

29 October 2024

ASX Listings Compliance
ListingsCompliancePerth@asx.com.au

Dear ASX Compliance

MINERAL RESOURCES LIMITED (MIN) RESPONSE TO ASX AWARE LETTER

We refer to your letter dated 25 October 2024 (**ASX Aware Letter**) and set out MIN's response to the requests for information, using the same numbering. Unless otherwise indicated, capitalised terms in this letter have the same meaning as given in the ASX Aware Letter.

1 Does MIN consider the following information, or any part thereof, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

1.1 That since its IPO in 2006, payments made by MIN to offshore entities connected with Mr Ellison related to pre-IPO sales contracts that were recognised as liabilities in the Company's financial statements at the time.

No.

1.2 That Mr Ellison had self-reported the tax matters referred to in the Announcement to the Australian Taxation Office and repaid amounts owed.

No.

1.3 That MIN has engaged external legal counsel to conduct an investigation into this matter and advise the Board.

No.

2 If the answer to any part of question 1 is "no", please advise the basis for that view. Please answer separately for each of the items in question 1.

2.1 In relation to the information detailed in paragraph 1.1, MIN notes that:

- the "offshore [entity] connected with Mr Ellison" is Far East Equipment Holdings Limited (**FEEHL**);
- the "payments made by MIN" to FEEHL "since its IPO in 2006" comprise two payments: the first by MIN subsidiary Crushing Services International Limited (**CSI**) on 30 August 2006, and the second by MIN itself on 21 January 2008, the two payments totalling \$3,790,607.28; and
- the "pre-IPO sales contracts that were recognised as liabilities in the Company's financial statements at the time" were in respect of mining equipment that CSI had purchased from FEEHL in 2004. These sales contracts were entered into before MIN came into existence at the time of its IPO, but involved entities that formed part of the MIN group upon IPO.

2.2 MIN does not consider that the information detailed in paragraph 1.1 is materially price sensitive on the basis that:

- MIN and CSI made the payments more than 15 years ago; and
- the payments were to discharge a liability incurred in 2004 prior to the IPO of MIN in 2006 and which liability was recognised in the MIN IPO prospectus and financial statements in 2006.

2.3 In relation to the information detailed in paragraph 1.2, MIN notes that:

- Mr Ellison voluntarily disclosed to the Australian Taxation Office (**ATO**) previously undeclared income, reached a confidential settlement with the ATO, agreed to pay unpaid taxes, interest and administrative penalties;
- the relevant matters were resolved to the satisfaction of the ATO by May 2023; and
- contrary to recent media commentary:
 - the ATO has not issued any amended assessments to MIN with respect to depreciation claims made on assets acquired from FEEHL; and
 - Mr Ellison did not agree to repay depreciation claims on behalf of MIN, and no such amounts were repaid as part of, or in connection with, the voluntary disclosure of his private tax affairs.

2.4 MIN does not consider that the information detailed in paragraph 1.2 is materially price sensitive on the basis that:

- Mr Ellison's dealings with the ATO related to his personal tax obligations;
- Mr Ellison was not acting in his capacity as Managing Director of MIN in his engagements with the ATO;
- the matters were resolved; and
- while Mr Ellison's failure to declare income to the ATO was a serious error of judgement on his part, it did not displace the Board's confidence in his capacity to manage MIN.

2.5 MIN does not consider that the information that it engaged external legal counsel to conduct an investigation and advise the Board to be materially price sensitive on the basis that:

- although the scope of a corporate investigation can include allegations that have the potential to be materially price sensitive if substantiated, the fact that external legal counsel has been appointed to conduct an investigation is not, of itself, materially price sensitive information; and
- disclosure in such circumstances would be premature and likely to lead to speculation in the market that cannot be reliably addressed.

3 If the answer to the items in question 1 is "no", is MIN aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?

MIN understands that the key drivers for the negative movement in MIN's share price since the announcement released to the ASX on 21 October 2024 (**21 October Announcement**) have been general media speculation, governance considerations and uncertainty regarding Mr Ellison's ongoing leadership of MIN. MIN also notes media speculation and coverage regarding ASIC making inquiries. MIN acknowledges that there may be continued speculation until the Board is able to determine matters.

