

MINREX RESOURCES LIMITED

**CORPORATE
GOVERNANCE PLAN**

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SCHEDULE 1 BOARD CHARTER

In carrying out the responsibilities and powers set out in this Charter, the Board:

- (a) recognises its overriding responsibility to act honestly, fairly, diligently and in accordance with the law in serving the interests of its shareholders; and
- (b) recognises its duties and responsibilities to its employees, customers and the community.

1. THE SPECIFIC RESPONSIBILITIES OF THE BOARD

In addition to matters it is expressly required by law to approve, the Board has the following specific responsibilities:

- (a) appointment of the Chief Executive Officer and other senior executives and the determination of their terms and conditions including remuneration and termination;
- (b) driving the strategic direction of the Company, ensuring appropriate resources are available to meet objectives and monitoring management's performance;
- (c) reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and legal compliance;
- (d) approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures;
- (e) approving and monitoring the budget and the adequacy and integrity of financial and other reporting;
- (f) approving the annual, half yearly and quarterly accounts;
- (g) approving significant changes to the organisational structure;
- (h) approving the issue of any shares, options, equity instruments or other securities in the Company;
- (i) ensuring a high standard of corporate governance practice and regulatory compliance and promoting ethical and responsible decision making;
- (j) recommending to shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by them; and
- (k) meeting with the external auditor, at their request, without management being present.

2. COMPOSITION OF THE BOARD

- (a) The composition of the Board is to be reviewed regularly to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction.
- (b) In appointing new members to the Board, consideration is given to the ability of the appointee to contribute to the ongoing effectiveness of the Board, to exercise sound business judgement, to commit the necessary time to fulfil the requirements of the role effectively and to contribute to the development of the strategic direction of the Company.
- (c) The majority of the Board is comprised of non-executive Directors. Where practical, at least 50% of the Board will be independent. An independent Director is one who is independent of management and free from any business or other relationship, which could, or could reasonably be perceived to, materially interfere with, the exercise of independent judgement. Independent Directors should meet the definition of what constitutes independence as set out in the ASX Corporate Government guidelines and the Sarbanes-Oxley Act of 2002 as set out in Annexure A.
- (d) Directors must disclose their interests. The independence of the Directors should be regularly assessed by the Board in light of the interests disclosed by them.
- (e) Directors are expected to bring their independent views and judgement to the Board and must declare immediately to the Board any potential or active conflicts of interest.
- (f) Directors must declare immediately to the Board, and the Board will determine whether to declare to the market, any loss of independence.
- (g) No member of the Board may serve for more than three years or past the third annual general meeting following their appointment, whichever is the longer, without being re-elected by the shareholders.
- (h) Prior to the Board proposing re-election of non-executive Directors, their performance will be evaluated by the Nomination Committee to ensure that they continue to contribute effectively to the Board.
- (i) The Board should comprise Directors with a mix of qualifications, experience and expertise which will assist the Board in fulfilling its responsibilities, as well as assisting the Company in achieving growth and delivering value to shareholders.

3. THE ROLE OF THE CHAIRMAN

- (a) The Chairman should be a non-executive Director. If a Chairman ceases to be an independent Director then the Board will consider appointing a lead independent Director.
- (b) The Chief Executive Officer should not be the Chairman of the Company during his term as Chief Executive Officer or in the future.

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- (c) The Chairman must be able to commit the time to discharge the role effectively.
 - (d) The Chairman is responsible for the leadership of the Board, ensuring it is effective, setting the agenda of the Board, conducting the Board meetings and conducting the shareholder meetings.
 - (e) The Chairman should facilitate the effective contribution of all Directors and promote constructive and respectful relations between Board members and management.
 - (f) In the event that the Chairman is absent from a meeting of the Board then the Board shall appoint a Chairman for that meeting.

4. BOARD COMMITTEES

- (a) To assist the Board in fulfilling its duties, the Board has established the following committees, each with written terms of reference:
 - (i) Audit and Risk Committee;
 - (ii) Remuneration Committee; and
 - (iii) Nomination Committee.
- (b) The charter of the Committees is approved by the Board and reviewed following any applicable regulatory changes.
- (c) The Board will ensure that the Committees are sufficiently funded to enable them to fulfil their roles and discharge their responsibilities.
- (d) Members of Committees are appointed by the Board. The Board may appoint additional Directors to Committees or remove and replace members of Committees by resolution.
- (e) The minutes of each Committee meeting shall be provided to the Board at the next occasion the Board meets following approval of the minutes of such Committee meeting.

5. BOARD MEETINGS

- (a) There must be two Directors present at a meeting to constitute a quorum.
- (b) The Board will schedule formal Board meetings at least quarterly and hold additional meetings, including by telephone, as may be required.
- (c) Non-executive Directors may confer at scheduled times without management being present.
- (d) The minutes of each Board meeting shall be prepared by the Company Secretary, approved by the Chairman and circulated to Directors after each meeting.
- (e) The Company Secretary shall distribute supporting papers for each meeting of the Board as far in advance as practicable.

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- (f) Minutes of meetings must be approved at the next Board meeting.

6. THE COMPANY SECRETARY

- (a) When requested by the Board, the Company Secretary will facilitate the flow of information of the Board, between the Board and its Committee and between senior executives and non-executive Directors.
- (b) The Company Secretary is to facilitate the induction of new Directors.
- (c) The Company Secretary is to facilitate the implementation of Board policies and procedures.
- (d) The Company Secretary is to provide advice to the Board, on corporate governance matters and law.
- (e) All Directors have access to the advice and services provided by the Company Secretary.
- (f) The Board has the responsibility for the appointment and removal of the Company Secretary.

