injury or death, compensation payments or fines may be payable and such circumstances could result in the loss of a licence or permit required to carry on the business.

Environmental and health and safety legislation may change in a manner that may require stricter or additional standards than those now in effect, a heightened degree of responsibility for companies, their directors, employees, contractors and suppliers and more stringent enforcement of existing law and regulations. It may also have an adverse impact on the MinRes Group's ability to obtain any environmental approvals which may be a prerequisite to commencing construction or production. Environmental and health and safety issues may lead to increased costs, approval delays or rejections, and other difficulties with compliance for the MinRes Group, including loss of tenure in extreme circumstances.

(s) **Reliance on key personnel**

The MinRes Group has benefited from having a high quality but small management team available. While the MinRes management team has expanded in recent years to support the demands of the growing MinRes business, and appropriate succession planning is in place, loss of a number of key personnel may adversely affect the MinRes Group.

(t) **Product and technology innovations**

Through MinRes' Innovation Centre, the Combined Group will be exposed to the risks associated with investing in the development of products and technology. For example, development of new products and technology may not be successful and products and technology that work conceptually or as part of a small-scale pilot may not work in a large-scale, commercial environment. The failure to commercially develop new products and technology could materially and adversely affect the plans of the Combined Group.

(u) **Reliance on third party infrastructure**

The Combined Group relies on infrastructure to transport iron ore and other commodities to deliver these products to the Combined Group's customers. Reliable roads, bridges, power sources and water supply are important determinants that affect capital and operating costs. In most cases, the Combined Group does not own the infrastructure that provides these services. Any failure of infrastructure could materially and adversely affect the ability of the Combined Group to conduct business and operations.

(v) **Force Majeure**

The Combined Group's operations will be exposed to unplanned interruptions caused by catastrophic events such as cyclone, earthquake, landslide, flood, fire, terrorist attack or other disaster. These events are beyond the control of management and directors and are known as force majeure events. Whilst many of these events (but not all) are covered under insurance policies, the cost or loss may exceed the amount reimbursable under those policies. The cost of any excess may have an impact on earnings in the short term.

(w) **Litigation and legal proceedings**

Exposure to litigation brought by third parties, such as customers, regulators, employees or business associates, could negatively impact on MinRes' financial performance through increased costs, payment for damages and damage to reputation.

(x) **Labour shortages and industrial disputes**

There is a risk that the Combined Group may need to pay a higher than expected cost to acquire or retain the necessary labour for operations and development projects. This could result in a material and adverse increase in costs and/or development projects being delayed or becoming uneconomic and not proceeding as planned.

Certain operations of the Combined Group may be reliant on particular individuals with specialist knowledge of a particular asset or a unique specialist skill set. The loss or failure to retain such skilled labour and individuals with specialist knowledge may impede the ability of the Combined Group to undertake activities as efficiently

and effectively as it otherwise would have been able to. There is no assurance that the Combined Group will be able to acquire or retain the necessary qualified personnel to continue its operations or put its mineral deposit properties into production on terms it considers acceptable.

The Combined Group will also be exposed to the risk that industrial disputes may arise (for example, in relation to claims for higher wages or better conditions) which might disrupt some of the Combined Group's businesses and lead to increases in project costs and delays including to scheduled start-up dates of projects under construction.

**(y) Access to capital in the financial markets**

To meet its financial obligations, the Combined Group is required to maintain sufficient cash and available funding through an adequate amount of committed credit facilities. Due to the dynamic nature of its business, the Combined Group aims to maintain flexibility in funding by keeping committed credit lines available and ensuring that it has liquidity buffers in accordance with Board approved limits. If the Combined Group fails to appropriately manage its liquidity position, level of debt relative to its income and assets or if capital markets are not available generally to the Combined Group, at the time of any financing or refinancing that the Combined Group (or such entity) requires, there is a risk that the Combined Group's credit ratings, business and prospects and financial flexibility will be adversely affected. The Combined Group's credit rating may be adversely impacted if the rating agencies consider that the Combined Group's credit profile has deteriorated, including as a result of the Offer, which could impact the Combined Group's access to debt funding in the capital markets.

**(z) Tax liabilities**

MinRes is committed to contributing to Australian society in all aspects, including meeting all tax obligations and responsibilities. MinRes strives to be transparent and collaborative with all revenue authorities. Nevertheless, tax risks can arise from incorrect interpretation of the tax laws or failing to meet tax compliance obligations. This could potentially lead to negative financial and/or reputational consequences for the Combined Group.

**(aa) Financing and capital**

The MinRes Group's continued ability to effectively implement its business plan over time may depend in part on its ability to raise additional funds. Notwithstanding the MinRes Group's cash position and its capacity to divest all or part of its equity interest in resource deposits at a profit, MinRes' capacity to develop its growth projects depends on its ability to put significant funding solutions in place.

There can be no assurance that the MinRes Group will secure access to funding on commercially acceptable terms or at all to enable MinRes to continue with its proposed activities.

### **9.3 Risks relating to the Offer**

**(a) MinRes Shares**

Norwest Shareholders are being offered MinRes Shares under the Offer. The value of MinRes Shares issued as consideration may fluctuate prior to and after acceptance, and MinRes is not obliged to make any adjustment to the Offer

Consideration if there are such fluctuations during the Offer Period. The past performance of MinRes Shares cannot be taken to be a reliable indicator of likely future performance. The Total Shareholder Return information contained in this Bidder's Statement is provided for historical reference purposes only and should be taken as a representation, express or implied, that similar Total Shareholder Returns will be achieved by Norwest Shareholders who accept the Offer. The price of MinRes shares may decline, as well as increase.

Furthermore, some of the Norwest Shareholders that receive MinRes Shares as consideration under the Offer may not intend to continue to hold those MinRes Shares and may wish to sell them on ASX. There is a risk that if a significant number of Norwest Shareholders seek to sell their MinRes Shares at or around the same time, this may adversely impact the price of MinRes Shares for a period of time.

**(b) Acquisition of less than 100% of Norwest Shares**

It is possible that MinRes will acquire less than 100% of the Norwest Shares under the Offer. The impact on the Combined Group of this outcome will depend on the ultimate level of ownership acquired by MinRes, but, in any event, the existence of minority interests in Norwest may have an impact on the Combined Group's capacity to integrate the businesses of the MinRes Group and the Norwest Group and to fully realise synergies.

If MinRes does not become the owner of 80% or more of the voting shares in Norwest Shares as a result of the Offer, eligible Norwest Shareholders who accepted the Offer will be unable to obtain scrip for scrip rollover relief for the Offer Consideration. This means that Australian tax resident shareholders for income tax purposes who hold their Norwest Shares on capital account and who would make a capital gain on disposal of their Norwest Shares will be unable to choose to disregard that gain. A general summary of the tax consequences to holders of Norwest Shares as a result of accepting the Offer is set out in Section 10.

**(c) Integration risks**

There are risks that any integration between the businesses of the MinRes Group and the Norwest Group may take longer than expected and that anticipated efficiencies and benefits of that integration may be less than estimated. These risks include possible differences in the management culture of the two groups, inability to achieve synergy benefits and cost savings, and the potential loss of key personnel.

**(d) Duty and government charges**

Stamp duty and other government charges may be payable by MinRes in relation to the Offer.

**(e) Forward looking information**

Certain information in this Bidder's Statement constitutes forward looking information that is subject to risks and uncertainties and a number of assumptions, which may cause the actual expenditure of the Combined Group to be different from the expectations expressed or implied in this Bidder's Statement.

(f) **Public information only**

In preparing the information relating to Norwest contained in this Bidder's Statement, MinRes has relied on publicly available information relating to Norwest. Risks may exist in relation to Norwest (which will affect the Combined Group) of which MinRes is unaware. If any material risks are known to the directors of Norwest, they must be disclosed in the target's statement to be issued by Norwest.

There is a risk that publicly available financial information provided by Norwest and utilised by MinRes in formulating the Offer and preparing this Bidder's Statement is not materially correct. While MinRes has conducted some due diligence, it has not conducted a comprehensive due diligence process.

#### **9.4 General risk factors**

(a) **COVID-19**

The outbreak of the coronavirus pandemic (COVID-19) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Combined Group remains unknown. MinRes' share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Combined Group's operations and are likely to be beyond the control of MinRes.

The directors of MinRes are monitoring the situation closely and have considered the impact of COVID-19 on MinRes' business and financial performance, including the potential impact of COVID-19 on the Combined Group. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. In compliance with its continuous disclosure obligations, MinRes will continue to update the market in regard to the impact of COVID-19 on its business units and adverse impact on the Combined Group. If any of these impacts appear material prior to close of the Offer, MinRes will notify investors under a supplementary bidder's statement.

