

12 November 2024

ASX Listings Compliance
ListingsCompliancePerth@asx.com.au

Dear ASX Compliance

MINERAL RESOURCES LIMITED (MIN) RESPONSE TO ASX COMPLIANCE LETTER

We refer to your letter dated 31 October 2024 (**ASX Compliance 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 Compliance Letter (or otherwise defined in the ASX Aware Letter and MIN's response, dated 29 October 2024).

Background

As previously disclosed, MIN's Board has been investigating certain allegations concerning its Managing Director, Mr Chris Ellison and others that have emerged over time.

As identified in MIN's ASX announcement dated 28 October 2024, Herbert Smith Freehills has been engaged since 2022 to assist the Board and investigate allegations concerning Mr Ellison. Certain matters have been reported in recent media coverage and the Board's investigation has evolved to respond to statements that do not accord with the Company's understanding of the facts.

In answering ASX's questions set out in the ASX Compliance Letter, given the subject matter of the questions, MIN considers it is most appropriate to answer ASX's questions without reference to Mr Ellison's knowledge or participation in the below matters.

MIN notes that, other than Mr Ellison, none of the current directors were directors during certain of the historical periods referred to in ASX's Compliance Letter. This constrains MIN's ability to explain the rationale behind certain decisions taken by MIN or its former officers. However, as part of the investigation and in forming the views set out in this response, the Board has considered MIN's financial records and the relevant financial statements.

Many of the questions in the ASX Compliance Letter concern related party transactions, and the adequacy of the processes in place to ensure the appropriate identification, approval and disclosure of such transactions. The Board acknowledges that the historical processes in place at MIN to manage related party transactions were not as robust as they could have been. Over the past two years, the Board has worked to significantly improve the controls on related party transactions. Based on the conclusions of its inquiries to date, the Board does not consider that the validity of its recent financial statements is impacted. As at 12 November 2024, some inquiries are ongoing. MIN will keep the market appropriately updated in line with its continuous disclosure obligations.

1 Does MIN consider sales contracts with FEEHL to be related party transactions requiring disclosure by MIN? In answering this question please indicate the basis for the conclusion.

Yes.

MIN now considers that, at all relevant times, and prior to FEEHL's deregistration in 2014, FEEHL was a related party of MIN.

MIN notes that the payments to FEEHL related to contracts for the purchase of mining equipment from FEEHL, which were entered into pre-IPO in 2003 and 2004. The mining equipment was recognised

as an asset in the Company's accounts with a corresponding liability recognised in respect of the obligation to make future payments.

MIN notes that the last payment was made to FEEHL, and the liability to FEEHL was discharged, on 21 January 2008.

2 Prior to 20 October 2024, has MIN disclosed in any announcement released on MAP Mr Ellison's connection with FEEHL, or the connection of any other director or former director of MIN with FEEHL?

No.

3 If the answer to question 2 is 'yes' please indicate where such disclosure has been made.

N/A

4 If the answer to question 2 is 'no' please indicate whether such disclosure was or ought to have been made prior to June 2022 to:

4.1 the MIN Board; or

Yes. The present Board considers that disclosure was not made, and ought to have been made, prior to June 2022.

For the avoidance of doubt, MIN does not accept the premise that disclosure was made in June 2022. In June 2022, MIN was informed of allegations pertinent to payments made by MIN to offshore entities connected with Mr Ellison. In June 2023 MIN was informed of more detailed allegations. In November 2023, MIN received substantive detail regarding these matters. In June 2024, the full Board (other than Mr Ellison) received a briefing on the investigation and considered the matter.

4.2 to shareholders through the release of the relevant information in a market announcement (including an Annual Report).

Yes. The transactions may have been required to be disclosed for the purposes of MIN's financial reporting in relevant financial years under the Australian Accounting Standards (ie up to and including 2008, when the last payment was made to FEEHL and the liability discharged on 21 January 2008). After FEEHL's status as a related party of MIN became known, the transactions were considered and deemed not material to MIN or its shareholders and accordingly did not require retrospective disclosure.

Please indicate the basis for your conclusion in respect of 4.1 and 4.2 above

See responses to 4.1 and 4.2 above.

5 Did MIN disclose the pre-IPO sales contracts in its IPO Prospectus dated 26 June 2006? If so, please indicate where such disclosure was made in the IPO Prospectus, in particular, was there disclosure in the Disclosure of Interests of Directors in Section 12.2 or Director-related transactions in Section 8.11.22 of the IPO Prospectus?