7. ACCESS TO ADVICE

- (a) All Directors have unrestricted access to company records and information except where the Board determines that such access would be adverse to the Company's interests.
- (b) All Directors may consult management and employees as required to enable them to discharge their duties as Directors.
- (c) The Board, Board Committees or individual Directors may seek independent external professional advice as considered necessary at the expense of the Company, subject to prior consultation with the Chairman. A copy of any such advice received is made available to all members of the Board.

8. THE BOARD'S RELATIONSHIP WITH MANAGEMENT

- (a) The Board shall delegate responsibility for the day-to-day operations and administration of the Company to the Chief Executive Officer.
- (b) In addition to formal reporting structures, members of the Board are encouraged to have direct communications with management and other employees within the Group to facilitate the carrying out of their duties as Directors.

9. PERFORMANCE REVIEW

The Nomination Committee shall conduct an annual performance review of the Board that:

- (a) compares the performance of the Board with the requirements of its Charter;
- (b) critically reviews the mix of the Board; and

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- (c) suggests any amendments to the Charter as are deemed necessary or appropriate.

10. DISCLOSURE POLICY

The Board should ensure that the Company has in place effective disclosure policies and procedures so that shareholders and the financial market are fully informed to the extent required by the applicable disclosure rules and legislation on matters that may influence the share price of the Company or its listed debt securities.

**SCHEDULE 2
CORPORATE CODE OF CONDUCT**

1. PURPOSE

The purpose of this Corporate Code of Conduct is to provide a framework for decisions and actions in relation to ethical conduct in employment. It underpins the Company's commitment to integrity and fair dealing in its business affairs and to a duty of care to all employees, clients and stakeholders. The document sets out the principles covering appropriate conduct in a variety of contexts and outlines the minimum standard of behaviour expected from employees.

2. ACCOUNTABILITIES

2.1 Managers and Supervisors

Managers and supervisors are responsible and accountable for:

- (a) undertaking their duties and behaving in a manner that is consistent with the provisions of the Code of Conduct;
- (b) the effective implementation, promotion and support of the Code of Conduct in their areas of responsibility; and
- (c) ensuring employees under their control understand and follow the provisions outlined in the Code of Conduct.

2.2 Employees

All employees are responsible for:

- (a) undertaking their duties in a manner that is consistent with the provisions of the Code of Conduct;
- (b) reporting suspected corrupt conduct; and
- (c) reporting any departure from the Code of Conduct by themselves or others.

3. PERSONAL AND PROFESSIONAL BEHAVIOUR

When carrying out your duties, you should:

- (a) behave honestly and with integrity and report other employees who are behaving dishonestly;
- (b) carry out your work with integrity and to a high standard and in particular, commit to the Company's policy of producing quality goods and services;
- (c) operate within the law at all times;
- (d) follow the policies of the Company; and

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- (e) act in an appropriate business-like manner when representing the Company in public forums.

4. CONFLICT OF INTEREST

Potential for conflict of interest arises when it is likely that you could be influenced, or it could be perceived that you are influenced by a personal interest when carrying out your duties. Conflicts of interest that lead to biased decision making may constitute corrupt conduct.

- (a) Some situations that may give rise to a conflict of interest include situations where you have:
 - (i) financial interests in a matter the Company deals with or you are aware that your friends or relatives have a financial interest in the matter;
 - (ii) directorships/management of outside organisations;
 - (iii) membership of boards of outside organisations;
 - (iv) personal relationships with people the Company is dealing with which go beyond the level of a professional working relationship;
 - (v) secondary employment, business, commercial, or other activities outside of the workplace which impacts on your duty and obligations to the Company;
 - (vi) access to information that can be used for personal gain; and
 - (vii) offer of an inducement.
- (b) You may often be the only person aware of the potential for conflict. It is your responsibility to avoid any conflict from arising that could compromise your ability to perform your duties impartially. You must report any potential or actual conflicts of interest to your manager.
- (c) If you are uncertain whether a conflict exists, you should discuss that matter with your manager and attempt to resolve any conflicts that may exist.
- (d) You must not submit or accept any bribe, or other improper inducement. Any such inducements are to be reported to your manager.

5. PUBLIC AND MEDIA COMMENT

- (a) Individuals have a right to give their opinions on political and social issues in their private capacity as members of the community.
- (b) Employees must not make official comment on matters relating to the Company unless they are:
 - (i) authorised to do so by the Managing Director and Chief Executive Officer; or

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- (ii) giving evidence in court; or
 - (iii) otherwise authorised or required to by law.
- (c) Employees must not release unpublished or privileged information unless they have the authority to do so from the Managing Director and Chief Executive Officer.

6. USE OF COMPANY RESOURCES

Requests to use Company resources outside core business time should be referred to management for approval.

If employees are authorised to use Company resources outside core business times they must take responsibility for maintaining, replacing, and safeguarding the property and following any special directions or conditions that apply.

Employees using Company resources *without* obtaining prior approval could face disciplinary and/or criminal action. Company resources are not to be used for any private commercial purposes.

7. SECURITY OF INFORMATION

Employees are to make sure that confidential and sensitive information cannot be accessed by unauthorised persons. Sensitive material should be securely stored overnight or when unattended. Employees must ensure that confidential information is only disclosed or discussed with people who are authorised to have access to it. It is considered a serious act of misconduct to deliberately release confidential documents or information to unauthorised persons, and may incur disciplinary action.

8. INTELLECTUAL PROPERTY/COPYRIGHT

Intellectual property includes the rights relating to scientific discoveries, industrial designs, trademarks, service marks, commercial names and designations, and inventions and is valuable to the Company.

The Company is the owner of intellectual property created by employees in the course of their employment unless a specific prior agreement has been made. Employees must obtain written permission to use any such intellectual property from the Company Secretary/Group Legal Counsel before making any use of that property for purposes other than as required in their role as employee.

9. DISCRIMINATION AND HARASSMENT

Employees must not harass, discriminate, or support others who harass and discriminate against colleagues or members of the public on the grounds of sex, pregnancy, marital status, age, race (including their colour, nationality, descent, ethnic or religious background), physical or intellectual impairment, homosexuality or transgender.