(b) **Stock market fluctuations**

A number of factors (some of which cannot be predicted) may impact the market price of MinRes Shares, including the MinRes Shares to be issued as part of the Offer Consideration. In addition to the financial performance of the Combined Group, these factors include changes in global economic conditions (including changes in interest rates, inflation, foreign exchange rates and labour costs); general trends in the Australian and overseas equity markets; investor sentiment; market supply and demand; and government taxation and other policy changes.

These and other factors may cause MinRes Shares to trade below current prices and may adversely affect the operating and financial performance of the Combined Group.

(c) **Economic conditions**

The Combined Group's funding position, financial performance and ability to execute its strategy is impacted by a variety of general global economic, political, social and business conditions. In addition to commodity prices and currency fluctuations, factors that have the potential to impact MinRes' business include inflation, interest rates and other general economic factors. Deterioration in any of these conditions could have an adverse impact on MinRes.

Domestic and global conditions may affect the value of MinRes Shares. General worldwide economic conditions, changes in government policies, investor perceptions, movements in interest rates and stock markets, prices of MinRes' products, variations in the operating costs and development and sustaining capital expenditure which MinRes will require in the future will all impact the value of the shares, some outside of the control of MinRes.

(d) **Government policy and taxation**

Future changes in tax laws in Australia and other jurisdictions in which MinRes has activities and investment interests, including changes in interpretation or application of existing laws by the courts or taxation authorities, may affect taxation treatment of MinRes securities or the holding or disposal of those securities. The tax consequences for individual investors in MinRes will depend on the individual tax profile and circumstances of the investor and all investors should obtain independent taxation advice with respect to their personal position.

(e) **Foreign exchange risk**

MinRes is exposed to foreign exchange risk, which may impact the volume of imports or exports subject to whether the Australian dollar is appreciating or depreciating. Movements in the foreign exchange rate may also affect the price of capital equipment acquired outside of Australia. These risks may affect MinRes' financial performance.

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## 10 Tax considerations

### 10.1 Overview of tax considerations

This Section 10 contains a general description of the Australian income tax (including CGT) and GST and stamp duty consequences for Norwest Shareholders who either accept the Offer and dispose of their Norwest Shares to MinRes, or whose Norwest Shares are compulsorily acquired in accordance with Part 6A.1 of the Corporations Act.

This Section 10 deals only with Norwest Shareholders who are individuals, companies (other than life insurance companies), trusts and complying superannuation funds that hold their Norwest Shares on capital account for Australian income tax purposes.

The comments outlined in this summary are not applicable to all Norwest Shareholders and in particular does not consider Norwest Shareholders who:

- hold their Norwest Shares for the purpose of speculation or a business of dealing in securities (for example, as trading stock or revenue assets);
- are partnerships who are partners of such partnerships;
- acquired their Norwest Shares pursuant to an employee share, option or rights plan;
- are under a legal disability;
- are exempt from Australian income tax;
- are subject to the Investment Manager Regime under Subdivision 842-I of the Tax Act in respect of their Norwest Shares;
- are subject to the taxation of financial arrangement rules in Division 230 of the Tax Act or other special tax rules in relation to gains and losses on their Norwest Shares;
- are foreign residents of Australia who hold their Norwest Shares in carrying on a business through a permanent establishment in Australia; or
- ceased being or became Australian residents while holding their Norwest Shares.

The information in this Section 10 is based on the Australian tax law and publicly available administrative practice of the Australian tax authorities in effect as at the date of this Bidder's Statement. The laws are complex and subject to change periodically as is their interpretation by the courts and the tax authorities. This summary is general in nature and is not intended to be an authoritative or complete statement of the laws applicable to the particular circumstances of a Norwest Shareholder. The precise implications of ownership or disposal of Norwest Shares will depend on each Norwest Shareholder's specific circumstances. These comments should not be viewed as a substitute for advice from an appropriate professional advisor having regard to each Norwest Shareholder's individual circumstances.

Norwest Shareholders are urged to seek their own independent tax advice regarding the specific tax consequences of the Offer, including the application and effect of income tax and other tax laws to their particular circumstances.

This summary does not take into account the tax law of countries other than Australia. Norwest Shareholders who are tax residents of a country other than Australia (whether or not they are also residents, or are temporary residents, of Australia for tax purposes) should take into account the tax consequences of the Offer under the laws of their country of residence, as well as under Australian law, of acceptance of the Offer.

## **10.2 Australian resident Norwest Shareholders**

This Section applies to Norwest Shareholders who are residents of Australia for Australian income tax purposes.

### **(a) CGT event on the disposal of Norwest Shares to MinRes**

If the Offer becomes unconditional, acceptance of the Offer by a Norwest Shareholder will result in the disposal of their Norwest Shares to MinRes in exchange for MinRes Shares. The disposal of the Norwest Shares to MinRes will give rise to a CGT event for Norwest Shareholders. The timing of the CGT event should be:

- the date you accept the Offer if the Offer has become unconditional before that time; or
- otherwise, the date that the Offer becomes unconditional.

If a Norwest Shareholder does not dispose of their Norwest Shares under the Offer and their Norwest Shares are compulsorily acquired in accordance with Part 6A.1 of the Corporations Act, those Norwest Shareholders will also be treated as having disposed of their Norwest Shares for CGT purposes. In this case, the timing of the CGT event should be the date when the MinRes becomes the beneficial owner of the Norwest Shares.

In the absence of CGT roll-over relief (discussed below), the following tax consequences are expected to arise for the Norwest Shareholders that acquired (or are deemed to have acquired) their Norwest Shares on or after 20 September 1985:

- a capital gain will be realised to the extent the capital proceeds received by the Norwest Shareholder from the disposal of their Norwest Shares exceed the cost base of those shares; or
- a capital loss will be realised to the extent the capital proceeds received by the Norwest Shareholder from the disposal of their Norwest Shares are less than the reduced cost base of those shares.

Norwest Shareholders who make a capital gain on disposal of their Norwest Shares will be required to aggregate the capital gain with any other capital gains the Norwest Shareholder may have in that income year. Any resulting net capital gain (after offsetting any available capital losses from the current income year or brought forward from prior income years) should first be reduced by any applicable CGT discount. Then, any remaining discounted net capital gain for the income year should be included in the Norwest Shareholder's assessable income and be subject to tax at the Norwest Shareholder's applicable rate of tax.

Capital losses can only be offset against capital gains derived in the same income year or, if they exceed capital gains in the same income year, the excess capital losses can be carried forward to be used against capital gains in later income years. Specific loss recoupment rules apply to companies and trusts which must

be satisfied if those carry forward tax losses are to be used in future years. Norwest Shareholders should seek their own tax advice in relation to the operation of these rules.

**(b) Cost base and reduced cost base of a Norwest Share**

The cost base of a Norwest Share will generally include the cost of acquiring that Norwest Share plus any incidental costs of their acquisition and disposal (such as brokerage fees and legal costs). The reduced cost base of the Norwest Shares is usually determined in a similar but not identical manner to the cost base although some differences in the calculation of reduced cost base do exist depending on the Norwest Shareholder's individual circumstances.

**(c) Capital proceeds received by Norwest Shareholders**

The capital proceeds for the disposal of a Norwest Share should be the market value of the MinRes Shares received by the Norwest Shareholder, determined as at the time of the CGT event.

**(d) Indexation of the cost base of a Norwest Share**

Certain Norwest Shareholders who acquired their Norwest Shares at or before 11.45am on 21 September 1999 can choose to increase the cost base of their Norwest Shares for indexation based on the "consumer price index" movement from the date of acquisition to 30 September 1999. Only individuals, complying superannuation funds, trusts and listed investment companies can choose to apply indexation. Other types of taxpayers do not qualify.

Norwest Shareholders who choose to apply indexation forego the opportunity to apply the CGT Discount (discussed below in Section 10.2(e)). In addition, indexation is not included in determining the reduced cost base. This means that indexation cannot increase the amount of a capital loss.

**(e) CGT Discount**

The CGT Discount may apply to Norwest Shareholders who are individuals, complying superannuation entities or trusts, who have held, or are taken to have held, their Norwest Shares for at least 12 months (not including the date of acquisition or the date of disposal) at the time of the disposal of their Norwest Shares to MinRes.

The CGT Discount is:

- one-half if the Norwest Shareholder is an individual or trustee (other than the trustee of a superannuation entity): meaning only half of the capital gain will be included in assessable income; and
- one-third if the Norwest Shareholder is a complying superannuation entity: meaning only two-thirds of the capital gain will be included in assessable income.

The CGT Discount is not available to Norwest Shareholders that are companies or to Norwest Shareholders who choose for indexation to apply (described above). In addition, the Federal Government has announced that the tax law will be amended with retrospective effect from 1 July 2020 so that trusts that are managed investment trusts and attribution managed investment trusts will be prevented from

applying the CGT discount at the trust level (however, the discount may still be available at the unitholder level).