As noted in MIN's response to the ASX Aware Letter dated 25 October 2024, the pre-IPO sales contracts were recognised as a liability in the financial statements contained in the IPO Prospectus and in the Company's annual financial statements from 2006. To the extent it was still in use and hadn't been sold to a third party, the equipment acquired from FEEHL was recognised as an asset in the IPO Prospectus and the Company's annual financial statements.

No specific disclosure in respect of these contracts was included in:

- the Disclosure of Interests of Directors in Section 12.2 of the IPO Prospectus; or
- the Director-related transactions in Section 8.11.22 of the IPO Prospectus,

or otherwise in any other section of the IPO Prospectus.

6 If the answer to question 5 is 'no', please advise why no such disclosure was made in the IPO Prospectus.

See the 'Background' section above.

Excluding the knowledge of Mr Ellison, the present Board would be speculating in expressing a view as to the reasons disclosure was not made in the IPO Prospectus.

7 Did MIN consider disclosure of the pre-IPO sales contracts as part of its due diligence process in preparation of the IPO Prospectus?

See the 'Background' section above.

Excluding the knowledge of Mr Ellison, the present Board would be speculating in expressing a view as to whether and to what extent the pre-IPO sales contracts were considered as part of the due diligence process in preparation of the IPO Prospectus.

8 Were any of the pre-IPO sales contracts specifically referred to in the related party notes or directors' relevant interest disclosure in MIN's Annual Reports for the period ending 30 June 2006 to the period ending 30 June 2008? If so please indicate where such disclosure was made. If no such disclosure was made, please explain why not.

No. See the 'Background' section above.

Excluding the knowledge of Mr Ellison, the present Board would be speculating in expressing a view as to the reasons disclosure was not made in Annual Reports.

9 Is MIN aware of any payments by MIN or its subsidiaries to FEEHL other than those disclosed in MIN's Aware Letter Response?

No.

10 If the answer to question 9 is 'yes' please indicate:

10.1 the dates and value of those payments;

N/A

10.2 whether those payments complied with Listing Rule 10.1;

N/A

10.3 whether or not those payments were disclosed in MIN's Annual Report for the relevant period in which the payment occurred;

N/A

10.4 whether or not those payments were included in the directors' relevant interests or related party disclosures in the relevant Annual Report; and

N/A

10.5 whether MIN considers information about those payments and the circumstances in which they arose, 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.

N/A

11 In light of MIN's responses to the above questions, please confirm that the statement in the 2006, 2007, 2008, 2009, 2010, 2011 and 2012 Annual Reports to the effect that no director has or has had any

interest in a contract entered into during the year or any contract or proposed contract with the company or any controlled entity or any related entity other than as disclosed in the notes to the financial statements is a correct statement.

Please answer for each Annual Report for the years 2006 to 2012 referred to above.

As to the Annual Report for the years 2009 to 2012, see paragraph 4.2. The last payment was made to FEEHL, and the liability to FEEHL was discharged, on 21 January 2008.

As to the Annual Report for the years 2006 to 2008, see the 'Background' section above. The present Board does not consider that the statement was a correct statement as regards the transactions with FEEHL.

Outside of the transactions with FEEHL, the present Board does not consider that these statements in the 2006 to 2012 Annual Reports were incorrect in any material respect.

As noted above, as at 12 November 2024, some inquiries are ongoing, and MIN will keep the market appropriately updated in line with its continuous disclosure obligations.

12 In light of MIN's disclosure in the Aware Letter Response that:

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;***

did MIN disclose in either the 2022, 2023 or 2024 Annual Report, Mr Ellison's connection with FEEHL, or the connection of any other director or former director of MIN with FEEHL?

Please answer for each Annual Report for the years 2022, 2023 and 2024.

No.

13 If the answer to question 12 is 'no' please explain why no such disclosure was made.

Please answer for each Annual Report for the years 2022, 2023 and 2024.

As to the Annual Report for the years 2022 and 2023, see paragraph 4.1. MIN received substantive detail in November 2023 and the full Board (other than Mr Ellison) received a briefing on the investigation and considered the matter in June 2024.