Such harassment or discrimination may constitute an offence under legislation. Managers should understand and apply the principles of Equal Employment Opportunity.

10. CORRUPT CONDUCT

Corrupt conduct involves the dishonest or partial use of power or position which results in one person/group being advantaged over another. Corruption can take many forms including, but not limited to:

- (a) official misconduct;
- (b) bribery and blackmail;
- (c) unauthorised use of confidential information;
- (d) fraud; and
- (e) theft.

Corrupt conduct will not be tolerated by the Company. Disciplinary action up to and including dismissal will be taken in the event of any employee participating in corrupt conduct.

11. OCCUPATIONAL HEALTH AND SAFETY

It is the responsibility of all employees to act in accordance with occupational health and safety legislation, regulations and policies applicable to their respective organisations and to use security and safety equipment provided.

Specifically all employees are responsible for safety in their work area by:

- (a) following the safety and security directives of management;
- (b) advising management of areas where there is potential problem in safety and reporting suspicious occurrences; and
- (c) minimising risks in the workplace.

12. LEGISLATION

It is essential that all employees comply with the laws and regulations of the countries in which we operate. Violations of such laws may have serious consequences for the Company and any individuals concerned. Any known violation must be reported immediately to management.

13. FAIR DEALING

The Company aims to succeed through fair and honest competition and not through unethical or illegal business practices. Each employee should endeavour to deal fairly with the Company's suppliers, customers and other employees.

14. INSIDER TRADING

All employees must observe the Company's "Guidelines for buying and selling securities". In conjunction with the legal prohibition on dealing in the Company's securities when in possession of unpublished price sensitive information, the Company has established specific time periods when Directors,

management and employees are permitted to buy and sell the Company's securities.

15. RESPONSIBILITIES TO INVESTORS

The Company strives for full, fair and accurate disclosure of financial and other information on a timely basis.

16. BREACHES OF THE CODE OF CONDUCT

Employees should note that breaches of certain sections of this Code of Conduct may be punishable under legislation.

Breaches of this Code of Conduct may lead to disciplinary action. The process for disciplinary action is outlined in Company policies and guidelines, relevant industrial awards and agreements.

17. REPORTING MATTERS OF CONCERN

Employees are encouraged to raise any matters of concern in good faith with the head of their business unit or with the Company Secretary/Group Legal Counsel, without fear of retribution.

SCHEDULE 3
AUDIT AND RISK COMMITTEE CHARTER

1. ROLE

The role of the Audit and Risk Committee is to assist the Board in monitoring and reviewing any matters of significance affecting financial reporting and compliance. This Charter defines the Audit and Risk Committee's function, composition, mode of operation, authority and responsibilities.

2. COMPOSITION

- (a) The Committee must comprise at least three members.
- (b) Any two members of the Committee must be non-executive Directors.
- (c) A majority of the members of the Committee must be independent non-executive Directors in accordance with the criteria set out in Annexure A.
- (d) The Board will appoint members of the Committee. The Board may remove and replace members of the Committee by resolution.
- (e) All members of the Committee must be able to read and understand financial statements.
- (f) The Chairman of the Committee may not be the Chairman of the Board of Directors and must be independent.
- (g) The Chairman shall have leadership experience and a strong finance, accounting or business background.
- (h) The external auditors, the other Directors, the Managing Director, Chief Financial Officer, Company Secretary and senior executives, may be invited to Committee meetings at the discretion of the Committee.

3. PURPOSE

The primary purpose of the Committee is to assist the Board in fulfilling its statutory and fiduciary responsibilities relating to:

- (a) the quality and integrity of the Company's financial statements, accounting policies and financial reporting and disclosure practices;
- (b) compliance with all applicable laws, regulations and company policy;
- (c) the effectiveness and adequacy of internal control processes;
- (d) the performance of the Company's external auditors and their appointment and removal;
- (e) the independence of the external auditor and the rotation of the lead engagement partner; and

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- (f) the identification and management of business risks.

A secondary function of the Committee is to perform such special reviews or investigations as the Board may consider necessary.

4. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

4.1 Review of Financial Reports

- (a) Review the appropriateness of the accounting principles adopted by management in the financial reports and the integrity of the Company's financial reporting.
- (b) Oversee the financial reports and the results of the external audits of those reports.
- (c) Assess whether external reporting is adequate for shareholder needs.
- (d) Assess management processes supporting external reporting.
- (e) establish procedures for treatment of accounting complaints.
- (f) review the impact of any proposed changes in accounting policies on the financial statements.
- (g) Review the quarterly, half yearly and annual results.

4.2 Relationship with External Auditors

- (a) Recommend to the Board procedures for the selection and appointment of external auditors and for the rotation of external auditor partners.
- (b) Review performance, succession plans and rotation of lead engagement partner.
- (c) Approve the external audit plan and fees proposed for audit work to be performed.
- (d) Discuss any necessary recommendations to the Board for the approval of quarterly, half yearly or annual reports.
- (e) Review the adequacy of accounting and financial controls together with the implementation of any recommendations of the external auditor in relation thereto.
- (f) Meet with the external auditors at least twice in each financial period without management being present and at any other time the Committee considers appropriate.
- (g) Provide pre-approval of audit and non-audit services that are to be undertaken by the external auditor.
- (h) Ensure adequate disclosure as may be required by law of the Committee's approval of all non-audit services provided by the external auditor.

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- (i) Ensure that the external auditor prepares and delivers an annual statement as to their independence which includes details of all relationships with the Company.
 - (j) Receive from the external auditor their report on, among other things, critical accounting policies and alternative accounting treatment, prior to the filing of their audit report in compliance with the Corporations Act and with US Securities and Exchange Commission (**SEC**) requirements.