If the Norwest Shareholder makes a discounted capital gain, any current year and/or carried forward capital losses will be applied to reduce the undiscounted capital gain before the relevant CGT Discount is applied.

**(f) CGT scrip for scrip roll-over**

Norwest Shareholders who make a capital gain from the disposal of their Norwest Shares may be eligible to choose CGT scrip for scrip roll-over relief (provided certain conditions are met). Broadly, CGT scrip for scrip roll-over relief enables Norwest Shareholders to disregard the capital gain they make from the disposal of their Norwest Shares under the Offer until they dispose of their MinRes Shares.

For CGT scrip for scrip roll-over relief to be available, among other things, MinRes must become the owner of 80% or more of the shares in Norwest, the Norwest Shareholder must make a capital gain upon disposal of their Norwest Shares, and the Norwest Shareholder must have acquired (or be deemed to have acquired) their Norwest Shares after 20 September 1985. If a capital loss arises, no CGT scrip for scrip roll-over relief is available.

Norwest Shareholders do not need to inform the Australian Taxation Office, or document their choice to claim CGT scrip for scrip roll-over relief in any particular way, other than to complete their income tax return in a manner consistent with their choice.

MinRes will not make a choice under subsection 124-795(4) of the Tax Act to deny scrip for scrip roll-over relief (where it would otherwise be available).

If MinRes does not obtain 80% or more of the Norwest Shares under the Offer, no Norwest Shareholder who disposes their Norwest Shares under the Offer will be eligible for CGT scrip for scrip roll-over relief and the general CGT consequences outlined above at Section 10.2(a) will apply.

**(g) Consequences for choosing CGT scrip-for-scrip roll-over relief**

If a Norwest Shareholder chooses to obtain CGT scrip-for-scrip roll-over relief, the (where it is available) capital gain arising on the disposal of their Norwest Shares under the Offer should be disregarded.

The first element of the cost base for their MinRes Shares is then determined by attributing, on a reasonable basis, the existing cost base of the Norwest Shares exchanged under the Offer. The first element of the reduced cost base is determined similarly.

Finally, for the purposes of determining future eligibility for the CGT Discount, the acquisition date of the MinRes Shares is taken to be the date when the Norwest Shareholder originally acquired their Norwest Shares.

**(h) Consequences if CGT scrip-for-scrip roll-over relief is not available or is not chosen**

If a Norwest Shareholder does not qualify for CGT scrip for scrip roll-over relief, the Norwest Shareholder chooses not to obtain CGT scrip for scrip roll-over relief, the general CGT treatment outlined at Section 10.2(a) will apply.

### 10.3 Foreign tax resident Norwest Shareholders

This Section applies to Norwest Shareholders that are not residents of Australia for Australian income tax purposes (that is, foreign tax residents). It does not apply to foreign tax resident Norwest Shareholders who have held their Norwest Shares at any time in carrying on a business at or through a permanent establishment in Australia.

Foreign tax resident Norwest Shareholders who hold their Norwest Shares on capital account should generally not be subject to the CGT rules in Australia on the disposal of their Norwest Shares, provided their Norwest Shares are not an “indirect Australian real property interest”.

Broadly, a foreign tax resident Norwest Shareholder's Norwest Shares will not be an indirect Australian real property interest unless both of the following conditions are satisfied:

- that Norwest Shareholder, together with its associates (as defined under Australian taxation law, and broadly discussed below), held 10% or more of the issued shares in Norwest at the time of disposal or for at least 12 months during the 24 months prior to the disposal of their Norwest Shares; and
- the aggregate market value of Norwest's assets which are taxable Australian property (being direct and indirect interests in Australian real property, including land, leases of land mining tenements and property affixed to land) exceeds the aggregated market value of Norwest's assets which are not taxable Australian property.

The term “associate” for these purposes is very broad. It includes:

- entities that have majority ownership (50% or more of the voting shares) of, or otherwise control, the foreign tax resident Norwest Shareholder,
- entities which are majority owned or controlled by the foreign tax resident Norwest Shareholder,
- a trustee of a trust where the foreign tax resident Norwest Shareholder is capable of benefiting (whether directly or indirectly) under the trust, and
- (generally) an associate of an associate.

As at the date of this Bidder's Statement, MinRes expects that the aggregate market value of Norwest's assets, which are taxable Australian property, exceeds the aggregate market value of Norwest's assets which are not taxable Australian property. Accordingly, any foreign tax resident Norwest Shareholder that holds, together with their associates, a 10% or more interest in Norwest Shares (at the time of disposal or for at least 12 months during the 24 months prior to disposal of their Norwest Shares) should be subject to Australian CGT.

A foreign tax resident Norwest Shareholder who is subject to tax on disposal of their Norwest Shares may be eligible to apply a CGT discount to part of their gain, if they acquired, or are taken to have acquired, their Norwest Shares on or before 8 May 2012. Otherwise, the CGT discount is not available to foreign tax resident Norwest Shareholders.

Importantly, foreign tax resident Norwest Shareholders who, together with their associates, hold an interest of 10% or more in Norwest Shares (at the time of disposal or for at least 12 months during the 24 months prior to disposal of their Norwest Shares)

may be able to access CGT scrip for scrip roll-over relief in respect of any capital gain realised on their Norwest Shares as a result of the Offer (assuming all the other conditions for scrip for scrip roll-over are satisfied – refer to Section 10.2(f) above) but only to the extent:

- the foreign tax resident Norwest Shareholders, together with their associates, also hold a 10% or more interest in MinRes Shares just after the Offer is implemented; and
- the aggregate market value of MinRes' assets, after the Offer is implemented which are taxable Australia property exceeds the aggregated market value of MinRes' assets which are not taxable Australian property.

MinRes does not expect any Norwest Shareholder, on its own, to hold a 10% or more interest in MinRes Shares just after the Offer is implemented. Even if CGT scrip for scrip roll-over relief is obtained by these Norwest Shareholders, the Foreign Resident CGT Withholding Tax Rules will continue to operate as outlined below at Section 10.4.

Foreign tax resident Norwest Shareholders who, together with their associates, do not hold a 10% or more interest in Norwest Shares (at the time of disposal or for at least 12 months during the 24 months prior to disposal of their Norwest Shares), should not be subject to CGT on the disposal of their Norwest Shares.

#### 10.4 Foreign Resident CGT Withholding Tax Rules

Australia's foreign resident CGT withholding tax regime applies to transactions involving the acquisition of certain indirect interests in Australian real property from relevant foreign residents. A 'relevant foreign resident' for these purposes is any Norwest Shareholder who:

- (a) MinRes knows or reasonably believes their Norwest Shares to constitute an indirect Australian real property interest; and
- (b) either:
  - (i) MinRes:
    - (A) knows is a foreign resident; or
    - (B) reasonably believes is a foreign resident; or
    - (C) does not reasonably believe is an Australian resident, and either has an address outside Australia or MinRes is authorised to provide a financial benefit relating to the transaction to a place outside Australia; or
  - (ii) has a connection outside Australia of a kind specified in the regulations.

The relevant withholding tax rate is 12.5%.

A Norwest Shareholder that does not meet the condition of being a "relevant foreign resident" described above should provide MinRes with a signed and completed declaration (**CGT Declaration**). This includes either of the following:

- Norwest Shareholders who are Australian residents for tax purposes; and

- Norwest Shareholders who are foreign tax residents, and whose Norwest Shares are “membership interests” but not “indirect Australian real property interests” (as those terms are defined in the Tax Act and described in Section 10.3 above).

The CGT Declaration is contained in the Acceptance Form, accompanying this Bidder’s Statement. Each Norwest Shareholder should read the CGT Declaration in full and follow the instructions provided on the form.

Unless a signed CGT Declaration form regarding residency or interest, or Variation Notice granted by the Commissioner of Taxation, is provided to MinRes for these Norwest Shareholders, MinRes may withhold and pay to the Commissioner of Taxation a withholding amount of 12.5% from the Offer Consideration (as outlined in Section 12.7(h) of this Bidder’s Statement).

Norwest Shareholders who have an amount withheld should generally be entitled to a credit for the amount withheld upon lodging an Australian income tax return.

As outlined above, these rules will continue to operate even if a foreign resident Norwest Shareholder can access CGT scrip for scrip roll-over relief in respect of any capital gain. If this occurs, the foreign resident Norwest Shareholder would need to engage with the Commissioner of Taxation and obtain a Variation Notice (referred to above).

## **10.5 GST**

No GST should be payable by Norwest Shareholders on the acquisition by MinRes of their Norwest Shares under the Offer, or on the receipt by Norwest Shareholders of the MinRes Shares as Offer Consideration. Norwest Shareholders who are registered for GST may not be entitled to input tax credits (or only entitled to reduced input tax credits) for any GST incurred on costs associated with the disposal of their Norwest Shares.