As to the Annual Report for the year 2024, see paragraph 4.2. The last payment was made to FEEHL, and the liability to FEEHL was discharged, on 21 January 2008.

As noted in MIN's response to the ASX Aware Letter dated 25 October 2024, the Board did not consider the historical dealings between MIN and FEEHL to be materially price sensitive information.

Accordingly, MIN does not consider that there was a requirement to make retrospective disclosure in respect of these historical dealings in the Annual Report for the year 2024.

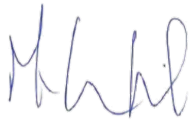
14 Please confirm that MIN is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

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

15 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



31 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 Compliance Letter

ASX refers to the following:

A. MIN's response to ASX's Aware Letter released on the ASX Market Announcements Platform ('MAP') on 29 October 2024 ('Aware Letter Response') disclosing the following in relation to payments made by MIN to offshore entities connected with Mr Ellison that were recognised as liabilities in the Company's financial statements:

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.*

B. MIN's Prospectus dated 26 June 2006 released on MAP on 3 July 2006 ('IPO Prospectus') disclosing the following at section 12.4 Fees and Benefits:

Other than as set out below or elsewhere in this Prospectus, no:

- Director of the Company;*
- person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus;*

-
- c) promoter of the Company; or
 - d) Underwriter (but not a sub-underwriter) to the Offer or a financial services licensee named in the Prospectus as a financial services licensee involved in the Offer,
has, or had within 2 years before lodgement of this Prospectus with the ASIC, any interest in:
 - a) the formation or promotion of the Company;
 - b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or in connection with the offer of Shares under this Prospectus; or
 - c) the offer of Shares under this Prospectus,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of those persons as an inducement to become, or to qualify as, a Director of the Company or for services rendered in connection with the formation or promotion of the Company or the offer of Shares under this Prospectus.

C. MIN's Annual Report for the year ending 30 June 2006 disclosing the following:

I. The statement under the heading Directors' relevant interest:

No director has or has had any interest in a contract entered into since the Company's registration or any contract or proposed contract with the company or any controlled entity or any related entity other than as disclosed in the notes to the financial statements.

II. The statements under the heading Corporate Governance Statement:

The Board considers it is essential that directors and staff of Mineral Resources Limited employ sound corporate governance practices in carrying out their duties and responsibilities. Accordingly, a code of conduct has been issued to detail the expected behaviour required to ensure the company acts with integrity and objectivity.

And under the heading Board of Directors:

In accordance with the Corporations Act 2001, any director who has an interest of any kind in relation to any matter dealt with at a board or committee meeting is required to advise the meeting and abstain from participation in the decision process.

III. The statement under the heading Note 23 Related Party Transactions and Balances:

On 26 June 2006, Mineral Resources Limited entered into agreements to purchase the entire share capital of PIHA Pty Ltd, Crushing Services International Pty Ltd and Process Minerals International Pty Ltd from entities related to directors and key management personnel. The consideration for the purchase was fully paid ordinary share in Mineral Resources Limited. No cash consideration was included in the transaction.

IV. The statement under the heading Directors Declaration:

Directors Declaration

1. *In the opinion of the directors of Mineral Resources Limited ('Company')*

- (a) the financial statements and notes are in accordance with the Corporations Act 2001, including:*

(i) giving a true and fair view of the financial position of the Company and consolidated entity as at 30 June 2006 and of their performance, as represented by the results of their operations and their cash flows, for the period 27 February 2006 to 30 June 2006; and

(ii) complying with Accounting Standards and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe the company will be able to pay its debts as and when they become due and payable.

2. *The Chief Executive Officer and Chief Finance Officer have each declared that:*

(a) the financial records of the Company for the financial period have been properly maintained in accordance with section 286 of the Corporations Act 2001;

(b) the financial statements and notes for the financial period comply with the Accounting Standards; and

(c) the financial statements and notes for the financial year give a true and fair view.

This declaration is made in accordance with a resolution of the Board of directors and is signed for and on behalf of the directors by:

Peter Wade

Managing Director

D. MIN's Annual Report for the year ending 30 June 2007 disclosing the following:

I. The statement under the heading Directors' relevant interest:

No director has or has had any interest in a contract entered into during the year or any contract or proposed contract with the company or any controlled entity or any related entity other than as disclosed in the notes to the financial statements.