4.3 Internal Audit Function

- (a) Monitor the need for a formal internal audit function and its scope.
- (b) Assess the performance and objectivity of any internal audit procedures that may be in place.
- (c) Review risk management and internal compliance procedures.
- (d) Monitor the quality of the accounting function.
- (e) Review the Internal Control Reports on a quarterly basis.

4.4 Risk Management

- (a) Oversee the Company's risk management systems, practices and procedures to ensure effective risk identification and management and compliance with internal guidelines and external requirements.
- (b) Review reports by management on the efficiency and effectiveness of risk management and associated internal compliance and control procedures.

4.5 Other

- (a) The Committee will oversee the Company's environmental risk management and occupational health and safety processes.
- (b) The Committee will oversee procedures for whistleblower protection.
- (c) Monitor related party transactions.

5. MEETINGS

- (a) The Committee will meet at least each financial quarter and additionally as circumstances may require for it to undertake its role effectively.
- (b) Meetings are called by the Secretary as directed by the Board or at the request of the Chairman of the Committee.
- (c) Where deemed appropriate by the Chairman of the Committee, meetings and subsequent approvals and recommendations can be implemented by a circular written resolution or conference call.

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- (d) A quorum shall consist of two members of the Committee. In the absence of the Chairman of the Committee or their nominees, the members shall elect one of their members as Chairman of that meeting.
 - (e) Decisions will be based on a majority of votes with the Chairman having a casting vote.
 - (f) The Committee Chairman, through the Secretary, will prepare a report of the actions of the Committee to be included in the Board papers for the next board meeting.
 - (g) Minutes of each meeting are included in the papers for the next full Board meeting after each Committee meeting.

6. SECRETARY

- (a) The Company Secretary or their nominee shall be the Secretary of the Committee and shall attend meetings of the Committee as required.
- (b) The Secretary will be responsible for keeping the minutes of meetings of the Committee and circulating them to Committee members and to the other members of the Board.
- (c) The Secretary shall distribute supporting papers for each meeting of the Committee as far in advance as possible.

7. RELIANCE ON INFORMATION OR PROFESSIONAL OR EXPERT ADVICE

Each member of the Committee is entitled to rely on information, or professional or expert advice, to the extent permitted by law, given or prepared by:

- (a) an employee of the Group whom the member believes on reasonable grounds to be reliable and competent in relation to the matters concerned;
- (b) a professional adviser or expert in relation to matters that the member believes on reasonable grounds to be within the person's professional or expert competence; or
- (c) another Director or officer of the Group in relation to matters within the Director's or officer's authority.

8. ACCESS TO ADVICE

- (a) Members of the Committee have rights of access to management and to the books and records of the Company to enable them to discharge their duties as Committee members, except where the Board determines that such access would be adverse to the Company's interests.
- (b) Members of the Committee may meet with the auditors, both internal and external, without management being present.

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- (c) Members of the Committee may consult independent legal counsel or other advisers they consider necessary to assist them in carrying out their duties and responsibilities, subject to prior consultation with the Chairman. Any costs incurred as a result of the Committee consulting an independent expert will be borne by the Company.

9. REVIEW OF CHARTER

- (a) The Board will conduct an annual review of the membership to ensure that the Committee has carried out its functions in an effective manner, and will update the Charter as required or as a result of new laws or regulations.
- (b) The Charter shall be made available to members on request, to senior management, to the external auditor and to other parties as deemed appropriate and will be posted to the Company's website.

10. REPORT TO THE BOARD

- (a) The Committee must report to the Board formally at the next Board meeting following from the last Committee meeting on matters relevant to the Committee's role and responsibilities.
- (b) The Committee must brief the Board promptly on all urgent and significant matters.

SCHEDULE 4
REMUNERATION COMMITTEE CHARTER

1. GENERAL SCOPE AND AUTHORITY

- (a) The Remuneration Committee is a Committee of the Board of MINREX RESOURCES LIMITED.
- (b) The primary purpose of the Committee is to support and advise the Board in fulfilling its responsibilities to shareholders by:
 - (i) reviewing and approving the executive remuneration policy to enable the Company to attract and retain executives and Directors who will create value for shareholders;
 - (ii) ensuring that the executive remuneration policy demonstrates a clear relationship between key executive performance and remuneration;
 - (iii) recommending to the Board the remuneration of executive Directors;
 - (iv) fairly and responsibly rewarding executives having regard to the performance of the Group, the performance of the executive and the prevailing remuneration expectations in the market;
 - (v) reviewing the Company's recruitment, retention and termination policies and procedures for senior management;
 - (vi) reviewing and approving the remuneration of director reports to the Managing Director, and as appropriate other senior executives; and
 - (vii) reviewing and approving any equity based plans and other incentiveschemes.
- (c) The Committee shall have the right to seek any information it considers necessary to fulfil its duties, which includes the right to obtain appropriate external advice at the Company's expense.

2. COMPOSITION

- (a) The Committee shall comprise at least three Directors.
- (b) The Committee will be chaired by an independent Director who will be appointed by the Board.
- (c) The Board may appoint such additional non-executive Directors to the Committee or remove and replace members of the Committee by resolution.
- (d) A quorum will comprise any two independent non-executive Director Committee members. In the absence of the Committee Chairman or appointed delegate, the members shall elect one of their number as Chairman for that meeting.

3. SECRETARY

- (a) The Company Secretary or their nominee shall be the Secretary of the Committee, and shall attend meetings of the Committee as required.
- (b) The Secretary will be responsible for keeping the minutes of meeting of the Committee and circulating them to Committee members and to the other members of the Board.
- (c) The Secretary shall distribute supporting papers for each meeting of the Committee as far in advance as possible.