## **10.6 Stamp duty**

No stamp duty should be payable by the Norwest Shareholders on the acquisition by MinRes of their Norwest Shares under the Offer or on the receipt by Norwest Shareholders of the MinRes Shares as Offer Consideration.

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## 11 Additional information

### 11.1 Date for determining holders of Norwest Shares

For the purposes of section 633 of the Corporations Act, the date for determining the people to whom information is to be sent under items 6 and 12 of section 633(1) is 7:00 pm Sydney time on 19 December 2022.

### 11.2 Consents

Each of the parties in the table below:

- has consented to being named in this Bidder's Statement in the form and context in which they are named;
- does not make, or purport to make, any statement in this Bidder's Statement; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any statements in or omissions from this Bidder's Statement.

Consenting party	Role
Gilbert + Tobin	Legal adviser to MinRes
J.P. Morgan Securities Australia Limited	Financial adviser to MinRes
Computershare Investor Services Pty Limited	Share registry for the Offer

### 11.3 ASIC relief

This Bidder's Statement includes statements which are made in, or based on statements made in, documents lodged with ASIC or given to ASX. Under the terms of ASIC Class Order 13/521, the parties making those statements are not required to consent to, and have not consented to, the inclusion of those statements in this Bidder's Statement. If, during the bid period, you would like to receive (free of charge) a copy of any of those documents, or the relevant parts of the documents containing the statements, please contact the MinRes Offer Information Line on 1300 916 995 (toll free for callers within Australia) and +61 3 9415 4653 (for callers outside Australia).

As permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72, this Bidder's Statement may include or be accompanied by certain statements:

- fairly representing a statement by an official person; or
- from a public official document or a published book, journal or comparable publication.

### 11.4 Foreign Shareholders and Small Parcel Shareholders

(a) Shareholders based outside Australia

The Offer is not registered in any jurisdiction outside Australia and this Bidder's Statement does not constitute an offer of MinRes Shares in any jurisdiction in which it would be unlawful. In particular, this Bidder's Statement may not be distributed to any person, and the MinRes Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

This Bidder's Statement is not a New Zealand disclosure document and has not been registered, filed with or approved by any New Zealand regulatory authority under or in accordance with the Financial Markets Conduct Act 2013 or any other relevant New Zealand law. The offer of MinRes Shares under the Offer is being made to existing Norwest Shareholders in reliance upon the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021, and, accordingly, this Bidder's Statement may not contain all the information that a disclosure document is required to contain under New Zealand law.

(b) Foreign Shareholders

Foreign Shareholders who accept the Offer will not be entitled to receive the Offer Consideration.

A Norwest Shareholder is a Foreign Shareholder if their address as shown in the register of members of Norwest is in a jurisdiction other than Australia and its external territories and New Zealand. However, such a person will not be a Foreign Shareholder if MinRes is satisfied that it is not legally or practically constrained from making the Offer to a Norwest Shareholder in the relevant jurisdiction and to issue MinRes Shares to such a shareholder on acceptance of the Offer, and that it is lawful for the shareholder to accept the Offer in such circumstances in the relevant jurisdiction. Notwithstanding anything else in this Bidder's Statement, MinRes is not under any obligation to spend any money, or undertake any action, in order to satisfy itself concerning any of these matters.

(c) Small Parcel Shareholder

A Norwest Shareholder is a Small Parcel Shareholder if the total number of shares held by it is less than a Small Parcel.

(d) Foreign Shareholders and Small Parcel Shareholders

The MinRes Shares which would otherwise have been issued to Foreign Shareholders and Small Parcel Shareholders will instead be issued to a nominee approved by ASIC, who will sell these MinRes Shares on the ASX. The net proceeds of the sale of such MinRes Shares will then be remitted to the relevant Foreign Shareholders and Small Parcel Shareholders. Refer to Section 12.8 of this Bidder's Statement for further details.

## **11.5 Social security and superannuation implications of Offer**

Acceptance of the Offer may have implications under your superannuation arrangements or on your social security entitlements. If in any doubt, you should seek specialist advice.

## **11.6 Dealings in Norwest Shares, Norwest Options or Norwest Performance Rights by MinRes and its Associates**

Neither MinRes nor any Associate of MinRes has provided, or agreed to provide, consideration for Norwest Shares, Norwest Options or Norwest Performance Rights under any purchase or agreement during the four months before the date of this Bidder's Statement.

## **11.7 No escalation agreements**

Neither MinRes nor any of its Associates has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

### 11.8 Pre-Offer benefits

Except as set out in this Bidder's Statement, during the period commencing four months before the date of this Bidder's Statement, and the period from the date of this Bidder's Statement to the date before the date of the Offer, neither MinRes nor any Associate of MinRes gave, or offered to give, or agreed to give a benefit to another person which was likely to induce the other person, or an Associate of the other person, to:

- (a) accept the Offer; or
- (b) dispose of Norwest Shares, Norwest Options or Norwest Performance Rights,

and which is not offered to all Norwest Shareholders, Norwest Performance Rights holders and Norwest Optionholders under the Offer.

### 11.9 Disclosure of interests of certain persons

Other than as set out elsewhere in this Bidder's Statement, no:

- director or proposed director of MinRes;
- person named in this Bidder's Statement as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Bidder's Statement;
- promoter of MinRes; or
- underwriter to the issue of MinRes Shares or financial services licensee named in this Bidder's Statement as being involved in the issue of MinRes Shares,

(together, the **Interested Persons**) holds at the date of this Bidder's Statement, or held at any time during the last two years, any interest in:

- the formation or promotion of MinRes;
- property acquired or proposed to be acquired by MinRes in connection with its formation or promotion, or the offer of MinRes Shares under the Offer; or
- the offer of MinRes Shares under the Offer.

### 11.10 Disclosure of fees and benefits received by certain persons

Other than as set out below or elsewhere in this Bidder's Statement, no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given:

- to a director or proposed director of MinRes to induce them to become, or to qualify as, a director of MinRes; or
- for services provided by an Interested Person in connection with the formation or promotion of MinRes or the offer of MinRes Shares under the Offer.

Gilbert + Tobin has acted as legal adviser to MinRes in connection with the Offer and is entitled to professional fees in accordance with its normal time-based charges.

J. P. Morgan Australia Pty Limited has acted as financial adviser to MinRes in connection with the Offer and is entitled to receive professional fees for these services.

Computershare Investor Services Pty Limited is MinRes' share registry and has been engaged by MinRes to assist with certain aspects of the Offer, including facilitating the despatch of this Bidder's Statement. Computershare Investor Services Pty Limited is entitled to receive fees for these services as well as fees for its services as MinRes' share registry.

#### 11.11 Disclosure of interests of directors

##### (a) Interests in MinRes Shares

As at the date of this Bidder's Statement, the directors of MinRes have the following Relevant Interests in MinRes securities:

Director	Class of Security	Number
Kelvin Flynn	Ordinary shares	20,810
James McClements	Ordinary shares	21,663
Xi Xi	Ordinary shares	19,225
Chris Ellison	Ordinary shares	22,285,311
Chris Ellison	Rights <sup>1</sup>	328,227
Susie Corlett	Ordinary shares	3,495
Zimi Meka	Ordinary shares	543
Colleen Hayward <sup>2</sup>	Ordinary shares	0
Justin Langer <sup>2</sup>	Ordinary shares	0

**Notes:**

1. Rights issued under MinRes' Long Term Incentive Plan, Short Term Incentive Plan and Dividend Reinvestment Plan. See the FY22 Annual Report and latest Appendix 3Y for Mr. Ellison for further details.
2. Appointment effective 1 January 2023.

##### (b) Interest in Norwest Shares

As at the date of this Bidder's Statement, no director of MinRes, nor those directors whose appointment is effective 1 January 2023, has a relevant interest in Norwest securities.

#### 11.12 Expiry date

No securities will be issued on the basis of this Bidder's Statement after the date which is 13 months after the date of this Bidder's Statement.

#### 11.13 Other material information

Except as disclosed elsewhere in this Bidder's Statement, there is no other information that is:

- material to the making of a decision by a Norwest Shareholder whether or not to accept the Offer; and
- known to MinRes which has not previously been disclosed to Norwest Shareholders.