Aside from the ongoing investigation which has been referenced in the 21 October Announcement and the subsequent announcement made to the ASX on 28 October 2024 (**28 October Announcement**), MIN is not aware of any other information potentially known in the market that has been driving the recent share price movement.

4 If the answer to question 3 is “yes”

4.1 Is MIN relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in MIN’s securities would suggest to ASX that such information may have ceased to be confidential and therefore MIN may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is “yes”, you need to contact us immediately to discuss the situation.

N/A

4.2 Can an announcement be made immediately? Please note, if the answer to this question is “no”, you need to contact us immediately to discuss requesting a trading halt (see below).

N/A

4.3 If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?

N/A

5 When did MIN first become aware of the information referred to in question 1 above? Please answer separately for each of the items in question 1.

Excluding the knowledge of Mr Ellison and any other officers of MIN involved in the matters referred to in paragraphs 1.1 and 1.2 of the ASX Aware Letter:

- MIN was informed of allegations pertinent to information referred to in paragraph 1.1 of the ASX Aware Letter in June 2022. MIN engaged external legal counsel to investigate these allegations at the time. Subsequent to this, in June 2023, MIN was informed of more detailed allegations, and, in November 2023, received substantive detail regarding these matters;
- MIN was informed of allegations as to the information referred to in paragraph 1.2 of the ASX Aware Letter in October 2023. Mr Ellison confirmed the facts to MIN in November 2023;
- in November 2023, MIN engaged external legal counsel to investigate the matters referred to in paragraphs 1.1 and 1.2 of the ASX Aware Letter; and
- the full Board (other than Mr Ellison) received a briefing on the investigation and considered the matter in June 2024.

6 If MIN first became aware of the information referred to in question 1 or any part thereof before the date of the Announcement, did MIN make any announcement prior to that date which disclosed the information? If not, please explain why the information was not released to the market at an earlier time, commenting specifically on when you believe MIN was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps MIN took to ensure that the information was released promptly and without delay.

Please answer separately for each of the items in question 1 and provide details of the prior announcement if applicable.

No public disclosure was made by MIN in respect of these matters prior to the 21 October Announcement. For the reasons detailed in paragraphs 2.1 to 2.3 above, MIN did not consider these matters to be materially price sensitive.

The 21 October Announcement was made in response to media reporting which triggered speculation regarding the ongoing tenure of Mr Ellison as Managing Director of MIN.

- 7 The Announcement refers to an investigation into issues raised in recent media reports that is well-advanced. Can you please confirm what issues this investigation relates to and when MIN expects to update the market about these issues?**

The Board's investigation which was commenced in response to information referred to in paragraphs 1.1 and 1.2 of the ASX Aware Letter has evolved over time, including to respond to issues raised in recent media reports.

As noted in the 28 October Announcement, the Board's present intention is to issue an announcement to the market regarding the conclusions it has reached and the actions it will take by Monday 4 November 2024.

- 8 Please confirm that MIN is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.**

MIN confirms that it is in compliance with the Listing Rules, in particular Listing Rule 3.1.

- 9 Please confirm that MIN's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of MIN with delegated authority from the board to respond to ASX on disclosure matters.**

MIN confirms that its responses to the questions above have been authorised and approved by the Board.

Yours sincerely



Mark Wilson
Company Secretary



25 October 2024

Reference: 102011

Mr Mark Wilson
Company secretary
Mineral Resources Limited
20 Walters Drive
Osborne Park WA 6017

By email

Dear Mr Wilson

Mineral Resources Limited ('MIN'): ASX Aware Letter

ASX refers to the following:

- A. MIN's announcement titled "Statement in response to recent media reports" (the 'Announcement') released on the ASX Market Announcements Platform at 08:12 AM (AEDT) on 21 October 2024 disclosing that the Board of MIN:

"...wishes to comment on issues raised in recent media reports relating to Managing Director Chris Ellison.