4. MEETINGS

- (a) The Committee will meet at least once per year and additionally as circumstances may require.
- (b) Meetings are called by the Secretary as directed by the Board or at the request of the Chairman of the Committee.
- (c) A quorum shall comprise any two members of the Committee. In the absence of the Committee Chairman or appointed delegate, the members shall elect one of their members as Chairman.
- (d) Where deemed appropriate by the Chairman of the Committee, meetings and subsequent approvals may be held or concluded by way of a circular written resolution or a conference call.
- (e) Decisions will be based on a majority of votes with the Chairman having the casting vote.
- (f) The Committee may invite any executive management team members or other individuals, including external third parties, to attend meetings of the Committee, as they consider appropriate.

5. ACCESS

- (a) Members of the Committee have rights of access to the books and records of the Company to enable them to discharge their duties as Committee members, except where the Board determines that such access would be adverse to the Company's interests.
- (b) The Committee may consult independent experts to assist it in carrying out its duties and responsibilities. Any costs incurred as a result of the Committee consulting an independent expert will be borne by the Company.

6. DUTIES AND RESPONSIBILITIES

In order to fulfil its responsibilities to the Board the Committee shall:

(a) **Executive Remuneration Policy**

- (i) Review and approve the Group's recruitment, retention and termination policies and procedures for senior executives to enable the Company to attract and retain executives and Directors who can create value for shareholders.
- (ii) Review the on-going appropriateness and relevance of the executive remuneration policy and other executive benefit programs.
- (iii) Ensure that remuneration policies fairly and responsibly reward executives having regard to the performance of the Company, the performance of the executive and prevailing remuneration expectations in the market.

(b) **Executive Directors and Senior Management**

- (i) Consider and make recommendations to the Board on the remuneration for each executive Director (including base pay, incentive payments, equity awards, retirement rights, service contracts) having regard to the executive remuneration policy.
- (ii) Review and approve the proposed remuneration (including incentive awards, equity awards and service contracts) for the direct reports of the Managing Director and Chief Executive Officer. As part of this review the Committee will oversee an annual performance evaluation of the executive team. This evaluation is based on specific criteria, including the business performance of the Company and its subsidiaries, whether strategic objectives are being achieved and the development of management and personnel.

(c) **Executive Incentive Plan**

Review and approve the design of any executive incentive plans.

(d) **Equity Based Plans**

- (i) Review and approve any equity based plans that may be introduced (**Plans**) in the light of legislative, regulatory and market developments.
- (ii) For each Plan, determine each year whether awards will be made under that Plan.
- (iii) Review and approve total proposed awards under each Plan.
- (iv) In addition to considering awards to executive Directors and direct reports to the Managing Director and Chief Executive Officer, review and approve proposed awards under each

plan on an individual basis for executives as required under the rules governing each plan or as determined by the Committee.

- (v) Review, approve and keep under review performance hurdles for each equity based plan.

- (e) **Other**

The Committee shall perform other duties and activities that it or the Board considers appropriate.

7. APPROVALS

The Committee must approve the following prior to implementation:

- (a) changes to the remuneration or contract terms of executive Directors and direct reports to the Managing Director and the Chief Executive Officer;
- (b) the Plans or amendments to current equity plans or executive cash-based incentive plans;
- (c) total level of awards proposed from equity plans or executive cash-based incentive plans; and
- (d) termination payments to executive Directors or direct reports to the Managing Director. Termination payments to other departing executives should be reported to the Committee at its next meeting.

**SCHEDULE 5
NOMINATION COMMITTEE CHARTER**

1. GENERAL SCOPE AND AUTHORITY

- (a) The Nomination Committee is a Committee of the Board of MINREX RESOURCES LIMITED.
- (b) The primary purpose of the Committee is to support and advise the Board in:
 - (i) maintaining a Board that has an appropriate mix of skills and experience to be an effective decision-making body; and
 - (ii) ensuring that the Board is comprised of Directors who contribute to the successful management of the Company and discharge their duties having regard to the law and the highest standards of corporate governance.

2. COMPOSITION

- (a) The Committee shall comprise at least two non-executive Directors, the majority of whom must be independent, one of whom will be appointed the Committee Chairman.
- (b) The Board may appoint additional non-executive Directors to the Committee or remove and replace members of the Committee by resolution.

3. SECRETARY

- (a) The Company Secretary or their nominee shall be the Secretary of the Committee and shall attend meetings of the Committee as required.
- (b) The Secretary will be responsible for keeping the minutes of meetings of the Committee and circulating them to Committee members and to the other members of the Board.
- (c) The Secretary shall distribute supporting papers for each meeting of the Committee as far in advance as possible.

4. MEETINGS

- (a) The Committee will meet at least once a year and additionally as circumstances may require.
- (b) Meetings are called by the Secretary as directed by the Board or at the request of the Chairman of the Committee.
- (c) Where deemed appropriate by the Chairman of the Committee, meetings and subsequent approvals may be held or concluded by way of a circular written resolution or conference call.
- (d) A quorum shall comprise any three members of the Committee. In the absence of the Committee Chairman or appointed delegate, the members shall elect one of their number as Chairman.

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- (e) Decisions will be based on a majority of votes with the Chairman having a casting vote.
 - (f) The Committee may invite executive management team members or other individuals, including external third parties to attend meetings of the Committee, as they consider appropriate.

5. ACCESS

- (a) Members of the Committee have rights of access to the books and records of the Company to enable them to discharge their duties as Committee members, except where the Board determines that such access would be adverse to the Company's interests.
- (b) The Committee may consult independent experts where the Committee considers this necessary to carry out its duties and responsibilities. Any costs incurred as a result of the Committee consulting an independent expert will be borne by the Company.