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## 12 The terms and conditions of the Offer

### 12.1 Offer

- (a) MinRes offers to acquire all of Your Norwest Shares, together with all rights attaching to them, on and subject to the terms and conditions set out in this Section 12.
- (b) This Offer relates to Norwest Shares that exist or will exist at the Register Date and extends to any Norwest Shares that are issued between that date and the end of the Offer Period due to:
  - (i) the conversion of securities convertible into Norwest Shares, where such securities exist or will exist at the Register Date; or
  - (ii) the exercise of rights to be issued Norwest Shares, where such rights are conferred by securities that exist or will exist at the Register Date.
- (c) Offers on terms and conditions identical to those contained in this Offer have been or will be dispatched to all holders of Norwest Shares registered as such in the Norwest share register on the Register Date and any person who becomes registered as the holder of Norwest Shares during the period commencing on the Register Date and ending at the conclusion of the Offer Period.
- (d) The MinRes Shares to be issued as consideration under the Offer:
  - (i) are ordinary shares in MinRes;
  - (ii) will be credited as fully paid;
  - (iii) will have the rights summarised in Section 3.4 of this Bidder's Statement;
  - (iv) will rank equally in all respects with all existing MinRes Shares; and
  - (v) will be free from any Encumbrance.
- (e) By accepting this Offer, you undertake to transfer to MinRes not only the Norwest Shares to which the Offer relates, but also all rights attached to those Norwest Shares.
- (f) If, at the time the Offer is made to you, or at any time during the Offer Period, another person is, or is entitled to be, registered as the holder of some or all of Your Norwest Shares, then:
  - (i) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to that other person in respect of those Norwest Shares;
  - (ii) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to you in respect of any other of Your Norwest Shares; and
  - (iii) this Offer will be deemed to have been withdrawn immediately at that time.
- (g) If at any time during the Offer Period you are registered or entitled to be registered as the holder of one or more parcels of Norwest Shares as trustee or nominee for,

or otherwise on account of, another person, you may accept this Offer as if a separate and distinct offer on the same terms and conditions as this Offer had been made in relation to each of those parcels and any parcel you hold in your own right. To validly accept the Offer for each parcel, you must comply with the procedure in section 653B(3) of the Corporations Act. If, for the purposes of complying with that procedure, you require additional copies of this Bidder's Statement and/or the Acceptance Form, please call the MinRes Offer Information Line on 1300 916 995 (toll free for callers within Australia) and +61 3 9415 4653 (for callers outside Australia).

- (h) If Your Norwest Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee you should contact that nominee for assistance in accepting the Offer.
- (i) The Offer is dated *[insert date]* 2023.

## **12.2 Consideration for the Offer**

- (a) Subject to the terms of this Offer, the consideration offered by MinRes for Your Norwest Shares is one (1) MinRes Share for every 1,367 Norwest Shares You hold.
- (b) If you are a Foreign Shareholder or a Small Parcel Shareholder, you will not receive MinRes Shares as consideration under the Offer. Instead, you are offered and will receive a cash amount determined in accordance with Section 12.8 of this Bidder's Statement.
- (c) Any entitlement that you have to MinRes Shares under this Offer will be calculated by dividing the number of Your Norwest Shares by 1,367. If this calculation results in an entitlement to a fraction of a MinRes Share, the number of MinRes Shares you are entitled to pursuant to this Offer will be rounded:
  - (i) up to the nearest whole number of MinRes Shares, if equal to a fraction of 0.5 or greater; or
  - (ii) down to the nearest whole number of MinRes Shares, if equal to a fraction of less than 0.5.

If MinRes reasonably believes that a Norwest Shareholder's holdings have been manipulated to take advantage of rounding up, then any fractional entitlement will be aggregated or rounded down to the nearest whole number of MinRes Shares.

## **12.3 Offer Period**

- (a) Unless withdrawn, the Offer will remain open for acceptance during the period commencing on the date of this Offer and ending at 7:00 pm (Sydney time) on the later of:
  - (i) *[insert date]* 2023; or
  - (ii) any date to which the Offer Period is extended.
- (b) MinRes reserves the right, exercisable in its sole discretion, to extend the Offer Period in accordance with the Corporations Act.
- (c) If, within the last 7 days of the Offer Period, either of the following events occurs:

- (i) the Offer is varied to improve the consideration offered; or
- (ii) MinRes' voting power in Norwest increases to more than 50%,

then the Offer Period will be automatically extended so that it ends 14 days after the relevant event in accordance with section 624(2) of the Corporations Act.

#### **12.4 How to accept this Offer**

##### **(a) General**

- (i) Subject to Sections 12.1(f) and 12.1(g), you may only accept this Offer only for all of Your Norwest Shares.
- (ii) You may accept this Offer at any time during the Offer Period, subject to the terms and conditions of this Offer.

##### **(b) Norwest Shares held in your name on Norwest's issuer sponsored subregister**

To accept this Offer for Norwest Shares held in your name on Norwest's issuer sponsored subregister (in which case your SRN will commence with 'I'), you must:

- (i) complete and sign the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
- (ii) ensure that the Acceptance Form (together with any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period at one of the addresses shown on the Acceptance Form.

##### **(c) Norwest Shares held in your name in a CHESS Holding**

If Your Norwest Shares are held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X'):

- (i) and you are not a Participant, you may:
  - (A) instruct your Controlling Participant (this is normally the broker either through whom you bought Your Norwest Shares or through whom you ordinarily acquire shares on the ASX) to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period; or
  - (B) sign and complete the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form and ensure that it (together with any documents required by the terms of this Offer or the instructions on the Acceptance Form) is received at one of the addresses shown on the Acceptance Form;
- (ii) and you are a Participant, you should initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period; and
- (iii) you must comply with any other applicable ASX Settlement Operating Rules.

(d) **Norwest Shares of which you are entitled to be registered as holder**

To accept this Offer for Norwest Shares which are not held in your name, but of which you are entitled to be registered as holder, you must:

- (i) complete and sign the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
- (ii) ensure that the Acceptance Form (together with any documents required by the terms of this Offer or the instructions on the Acceptance Form) is received before the end of the Offer Period at one of the addresses shown on the Acceptance Form.

(e) **Acceptance Form and other documents**

- (i) The Acceptance Form forms part of the Offer.
- (ii) If your Acceptance Form (together with any documents required by the terms of this Offer and the instructions on the Acceptance Form) is returned by post, for your acceptance to be valid you must ensure that they are posted or delivered in sufficient time for them to be received by MinRes at the address shown on the Acceptance Form before the end of the Offer Period. Acceptance Forms may be returned via email to [corpactprocessing@computershare.com.au](mailto:corpactprocessing@computershare.com.au).
- (iii) When using the Acceptance Form to accept this Offer in respect of Norwest Shares in a CHESS Holding, you must ensure that the Acceptance Form (and any documents required by the terms of this Offer or the instruction on the Acceptance Form) are received by MinRes in time for MinRes to instruct your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.
- (iv) The postage and transmission of the Acceptance Form and other documents is at your own risk.

## **12.5 Validity of acceptances**

- (a) Subject to this Section 12.5, your acceptance of the Offer will not be valid unless it is made in accordance with the procedures set out in Section 12.4.
- (b) MinRes will determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Offer and time of receipt of an acceptance of the Offer. MinRes is not required to communicate with you prior to or after making this determination. The determination of MinRes will be final and binding on all parties.
- (c) Notwithstanding Sections 12.4(b), 12.4(c), 12.4(d) and 12.4(e), MinRes may, in its sole discretion, at any time and without further communication to you, deem any Acceptance Form it receives to be a valid acceptance in respect of Your Norwest Shares, even if a requirement for acceptance has not been complied with but the payment of the consideration in accordance with the Offer may be delayed until any irregularity has been resolved or waived and any other documents required to procure registration have been received by MinRes.

- (d) Where you have satisfied the requirements for acceptance in respect of only some of Your Norwest Shares, MinRes may, in its sole discretion, regard this Offer to be accepted in respect of those of Your Norwest Shares but not the remainder.
- (e) MinRes will provide the consideration to you in accordance with Section 12.7 in respect of any part of an acceptance determined by MinRes to be valid.