The Board is committed to robust and transparent corporate governance. It has engaged external legal counsel to conduct an investigation into this matter and advise the Board. Mr Ellison has cooperated with the investigation and the investigation is well-advanced.

Since its IPO in 2006, payments made by MinRes to offshore entities connected with Mr Ellison related to pre-IPO sales contracts that were recognised as liabilities in the Company's financial statements at the time.

As to his private tax matters, Mr Ellison self-reported to the Australian Taxation Office, repaid amounts owed and disclosed these matters to the Board. While this does not diminish what happened, Mr Ellison profoundly regrets his errors of judgment."

- B. The change in the price of MIN's securities from a closing price of \$45.86 on Friday 18 October 2024 (prior to the release of the Announcement) to a closing price of \$39.55 on Monday 21 October 2024 and a closing price of \$34.12 on Friday 25 October 2024 following the release of the Announcement.
- C. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- D. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity."

- E. Section 4.4 in *Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B* titled "When does an entity become aware of information?"

- F. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure as follows.

"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following 5 situations applies:

- It would be a breach of a law to disclose the information;
- The information concerns an incomplete proposal or negotiation;
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure;
- The information is generated for the internal management purposes of the entity; or
- The information is a trade secret; and

3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and

3.1A.3 A reasonable person would not expect the information to be disclosed.”

G. The concept of “confidentiality” detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. In particular, the Guidance Note states that:

“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it is no longer a secret and it ceases to be confidential information for the purposes of this rule.”

Request for information

Having regard to the above, ASX asks MIN to respond separately to each of the following questions:

1. Does MIN consider the following information, or any part thereof, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
 - 1.1 That since its IPO in 2006, payments made by MIN to offshore entities connected with Mr Ellison related to pre-IPO sales contracts that were recognised as liabilities in the Company’s financial statements at the time.
 - 1.2 That Mr Ellison had self-reported the tax matters referred to in the Announcement to the Australian Taxation Office and repaid amounts owed.
 - 1.3 That MIN has engaged external legal counsel to conduct an investigation into this matter and advise the Board.Please answer each of the above items separately.
2. If the answer to any part of question 1 is “no”, please advise the basis for that view. Please answer separately for each of the items in question 1.
3. If the answer to the items in question 1 is “no”, is MIN aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
4. If the answer to question 3 is “yes”
 - 4.1 Is MIN relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in MIN’s securities would suggest to ASX that such information may have ceased to be confidential and therefore MIN may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is “yes”, you need to contact us immediately to discuss the situation.

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- 4.2 Can an announcement be made immediately? Please note, if the answer to this question is “no”, you need to contact us immediately to discuss requesting a trading halt (see below).
- 4.3 If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
5. When did MIN first become aware of the information referred to in question 1 above? Please answer separately for each of the items in question 1.
6. If MIN first became aware of the information referred to in question 1 or any part thereof before the date of the Announcement, did MIN make any announcement prior to that date which disclosed the information? If not, please explain why the information was not released to the market at an earlier time, commenting specifically on when you believe MIN was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps MIN took to ensure that the information was released promptly and without delay.
- Please answer separately for each of the items in question 1 and provide details of the prior announcement if applicable.
7. The Announcement refers to an investigation into issues raised in recent media reports that is well-advanced. Can you please confirm what issues this investigation relates to and when MIN expects to update the market about these issues?
8. Please confirm that MIN is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
9. Please confirm that MIN’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of MIN with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **3:00 PM (WST) Wednesday, 30 October 2024**.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, MIN’s obligation is to disclose the information ‘immediately’. This may require the information to be disclosed before the deadline set out above and may require MIN to request a trading halt immediately if trading in MIN’s securities is not already halted or suspended.

Your response should be sent by e-mail to **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow us to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in MIN’s securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to MIN’s obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that MIN’s obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A. The usual course is for the correspondence to be released to the market.

Yours sincerely

ASX Compliance