6. RESPONSIBILITIES

The Committee shall periodically review and consider the structure and balance of the Board and make recommendations regarding appointments, retirements and terms of office of Directors. In particular, the Committee is to:

- (a) identify and recommend to the Board candidates for the Board after considering the necessary and desirable competencies of new Board members to ensure the appropriate mix of skills and experience and after assessment of how the candidates can contribute to the strategic direction of the Company;
- (b) approve and review induction procedures for new appointees of the Board to ensure that they can effectively discharge their responsibilities;
- (c) assess and consider the time required to be committed by a non-executive Director to properly fulfil their duty to the Company and advise the Board.
- (d) consider and recommend to the Board candidates for election or re-election to the Board at each annual shareholders' meeting;
- (e) review Directorships in other public companies held by or offered to Directors and senior executives of the Company;
- (f) review succession plans for the Board with a view to maintaining an appropriate balance of skills and experience on the Board;
- (g) arrange an annual performance evaluation of the Board, its Committee and individual Directors;
- (h) make recommendations to the Board on the appropriate size and composition of the Board; and
- (i) make recommendations to the Board on the terms and conditions of appointment to, and removal and retirement from, the Board.

SCHEDULE 6
DISCLOSURE – PERFORMANCE EVALUATION

The nomination Committee will arrange a performance evaluation of the Board, its Committees and its individual Directors on an annual basis. To assist in this process an independent advisor may be used.

The Nomination Committee will conduct an annual review of the role of the Board, assess the performance of the Board over the previous 12 months and examine ways of assisting the Board in performing its duties more effectively.

The review will include:

- (a) comparing the performance of the Board with the requirements of its Charter;
- (b) examination of the Board's interaction with management;
- (c) the nature of information provided to the Board by management; and
- (d) management's performance in assisting the Board to meet its objectives.

A similar review will be conducted for each Committee by the Board with the aim of assessing the performance of each Committee and identifying areas where improvements can be made.

The Remuneration Committee will oversee the performance evaluation of the executive team. This evaluation is based on specific criteria, including the business performance of the Company and its subsidiaries, whether strategic objectives are being achieved and the development of management and personnel.

SCHEDULE 7
DISCLOSURE – CONTINUOUS DISCLOSURE

MINREX RESOURCES LIMITED must comply with continuous disclosure requirements arising from legislation, the Listing Rules of the Australian Securities Exchange (**ASX**).

The general rule, in accordance with ASX Listing Rule 3.1, is that once the Company becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price of value of the Company's securities, the Company must immediately disclose that information to the ASX.

The Company has in place a written policy on information disclosure and relevant procedures.

The focus of these procedures is on continuous disclosure compliance and improving access to information for investors.

The Company Secretary is responsible for:

- (a) overseeing and co-ordinating disclosure of information to the relevant Securities exchanges and shareholders; and
- (b) providing guidance to Directors and employees on disclosure requirements and procedures.

Price sensitive information is publicly released through ASX. Distribution of other information to shareholders and market participants is also managed through disclosure to the ASX.

Information will be posted on the Company's website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

**SCHEDULE 8
DISCLOSURE – RISK MANAGEMENT**

1. DISCLOSURE – RISK MANAGEMENT REVIEW PROCEDURE AND INTERNAL COMPLIANCE AND CONTROL

The Board determines the Company's "risk profile" and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control.

The Board has delegated to the Audit and Risk Committee responsibility for implementing the risk management system.

The Audit and Risk Committee will submit particular matters to the Board for its approval or review. Among other things it will:

- (a) oversee the Company's risk management systems, practices and procedures to ensure effective risk identification and management and compliance with internal guidelines and external requirements;
- (b) assist management to determine the key risks to the businesses and prioritise work to manage those risks; and
- (c) review reports by management on the efficiency and effectiveness of risk management and associated internal compliance and control procedures.

The Company's process of risk management and internal compliance and control includes:

- (a) identifying and measuring risks that might impact upon the achievement of the Company's goals and objectives, and monitoring the environment for emerging factors and trends that affect these risks.
- (b) Formulating risk management strategies to manage identified risks, and designing and implementing appropriate risk management policies and internal controls.
- (c) Monitoring the performance of, and improving the effectiveness of, risk management systems and internal compliance and controls, including regular assessment of the effectiveness of risk management and internal compliance and control.

To this end, comprehensive practises are in place that are directed towards achieving the following objectives:

- (a) compliance with applicable laws and regulations.
- (b) preparation of reliable published financial information.
- (c) implementation of risk transfer strategies where appropriate e.g. insurance.

The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. Management is required to assess risk management and associated internal compliance and control procedures and report back quarterly to the Audit and Risk Committee.

The Board will review assessments of the effectiveness of risk management and internal compliance and control on an annual basis.

SCHEDULE 9
GUIDELINES FOR BUYING AND SELLING SECURITIES

1. INTRODUCTION

These guidelines set out the policy on the sale and purchase of securities in MINREX RESOURCES LIMITED by its Directors and employees.

Directors of the Company (**Directors**) and employees are encouraged to be long-term holders of the Company's securities. However, it is important that care is taken in the timing of any purchase or sale of such securities.

The purpose of these guidelines is to assist Directors and employees to avoid conduct known as 'insider trading'. In some respects, the Company's policy extends beyond the strict requirements of the Corporations Act.

2. WHAT TYPES OF TRANSACTIONS ARE COVERED BY THIS POLICY?

- (a) This policy applies to both the sale and purchase of any securities of MINREX RESOURCES LIMITED and its subsidiaries.

3. WHAT IS INSIDER TRADING?

3.1 Prohibition

Insider trading is a criminal offence. It may also result in civil liability. In broad terms, a person will be guilty of insider trading if:

- (a) that person possesses information which is not generally available to the market and, if it were generally available to the market, would be likely to have a material effect on the price or value of the Company's securities (ie, information that is 'price sensitive');
- (b) and that person:
- (i) buys or sells securities in the Company; or
 - (ii) procures someone else to buy or sell securities in the Company; or
 - (iii) passes on that information to a third party where that person knows, or ought reasonably to know, that the third party would be likely to buy or sell the securities or procure someone else to buy or sell the securities of the Company.