II. The statements under the heading Corporate Governance Statement as above.

III. The statements under the heading Note 28 Related Party Transactions and Balances.

IV. The statement under the heading Directors Declaration.

E. MIN's Annual Report for the year ending 30 June 2008 disclosing the following:

I. The statement under the heading Directors' relevant interest:

No director has or has had any interest in a contract entered into during the year or any contract or proposed contract with the company or any controlled entity or any related entity other than as disclosed in the notes to the financial statements.

II. The statements under the heading Corporate Governance Statement as above.

III. The statements under the heading Note 30 Related Party Transactions and Balances.

IV. The statement under the heading Directors Declaration.

F. MIN's Annual Reports for the years ending 30 June 2022, 2023 and 2024, and in particular the disclosure of transactions with related parties, related party transaction notes, and events after the reporting period.

G. The commentary in the Australian Financial Review on 30 October 2024, in the article titled 'The documents that MinRes directors just didn't get to see' that:

An ATO analysis prepared this year, based on documentation supplied by Ellison's advisers, concluded that from June 2003 to June 2013, Far East received – almost entirely from MinRes companies – payments of \$11.5 million plus \$US1.38 million.

Request for information

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

1. Does MIN consider sales contacts with FEEHL to be related party transactions requiring disclosure by MIN? In answering this question please indicate the basis for the conclusion.
2. Prior to 20 October 2024, has MIN disclosed in any announcement released on MAP Mr Ellison's connection with FEEHL, or the connection of any other director or former director of MIN with FEEHL?
3. If the answer to question 2 is 'yes' please indicate where such disclosure has been made.
4. If the answer to question 2 is 'no' please indicate whether such disclosure was or ought to have been made prior to June 2022 to:
 - 4.1 the MIN board; or
 - 4.2 to shareholders through the release of the relevant information in a market announcement (including an Annual Report).

Please indicate the basis for your conclusion in respect of 4.1 and 4.2 above.

5. Did MIN disclose the pre-IPO sales contacts in its IPO Prospectus dated 26 June 2006? If so, please indicate where such disclosure was made in the IPO Prospectus, in particular, was there disclosure in the Disclosure of Interests of Directors in Section 12.2 or Director-related transactions in Section 8.11.22 of the IPO Prospectus?
6. If the answer to question 5 is 'no', please advise why no such disclosure was made in the IPO Prospectus.
7. Did MIN consider disclosure of the pre-IPO sales contacts as part of its due diligence process in preparation of the IPO Prospectus?
8. Were any of the pre-IPO sales contacts specifically referred to in the related party notes or directors' relevant interest disclosure in MIN's Annual Reports for the period ending 30 June 2006 to the period ending 30 June 2008? If so please indicate where such disclosure was made. If no such disclosure was made, please explain why not.
9. Is MIN aware of any payments by MIN or its subsidiaries to FEEHL other than those disclosed in MIN's Aware Letter Response?
10. If the answer to question 9 is 'yes' please indicate:
 - 10.1 the dates and value of those payments;
 - 10.2 whether those payments complied with Listing Rule 10.1;
 - 10.3 whether or not those payments were disclosed in MIN's Annual Report for the relevant period in which the payment occurred;
 - 10.4 whether or not those payments were included in the directors' relevant interests or related party disclosures in the relevant Annual Report; and
 - 10.5 whether MIN considers information about those payments and the circumstances in which they arose, 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.

-
11. In light of MIN's responses to the above questions, please confirm that the statement in the 2006, 2007, 2008, 2009, 2010, 2011 and 2012 Annual Reports to the effect that *no director has or has had any interest in a contract entered into during the year or any contract or proposed contract with the company or any controlled entity or any related entity other than as disclosed in the notes to the financial statements* is a correct statement.

Please answer for each Annual Report for the years 2006 to 2012 referred to above.

12. In light of MIN's disclosure in the Aware Letter Response that:

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;*

did MIN disclose in either the 2022, 2023 or 2024 Annual Report, Mr Ellison's connection with FEEHL, or the connection of any other director or former director of MIN with FEEHL?

Please answer for each Annual Report for the years 2022, 2023 and 2024.

13. If the answer to question 12 is 'no' please explain why no such disclosure was made.

Please answer for each Annual Report for the years 2022, 2023 and 2024.

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

15. 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 AWST Tuesday, 5 November 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

James Rowe
Head of Listings Compliance (Perth)