## **12.6 Effect of acceptance**

- (a) Once you have accepted the Offer, you will be unable to revoke your acceptance, the contract resulting from your acceptance will be binding on you and you will be unable to withdraw Your Norwest Shares from the Offer or otherwise dispose of Your Norwest Shares, except as follows:
  - (i) if, by the relevant times specified in Section 12.6(b), the Condition in Section 12.9 has not been fulfilled or freed, this Offer will automatically terminate and Your Norwest Shares will be returned to you; or
  - (ii) if the Offer Period is postponed for more than one month and the obligations of MinRes to deliver the consideration are postponed for more than one month and, at the time, this Offer is subject to the Condition in Section 12.9, you may be able to withdraw your acceptance and Your Norwest Shares in accordance with section 650E of the Corporations Act. A notice will be sent to you at the time explaining your rights in this regard.
- (b) The relevant times for the purposes of Section 12.6(a)(i) is the end of the Offer Period.
- (c) By signing and returning the Acceptance Form, or otherwise accepting this Offer pursuant to Section 12.4, you will be deemed to have:
  - (i) accepted this Offer (and any variation of it) in respect of, and, subject to the Condition to this Offer in Section 12.9 being fulfilled or freed, agreed to transfer to MinRes, all Your Norwest Shares (even if the number of Norwest Shares specified on the Acceptance Form differs from the number of Your Norwest Shares), subject to Sections 12.1(f) and 12.1(g);
  - (ii) represented and warranted to MinRes, as a fundamental condition going to the root of the contract resulting from your acceptance, that at the time of acceptance, and the time the transfer of Your Norwest Shares (including any rights) to MinRes is registered, that:
    - (A) all Your Norwest Shares are and will be free from all mortgages, charges, liens, encumbrances and adverse interests of any nature (whether legal or otherwise) and free from restrictions on transfer of any nature (whether legal or otherwise);
    - (B) you have full power and capacity to accept this Offer and to sell and transfer the legal and beneficial ownership in Your Norwest Shares (including any rights) to MinRes; and
    - (C) you have paid to Norwest all amounts which at the time of acceptance have fallen due for payment to Norwest in respect of Your Norwest Shares;
  - (iii) irrevocably authorised MinRes (and any director, secretary, nominee or agent of MinRes) to alter the Acceptance Form on your behalf by inserting

correct details relating to Your Norwest Shares, filling in any blanks remaining on the form and rectifying any errors or omissions as may be considered necessary by MinRes to make it an effective acceptance of this Offer or to enable registration of Your Norwest Shares in the name of MinRes;

- (iv) if you signed the Acceptance Form in respect of Norwest Shares which are held in a CHESS Holding, irrevocably authorised MinRes (and any director, secretary, nominee or agent of MinRes) to:
  - (A) instruct your Controlling Participant to initiate acceptance of this Offer in respect of Your Norwest Shares in accordance with Rule 14.14 of the ASX Settlement Operating Rules; and
  - (B) give any other instructions in relation to Your Norwest Shares to your Controlling Participant, as determined by MinRes acting in its own interests as a beneficial owner and intended registered holder of those Norwest Shares;
- (v) irrevocably authorised and directed Norwest to pay to MinRes, or to account to MinRes for, all rights in respect of Your Norwest Shares, subject, if this Offer is withdrawn, to MinRes accounting to you for any such rights received by MinRes;
- (vi) irrevocably authorised MinRes to notify Norwest on your behalf that your place of address for the purpose of serving notices upon you in respect of Your Norwest Shares is the address specified by MinRes in the notification;
- (vii) with effect from the time and date on which the Condition to the Offer in Section 12.9 have been fulfilled or freed:
  - (A) irrevocably appointed MinRes (and any director, secretary or nominee of MinRes) severally from time to time as your true and lawful attorney to exercise all your powers and rights in relation to Your Norwest Shares, including (without limitation) powers and rights to requisition, convene, attend and vote in person, by proxy or by body corporate representative at all general meetings and all court-convened meetings of Norwest and to request Norwest to register, in the name of MinRes or its nominee, Your Norwest Shares, as appropriate, with full power of substitution (such power of attorney, being coupled with an interest, being irrevocable); and
  - (B) agreed not to attend or vote in person, by proxy or by body corporate representative at any general meeting or any court-convened meeting of Norwest or to exercise or purport to exercise any of the powers and rights conferred on MinRes (and its directors, secretaries and nominees) in Section 12.6(c)(vii)(A);
- (viii) agreed that in exercising the powers and rights conferred by Section 12.6(c)(vii)(A), the attorney will be entitled to act in the interests of MinRes as the beneficial owner and intended registered holder of Your Norwest Shares;
- (ix) agreed to do all such acts, matters and things that MinRes may require to give effect to the matters the subject of this Section 12.6(c)(vii)(A), including the execution of a written form of proxy to the same effect as this Section

12.6(c) which complies in all respects with the requirements of the constitution of Norwest if requested by MinRes;

- (x) agreed to indemnify MinRes in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or SRN or in consequence of the transfer of Your Norwest Shares to MinRes being registered by Norwest without production of your Holder Identification Number or your SRN for Your Norwest Shares;
  - (xi) represented and warranted to MinRes that, unless you have notified it in accordance with Section 12.1(g), Your Norwest Shares do not consist of separate parcels of Norwest Shares;
  - (xii) irrevocably authorised MinRes (and any nominee) to transmit a message in accordance with Rule 14.17 of the ASX Settlement Operating Rules to transfer Your Norwest Shares to MinRes' Takeover Transferee Holding, regardless of whether it has paid the consideration due to you under this Offer;
  - (xiii) agreed, subject to the Condition of this Offer in Section 12.9 being fulfilled or freed, to execute all such documents, transfers and assurances, and do all such acts, matters and things that MinRes may consider necessary or desirable to convey the Norwest Shares registered in your name and rights to MinRes; and
  - (xiv) agreed to accept any MinRes Shares to which you have become entitled by acceptance of this Offer subject to the Constitution of MinRes and have authorised MinRes to place your name on its register of shareholders in respect of those MinRes Shares.
- (d) The undertakings and authorities referred to in this Section 12.6(c) will remain in force after you receive the consideration for Your Norwest Shares and after MinRes becomes registered as the holder of Your Norwest Shares.

## **12.7 Payment of consideration**

- (a) Subject to this Section 12.7 and Sections 12.5(b) and 12.8, and subject to the Corporations Act, MinRes will provide the consideration due to you for Your Norwest Shares on or before the earlier of:
  - (i) one month after the date of your acceptance or, if this Offer is subject to a defeating condition when you accept, within one month after this Offer becomes unconditional; and
  - (ii) 21 days after the end of the Offer Period.
- (b) Where the Acceptance Form requires an additional document to be delivered with your Acceptance Form (such as a power of attorney):
  - (i) if that document is given with your Acceptance Form, MinRes will provide the consideration in accordance with Section 12.7(a);
  - (ii) if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is subject to a defeating condition, MinRes will provide the consideration due to you on or before the earlier of one

month after this Offer becomes unconditional and 21 days after the end of the Offer Period;

- (iii) if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is not subject to a defeating condition, MinRes will provide the consideration due to you on or before the earlier of one month after that document is given and 21 days after the end of the Offer Period; and
  - (iv) if that document is given after the end of the Offer Period, and the Offer is not subject to a defeating condition, MinRes will provide the consideration within 21 days after that document is given. However, if at the time the document is given, the Offer is still subject to a defeating condition that relates only to the happening of an event or circumstance referred to in section 652C(1) or (2) of the Corporations Act, MinRes will provide the consideration due to you within 21 days after the Offer becomes unconditional.
- (c) If you accept this Offer, MinRes is entitled to all rights in respect of Your Norwest Shares (whether received by you or any previous holder of those Norwest Shares). This includes any Rights which you or a previous holder of Your Norwest Shares:
- (i) are entitled to receive; or
  - (ii) would have been entitled to receive had those Norwest Shares been on issue at the record date in respect of the rights (where such record date is on or after the Announcement Date).
- (d) MinRes may require you to provide all documents necessary to vest title to rights in MinRes, or otherwise to give it the benefit or value of Rights. If:
- (i) you do not give those documents to MinRes;
  - (ii) you have (or any previous holder of Your Norwest Shares has) received the benefit of those Rights; or
  - (iii) the benefit of those rights will not be received because the relevant Norwest Shares did not exist at the record date in respect of such Rights (where such record date is on or after the Announcement Date),

MinRes may deduct from the consideration otherwise due to you the amount (or value, as reasonably assessed by MinRes) of those rights, together with the value (as reasonably assessed by MinRes) of the franking credits, if any, attached to the rights. This may involve a reduction in the number of MinRes Shares due to you under the Offer.

- (e) If you have accepted the Offer and you are a Foreign Shareholder or a Small Parcel Shareholder, you will receive your share of the proceeds from the sale of the MinRes Shares in accordance with Section 12.8.
- (f) The obligation of MinRes to issue and allot any MinRes Shares to which you are entitled will be satisfied by MinRes:
  - (i) entering your name in the MinRes register of members; and
  - (ii) dispatching or procuring the dispatch to you by pre-paid post to your address recorded in Norwest's register of members at 7:00 pm (Sydney time) on the

Register Date, an uncertificated holding statement in your name (for issuer sponsored holdings) or a confirmation of issue (for CHESS Holdings). If Your Norwest Shares are held in a joint name, an uncertificated holding statement will be issued in the name of, and forwarded to, the holder whose name appears first in Norwest's register of members at 7:00 pm (Sydney time) on the Register Date.