3.2 Examples

To illustrate the prohibition described above, the following are possible examples of price sensitive information which, if made available to the market, may be likely to affect materially the price of the Company's securities:

- (a) the Company considering a major acquisition or disposal of assets;
- (b) the threat of major litigation against the Company;

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- (c) the Company's sales and profit results materially exceeding (or falling short of) the market's expectations;
 - (d) a material change in debt, liquidity or cash flow;
 - (e) a significant new development proposal ie, new product or technology;
 - (f) the granting (or loss) or a major contract;
 - (g) management or business restructuring proposal; and
 - (h) a share issue proposal.

3.3 Dealing through third parties

A person does not need to be a Director or employee of the Company to be guilty of insider trading in relation to securities in the Company. The prohibition extends to dealings by Directors and employees through nominees, agents or other associates, such as family members, family trusts and family companies (referred to as "Associates" in these guidelines).

3.4 Information however obtained

It does not matter how or where the person obtains the information – it does not have to be obtained from the Company to constitute inside information.

3.5 Employee share schemes

The prohibition does not apply to acquisitions of shares or options by employees made under employee share or option schemes, nor does it apply to the acquisition of shares as a result of the exercise of options under an employee option scheme. However, the prohibition does apply to the sale of shares acquired under an employee share scheme and also to the sale of shares acquired following the exercise of an option granted under an employee option scheme.

4. GUIDELINES FOR TRADING IN THE COMPANY'S SECURITIES

4.1 General rule

The time for any Director or employee to buy or sell Company securities is limited to the four (4) week period from the:

- (a) date of the Company's Annual General Meeting;
- (b) release of the quarterly results announcement to the Australian Securities Exchange (**ASX**);
- (c) release of the half yearly results announcement to the ASX;
- (d) release of the preliminary final results announcement to the ASX; or
- (e) release of a disclosure document offering securities in the Company.

The Company may at its discretion vary this rule in relation to a particular period by general announcement to all employees either before or during the period.

However, if a Director or employee of the Company is in possession of price sensitive information which is not generally available to the market, then he or she must not deal in the Company's securities at **any** time.

4.2 No short-term trading in the Company's securities

Directors and employees should never engage in short-term trading of the Company's securities except for the exercise of options where the shares will be sold shortly thereafter.

4.3 Securities in other companies

Buying and selling securities of other companies with which the Company may be dealing is prohibited where an individual possesses information which is not generally available to the market and is 'price sensitive'. For example, where an individual is aware that the Company is about to sign a major agreement with another company, they should not buy securities in either the Company or the other company.

4.4 Exceptions

- (a) Directors and all employees may at any time:
- (i) acquire ordinary shares in the Company by conversion of securities giving a right of conversion to ordinary shares;
 - (ii) acquire Company securities under a bonus issue made to all holders of securities of the same class;
 - (iii) acquire Company securities under a dividend reinvestment, or top-up plan that is available to all holders of securities of the same class;
 - (iv) acquire, or agree to acquire or exercise options under a Company Share Option Plan;
 - (v) withdraw ordinary shares in the Company held on behalf of the employee in an employee share plan where the withdrawal is permitted by the rules of that plan; and
 - (vi) acquire ordinary shares in the Company as a result of the exercise of options held under an employee option scheme.
- (b) It is noted that the Company does not have in place any active share or option plans. However, it should be noted that should it do so:
- (i) it is not permissible to provide the exercise price of options by selling the shares acquired on the exercise of these options unless the sale of those shares occurs during one of the 4 week periods specified in paragraph 4.1; and
 - (ii) where the exercise price of options is being provided by a margin loan or other form of lending arrangement then there may be a risk that the employee or Director may need to sell shares to avoid providing additional capital or security to the lender in the event of a decrease in the value of the shares.

Were this to occur at a time when the person possessed inside information then the sale of Company securities would be a breach of insider trading laws, even though the person's decision to sell was not influenced by the inside information that the person possessed and the person may not have made a profit on the sale. Where Company securities are provided to a lender as security by way of mortgage or charge a sale that occurs under that mortgage or charge as a consequence of default would not breach insider trading laws.

4.5 Notification of periods when Directors and employees can trade

The Company Secretary's Department will endeavour to notify all Directors and employees of the times when they are permitted to buy or sell the Company's securities as set out in paragraph 4.1.

5. APPROVAL AND NOTIFICATION REQUIREMENTS

Any Director wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the prior approval of the Chairman or the Board before doing so.

If the Chairman wishes to buy, sell or exercise rights in relation to the Company's securities the Chairman must obtain the prior approval of the Deputy Chairman or the Board before doing so.

Any first or second line reports of the Chief Executive Officer wishing to buy, sell or exercise rights in relation to the Company's securities must obtain his prior approval before doing so.

Any Director or employee who (or through his or her Associates) buys, sells, or exercises rights in relation to Company securities **must** notify the Assistant Company Secretary in writing of the details of the transaction within five (5) business days of the transaction occurring. This notification obligation operates at all times but does not apply to acquisitions of shares or options by employees made under employee share or option schemes, nor does it apply to the acquisition of shares as a result of the exercise of options under an employee optionscheme.

The form to complete and send to the Company Secretary's Department is available on request from the Assistant Company Secretary.

6. ASX NOTIFICATION FOR DIRECTORS

The ASX Listing Rules require the Company to notify the ASX within 5 business days after any dealing in securities of the Company (either personally or through an Associate) which results in a change in the relevant interests of a Director in the securities of the Company. The Company has made arrangements with each Director to ensure that the Director promptly discloses to the Company Secretary all the information required by the ASX.

7. EFFECT OF COMPLIANCE WITH THIS POLICY

Compliance with these Guidelines for trading in the Company's securities does not absolve that individual from complying with the law, which must be the overriding consideration when trading in the Company's securities.