- (g) If at the time you accept the Offer any of the following:
- (i) Banking (Foreign) Exchange Regulations 1959 (Cth);
  - (ii) Charter of the United Nations (Dealing with Assets) Regulations 2008 (Cth);
  - (iii) Charter of the United Nations (Sanctions – Afghanistan) Regulations 2008 (Cth);
  - (iv) Charter of the United Nations (Sanctions – Iraq) Regulations 2008 (Cth); or
  - (v) any other law of Australia,

require that an authority, clearance or approval of the Reserve Bank of Australia, the Australian Taxation Office or any other government authority be obtained before you receive any consideration for Your Norwest Shares, or would make it unlawful for MinRes to provide any consideration to you for Your Norwest Shares, you will not be entitled to receive any consideration for Your Norwest Shares until all requisite authorities, clearances or approvals have been received by MinRes. As far as MinRes is aware, as at the date of this Bidder's Statement, the persons to whom this Section 12.7(g) will apply are: prescribed supporters of the former government of Yugoslavia; ministers and senior officials of the Government of Zimbabwe; persons associated with the former government of Iraq (including senior officials, immediate family members of senior officials, or an entity controlled by any of those persons); the Taliban; members of the Al Qaida organisation; and persons named in the list maintained pursuant to paragraph 2 of Resolution 1390 of the Security Council of the United Nations.

- (h) If MinRes determines, acting reasonably and in good faith that it is liable to pay an amount of Foreign Resident CGT Withholding Tax to the Commissioner of Taxation pursuant to Subdivision 14-D of Schedule 1 to the *Taxation Administration Act 1953* (Cth) (**TAA**) with respect to the acquisition of Norwest Shares from a Norwest Shareholder, MinRes will, for any such Norwest Shareholder:
- (i) determine the amount required to be paid to the Commissioner of Taxation being 12.5%, or such lesser amount approved by the Commissioner of Taxation in the Variation Notice (**Foreign Resident CGT Payment Amount**);
  - (ii) determine the amount of MinRes Shares as necessary in the reasonable opinion of MinRes to account for the relevant Foreign Resident CGT Payment Amount (taking into account reasonable fluctuations in share price) that would otherwise have been issued to the Norwest Shareholder;
  - (iii) instruct the Sale Agent to sell the MinRes Shares withheld under Section 12.7(h)(ii), and return to MinRes the relevant sale proceeds, after deducting any reasonable and applicable fees, brokerage, taxes and charges, and transfer to the Norwest Shareholder any surplus amount of MinRes Shares (if any);

- (iv) remit the Foreign Resident CGT Payment Amount to the Commissioner of Taxation (or retain the sale proceeds, as a reimbursement, where the Foreign Resident CGT Payment Amount has already been paid by MinRes to the Commissioner of Taxation); and
- (v) after deduction of the Foreign Resident CGT Payment Amount, provide the net proceeds (including, where applicable, the requisite net number of MinRes Shares after an adjustment in respect of deduction on account of the Foreign Resident CGT Payment Amount to reduce the number of MinRes Shares provided) to that Norwest Shareholder for the purposes of this Offer.

For the avoidance of doubt, where the conditions in this Section 12.7(h) are satisfied, MinRes will, for the purposes of this Offer, be deemed to have satisfied its obligations to provide the Offer Consideration to a Norwest Shareholder if the amount or value of the net proceeds provided to the Norwest Shareholder are equal to the amount or value of the Offer Consideration that would have otherwise been provided to the Norwest Shareholder pursuant to the Offer, less the Foreign Resident CGT Payment Amount Payment Amount for that Norwest Shareholder.

## **12.8 Foreign Shareholders and Small Parcel Shareholders**

- (a) If you are a Foreign Shareholder or a Small Parcel Shareholder, you will not be entitled to receive MinRes Shares as the consideration for Your Norwest Shares as a result of accepting this Offer.
- (b) In this event, MinRes intends to appoint the Sale Agent (or one of its affiliates) as nominee/agent to arrange for the number of MinRes Shares to which you and all other Foreign Shareholders and Small Parcel Shareholders would have been entitled, but for Section 12.2(b) and the equivalent provision in each other offer under this Offer, to be sold on the ASX as soon as practicable and otherwise in the manner, at the price and on such other terms and conditions as are determined by the Sale Agent. This is subject to MinRes and the Sale Agent negotiating and agreeing the terms of this arrangement and approval of the Sale Agent as nominee by ASIC.
- (c) Any payment made pursuant to this Section 12.8 will be made by cheque posted to you at your risk by ordinary mail (or, if you have an overseas address, by airmail) at the address provided on your Acceptance Form within the period required by the Corporations Act.
- (d) Under no circumstances will interest be paid on your share of the proceeds of the sale of MinRes Shares by the Sale Agent, regardless of any delay in remitting these proceeds to you.

## **12.9 Condition of this Offer**

Subject to this Section 12.9, the completion of this Offer and any contract that results from an acceptance of this Offer is conditional upon there being no Prescribed Occurrences in the period between the Announcement Date and the date which is three (3) Business Days after the end of the Offer Period.

## **12.10 Nature and benefit of condition**

- (a) The condition in Section 12.9 is a condition subsequent. The non-fulfilment of the condition subsequent does not, until the date which is three (3) Business Days after the end of the Offer Period, prevent a contract to sell Your Norwest Shares

from arising, but non-fulfilment of the condition subsequent will have the consequences set out in Section 12.11(b)

- (b) Subject to the Corporations Act, MinRes alone is entitled to:
  - (i) the benefit of the condition in Section 12.9; and
  - (ii) rely on non-fulfilment of it.

#### **12.11 Freeing the Offer of condition**

- (a) MinRes may free this Offer, and any contract resulting from its acceptance, from the condition subsequent in Section 12.9, either generally or by reference to a particular fact, matter, event, occurrence or circumstance (or class thereof), by giving a notice to Norwest and to ASX declaring this Offer to be free from the condition, in accordance with section 650F of the Corporations Act. This notice may be given not later than three (3) Business Days after the end of the Offer Period.
- (b) If, three (3) Business Days after the end of the Offer Period, the Condition in Section 12.9 has not been fulfilled and MinRes has not declared the Offer (or it has not become) free of that condition, all contracts resulting from the acceptance of the Offer will be automatically void.

#### **12.12 Notice on status of condition**

The date for giving the notice on the status of the condition required by section 630(1) of the Corporations Act is *[insert date]* 2023 (subject to extension in accordance with section 630(2) if the Offer Period is extended).

#### **12.13 Official quotation of MinRes Shares**

- (a) MinRes is admitted to the official list of ASX. Shares of the same class as those to be issued as consideration under (and subject to the terms of) this Offer have been granted official quotation by ASX.
- (b) An application will be made within 7 days after the start of the bid period to ASX for the granting of official quotation of the MinRes Shares to be issued in accordance with and subject to the terms of this Offer. However, official quotation is not granted automatically on application.
- (c) Pursuant to the Corporations Act, this Offer and any contract that results from your acceptance of it are subject to a condition that permission for admission to official quotation by ASX of the MinRes Shares to be issued pursuant to this Offer being granted no later than 7 days after the end of the bid period. If this condition is not fulfilled, all contracts resulting from the acceptance of the Offers will be automatically void.

#### **12.14 Withdrawal of this Offer**

- (a) This Offer may be withdrawn with the consent in writing of ASIC, which consent may be subject to conditions. If ASIC gives such consent, MinRes will give notice of the withdrawal to ASX and to Norwest and will comply with any other conditions imposed by ASIC.

- (b) If, at the time this Offer is withdrawn, the Condition in Section 12.9 has been freed, all contracts arising from acceptance of this Offer before it was withdrawn will remain enforceable.
- (c) If, at the time this Offer is withdrawn, it remains subject to the Condition in Section 12.9, all contracts arising from its acceptance will become void (whether or not the events referred to in the condition have occurred).
- (d) A withdrawal pursuant to this Section 12.14 will be deemed to take effect:
  - (i) if the withdrawal is not subject to conditions imposed by ASIC, on and after the date on which that consent in writing is given by ASIC; or
  - (ii) if the withdrawal is subject to conditions imposed by ASIC, on and after the date on which those conditions are satisfied or waived.

#### **12.15 Variation of this Offer**

MinRes may vary this Offer in accordance with the Corporations Act.

#### **12.16 No stamp duty or brokerage**

- (a) MinRes will pay any stamp duty on the transfer of Your Norwest Shares to it pursuant to this Offer.
- (b) As long as Your Norwest Shares are registered in your name and you deliver them directly to MinRes, you will not incur any brokerage in connection with this Offer.

#### **12.17 Governing laws**

This Offer and any contract that results from your acceptance of it are to be governed by the laws in force in Perth, Western Australia.

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## 13 Definitions and interpretation

### 13.1 Definitions

In this Bidder's Statement and in the Acceptance Form unless the context otherwise appears, the following terms have the meanings shown below:

**\$ or A\$** means Australian dollars, the currency of the Commonwealth of Australia.

**Acceptance Form** means the acceptance form enclosed with this version of this Bidder's Statement sent to Norwest Shareholders.