SCHEDULE 10 SHAREHOLDER COMMUNICATIONS STRATEGY

The Board of the Company aims to ensure that the shareholders are informed of all major developments affecting the Company's state of affairs.

Information is communicated to shareholders through:

1. the Annual Report delivered by post and which is also placed on the Company's website;
2. the half yearly report which is placed on the Company's website;
3. the quarterly reports which are placed on the Company's website;
4. disclosures and announcements made to the Australian Securities Exchange, the New Zealand Stock Exchange and the Securities and Exchange Commission in the United States, copies of which are placed on the Company's website;
5. notices and explanatory memoranda of Annual General Meetings (**AGM**) and Extraordinary General Meetings (**EGM**) copies of which are placed on the Company's website;
6. the Chairman's address and the Managing Director's address made at the AGMs and the EGMs, copies of which are placed on the Company's website;
7. the Company's website, www.minrex.com.au on which the Company posts all announcements which it makes to the ASX; and
8. the auditor's lead engagement partner being present at the AGM to answer questions from shareholders about the conduct of the audit and the preparation and content of the auditor's report.

Shareholders can register with the Company's Registrar to receive email notifications of when an announcement is made by the Company to the ASX, including the release of the annual, half yearly and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted.

The Company is reviewing its website to identify ways in which it can promote its greater use by shareholders and make it more informative.

At least three historical years of the Company's Annual Report is provided on the Company's website.

Shareholders queries should be referred to the Company Secretary in the first instance.

SCHEDULE 11 GENDER DIVERSITY

1. INTRODUCTION

The Company and all its related bodies corporate are committed to workplace diversity.

The Company recognises the benefits arising from employee and board diversity, including a broader pool of high quality employees, improving employee retention, accessing different perspectives and ideas and benefiting from all available talent.

Diversity includes, but is not limited to, gender, age, ethnicity and cultural background.

To the extent practicable, the Company will address the recommendations and guidance provided in the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations (ASX Principles)*.

This Diversity Policy does not form part of an employee's contract of employment with The Company, nor gives rise to contractual obligations. However, to the extent that the Diversity Policy requires an employee to do or refrain from doing something and at all times subject to legal obligations, this Diversity Policy forms a direction of the Company with which an employee is expected to comply.

2. OBJECTIVES

The Diversity Policy provides a framework for the Company to achieve:

- (a) a diverse and skilled workforce, leading to continuous improvement in service delivery and achievement of corporate goals;
- (b) a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff;
- (c) improved employment and career development opportunities for women;
- (d) a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives through improved awareness of the benefits of workforce diversity and successful management of diversity; and
- (e) awareness in all staff of their rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity,

(collectively, the **Objectives**).

This Diversity Policy does not impose on the Company, its directors, officers, agents or employee any obligation to engage in, or justification for engaging in, any conduct which is illegal or contrary to any anti-discrimination or equal employment opportunity legislation or laws in any State or Territory of Australia or of any foreign jurisdiction.

3. RESPONSIBILITIES

3.1 The Board's commitment

The Company's Board is committed to workplace diversity, with a particular focus on supporting the representation of women at the senior level of The Company and on the Company Board.

The Board is responsible for developing measurable objectives and strategies to meet the Objectives of the Diversity Policy (**Measurable Objectives**) and monitoring the progress of the Measurable Objectives through the monitoring, evaluation and reporting mechanisms listed below.

The Board may also set Measurable Objectives for achieving gender diversity and monitor their achievement.

The Board will conduct all Board appointment processes in a manner that promotes gender diversity, including establishing a structured approach for identifying a pool of candidates, using external experts where necessary.

3.2 Strategies

The Company's diversity strategies include:

- (a) recruiting from a diverse pool of candidates for all positions, including senior management and the Board;
- (b) reviewing succession plans to ensure an appropriate focus on diversity;
- (c) identifying specific factors to take account of in recruitment and selection processes to encourage diversity;
- (d) developing programs to develop a broader pool of skilled and experienced senior management and board candidates, including, workplace development programs, mentoring programs and targeted training and development;
- (e) developing a culture which takes account of domestic responsibilities of employees; and
- (f) any other strategies the Board develops from time to time.

4. MONITORING AND EVALUATION

The Chairman will monitor the scope and currency of this policy.

The Company is responsible for implementing, monitoring and reporting on the Measurable Objectives.

Measurable Objectives as set by the Board will be included in the annual key performance indicators for the Managing Director/CEO and senior executives.

In addition, the Board will review progress against the Objectives as a key performance indicator in its annual performance assessment.

5. REPORTING

The Board will include in the Annual Report each year:

- (a) the Measurable Objectives, if any, set by the Board;
- (b) progress against the Objectives; and
- (c) the proportion of women employees in the whole organisation, at senior management level and at Board level.

ANNEXURE A
DEFINITION OF INDEPENDENCE

1. ASX CORPORATE GOVERNANCE COUNCIL BEST PRACTICE RECOMMENDATIONS

An independent Director is a non-executive Director (i.e. is not a member of management) and:

- (a) holds less than 5% of the voting shares of the Company and is not an officer of, or otherwise associated directly or indirectly with, a shareholder of more than 5% of the voting shares of the Company;
- (b) within the last three years has not been employed in an executive capacity by the Company or another group member, or been a Director after ceasing to hold any such employment;
- (c) within the last three years has not been a principal of a material professional adviser or a material consultant to the Company or another group member, or an employee materially associated with the service provided;
- (d) is not a material supplier or customer of the Company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- (e) has no material contractual relationship with the Company or another group member other than as a Director of the Company;
- (f) has not served on the board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company; and
- (g) is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

The materiality thresholds are assessed on a case-by-case basis, taking into account the relevant Director's specific circumstances, rather than referring to a general materiality threshold.