**Announcement Date** means the date on which the Offer was announced by MinRes, being 16 December 2022.

**ASIC** means the Australian Securities and Investments Commission.

**Associate** has the meaning given to it in sections 10 to 17 of the Corporations Act.

**ASX Settlement** means ASX Settlement Pty Limited ABN 49 008 504 532.

**ASX Settlement Operating Rules** means the operating rules of the ASX Settlement which govern the administration of the Clearing House Electronic Subregister System.

**Bidder's Statement** means this document, being the statement of MinRes under Part 6.5 Division 2 of the Corporations Act relating to the Offer.

**Business Day** means a day on which banks are open for business in Perth, Western Australia, excluding a Saturday, Sunday or public holiday.

**CGT** means capital gains tax.

**CGT Discount** has the meaning described in Section 10.2(e).

**CHES Holding** means a number of Shares which are registered on Dacian's share register being a register administered by the ASX Settlement and which records uncertificated holdings of shares.

**Combined Group** means the MinRes Group, following the successful acquisition of all or a majority of the Norwest Shares under the Offer.

**Condition** means the condition to the Offer as set out in Section 12.

**Constitution** means the Constitution of MinRes.

**Controlling Participant** in relation to Your Shares, has the same meaning as in the ASX Settlement Operating Rules.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**EBITDA** means earnings before interest, tax, depreciation and amortisation.

**Encumbrance** means any mortgage, lien, charge, pledge, assignment by way of security, security interest, title retention, preferential right or trust arrangement, claim or any other security arrangement or any other arrangement having the same effect.

**EnRes** means Energy Resources Ltd ACN 009 475 423, a wholly-owned subsidiary of MinRes.

**EP 368** means the exploration permit EP 368 in the Shire of Mingenew.

**EP 426** means the exploration permit EP 426 in the Shire of Mingenew.

**Foreign Shareholder** means a Norwest Shareholder whose address as shown in the register of members of Norwest is in a jurisdiction other than Australia and its external territories and New Zealand, unless MinRes otherwise determines (in its absolute discretion) after being satisfied that it is not unlawful, not unduly onerous and not unduly impracticable to make the Offer to a Norwest Shareholder in the relevant jurisdiction and to issue MinRes Shares to such a Norwest Shareholder on acceptance of the Offer, and that it is not unlawful for such a Norwest Shareholder to accept the Offer in such circumstances in the relevant jurisdiction.

**FY22 Annual Report** means MinRes' annual report for the financial year ended 30 June 2022.

**Holder Identification Number** has the same meaning as in the ASX Settlement Operating Rules.

**Group** or **MinRes Group** means MinRes and its Subsidiaries from time to time.

**Interested Person** has the meaning given in Section 11.9 of this Bidder's Statement.

**Issuer Sponsored Holdings** means a holding of Norwest Shares on Norwest's issuer sponsored subregister.

**JORC Code** means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 edition.

**Listing Rules** means the Official Listing Rules of ASX, as amended and waived by ASX from time to time.

**MinRes** means Mineral Resources Limited ACN 118 549 910.

**MinRes Board** means MinRes' board of directors.

**MinRes Director** means a director of MinRes.

**MinRes Group** means MinRes and its subsidiaries (as defined in the Corporations Act).

**MinRes Shares** means fully paid ordinary shares in the capital of MinRes.

**MinRes Shareholder** means any holder of MinRes Shares.

**Norwest** means Norwest Energy NL ABN 59 078 012 745.

**Norwest Board** means the board of directors of Norwest.

**Norwest Directors** means a director of Norwest.

**Norwest Group** means Norwest and its subsidiaries (as defined in the Corporations Act).

**Norwest Options** means the options over unissued Norwest Shares on issue as at the date of the Bidder's Statement.

**Norwest Performance Rights** means the performance rights exercisable into Norwest Shares on issue as at the date of the Bidder's Statement.

**Norwest Shareholder** means a holder of Norwest Shares as at the Register Date.

**Norwest Shares** means fully paid ordinary shares in the capital of Norwest.

**Offer** means the offer for Norwest Shares under the terms and conditions contained in Section 12 of this Bidder's Statement.

**Offer Consideration** means the consideration which Norwest Shareholders will receive if the Offer becomes or is declared unconditional.

**Offer Period** means the period during which the Offer will remain open for acceptance in accordance with Section 12.3 of this Bidder's Statement.

**Ore Reserves** and **Mineral Resources** has the meaning given in the JORC Code.

**Perth Basin Project** means the onshore gas project in the Perth Basin comprised of EP 368 and EP 426.

**Prescribed Occurrence** means the events described in section 652C(1) and section 652C(2) of the Corporations Act.

**Register Date** means the date set by MinRes under section 633(2) of the Corporations Act, being 7:00 pm Sydney time on 19 December 2022.

**Relevant Interests** has the meaning given to that term in sections 608 and 609 of the Corporations Act.

**Rights** means all accreditations, rights or benefits of whatever kind attaching or arising from Norwest Shares directly or indirectly at or after the Announcement Date (including, but not limited to, all dividends or other distributions and all rights to receive them or rights to receive or subscribe for shares, notes, bonds, options or other securities declared, paid or issued by Norwest or any of its subsidiaries).

**Sale Agent** has the meaning given in Section 12.8 of this Bidder's Statement.

**Section** means a section of this Bidder's Statement.

**Small Parcel** means a parcel of MinRes Shares having a value of less than \$500 based on the highest closing price of MinRes Shares on the ASX during the period from the date of this Bidder's Statement until the earlier of the end of the Offer Period and five ASX trading days before the first day on which MinRes must provide the Offer Consideration.

**Small Parcel Shareholder** means a Norwest Shareholder who would be entitled to receive a total number of MinRes Shares as Offer Consideration which constitutes a Small Parcel.

**Takeover Transferee Holding** has the same meaning as in the ASX Settlement Operating Rules.

**Tax Act** means the *Income Tax Assessment Act 1936* (Cth), the *Income Tax Assessment Act 1997* (Cth) and the *Taxation Administration Act 1953* (Cth), as applicable.

**Total Shareholder Return or TSR** means, in relation to MinRes Shares, the percentage derived by dividing the sum of gains in the price of MinRes Shares and dividends paid on MinRes Shares, in each case over a specified period, by the price of MinRes Shares at the commencement of that period.

**Underlying profit and loss measures: “EBIT”, “EBITDA”, “Profit”, “depreciation and amortisation expense”, “share of interest, tax, depreciation and amortisation of equity accounted investees”, “Underlying net financing costs”, “Profit attributable to non-controlling interests”, “Profit attributable to members of the parent entity”** means underlying measures used internally by management to assess the profitability of the MinRes business. The Underlying profit and loss measures are derived from the equivalent Statutory profit measures disclosed in the MinRes Consolidated Financial Statements and exclude the impact of certain items that do not align with the manner in which MinRes’ Managing Director reviews the financial and operating performance of the business. Underlying EBIT, Underlying EBITDA and Underlying Profit are disclosed in note 2 of the MinRes Consolidated Financial Statements.

**VWAP** means volume weighted average price.

**Your Norwest Shares** means, subject to Sections 12.1(f) and 12.1(g) of this Bidder’s Statement, the Norwest Shares:

- (a) in respect of which you are registered, or entitled to be registered, as holder in the register of shareholders of Norwest at the Register Date; or
- (b) to which you are able to give good title at the time you accept this Offer during the Offer Period.

### **13.2 Interpretation**

In this Bidder’s Statement and in the Acceptance Form, unless the context otherwise requires:

- (a) words and phrases have the same meaning (if any) given to them in the Corporations Act;
- (b) words importing a gender include any gender;
- (c) words importing the singular include the plural and vice versa;
- (d) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;
- (e) a reference to a Section, attachment and schedule is a reference to a Section of and an attachment and schedule to this Bidder’s Statement as relevant;
- (f) a reference to any statute, regulation, proclamation, ordinance or by law includes all statutes, regulations, proclamations, ordinances, or by laws amending, varying, consolidating or replacing it and a reference to a statute includes all regulations, proclamations, ordinances and by laws issued under that statute;
- (g) headings and bold type are for convenience only and do not affect the interpretation of this Bidder’s Statement;
- (h) a reference to time is a reference to time in Sydney, Australia;

- (i) a reference to writing includes facsimile transmissions; and
- (j) a reference to dollars, \$, A\$, cents, ¢ and currency is a reference to the lawful currency of the Commonwealth of Australia.

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## 14 Approval of Bidder's Statement

This Bidder's Statement has been approved by a unanimous resolution passed by the directors of MinRes.

Date: 16 December 2022


Signed for and on behalf of  
**Mineral Resources Limited**

by

sign here ►

Director

print name



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CHRIS ELLISON

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