



ABN 81 151 185 867

Corporate Governance Statement

The Company is committed to implementing the highest standards of corporate governance. In determining what those high standards should involve the Company has considered the ASX Corporate Governance Council's *Principles of Good Corporate Governance and Recommendations*.

In line with the above, the Board has set out the way forward for the Company in its implementation of its Principles of Good Corporate Governance and Recommendations. The approach taken by the board was to set a blueprint for the Company to follow as it introduces elements of the governance process. Due to the current size of the Company and the scale of its operations it is neither practical nor economic for the adoption of all of the recommendations approved via the board charter. Where the Company has not adhered to the recommendations it has stated that fact in this Corporate Governance Statement however has set out a mandate for future compliance when the size of the Company and the scale of its operations warrants the introduction of those recommendations. Date of last review and Board approval: 26 September 2019.

Principle / Recommendation	Compliance	Reference	Commentary
Principle 1: Lay solid foundations for management and oversight			
<u>Recommendation 1.1</u> A listed entity should disclose: <ol style="list-style-type: none"> the respective roles and responsibilities of its board and management; and those matters expressly reserved to the board and those delegated to management. 	Yes	Board Charter & Corporate Code of Conduct, Website	The Company's Board Charter sets out the roles and responsibilities of members of the Board. This charter can be found at Schedule 1 of the Company's Corporate Governance plan, which is located on the Company's website, www.minrex.com.au/company-profile/corporate-governance At present, the Company has not employed any executive management, as the size and scope of the Company's operations has not warranted the cost of such appointments.
<u>Recommendation 1.2</u> A listed entity should: <ol style="list-style-type: none"> undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and provide security holders with all material information in its possession relevant to a 	Yes	Director Selection Procedure, Website	Appropriate checks are undertaken by members of the Board, prior to the appointment of any new Directors.

<p>decision on whether or not to elect or re-elect a director.</p>			
<p>Recommendation 1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>Yes</p>	<p>Kept at Company Secretary's office</p>	<p>Formal agreements have been drawn up at time of appointment.</p>
<p>Recommendation 1.4 The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.</p>	<p>Yes</p>	<p>Board Charter, Website</p>	<p>The Company Secretary works closely with the Board Chairman but is also available to each Board Member and each Board Member available to the Company Secretary.</p> <p>The Company Secretary is accountable to the Board. The Board relies on the Company Secretary for guidance on governance matters, monitoring of board policies, preparation of board papers and any other matters required by the Board.</p> <p>The duties provided by the Company Secretary are detailed in the agreement between the company and Mining Corporate Pty Ltd, the company providing company secretarial services.</p> <p>For full details of the Board and Company Secretary roles and responsibilities refer to the Board Charter.</p>
<p>Recommendation 1.5 A listed entity should:</p> <ul style="list-style-type: none"> a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; b) disclose that policy or a summary of it; and c) disclose as at the end of each reporting period the 	<p>Partial</p>	<p>Diversity Policy, Website</p>	<p>The Board has adopted a formal Gender Diversity policy, which can be found at Schedule 11 to the Company's Corporate Governance Plan, which is located on the Company's website.</p> <p>This policy contains a framework for the Company to work towards gender diversity, however, no measurable objectives have been set.</p> <p>The Company is committed to workplace diversity and 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.</p> <p>As at 30 June 2019, the only female engaged by the Company is the Company Secretary. Currently, the Company has not appointed any female Directors.</p>

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<p>measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either:</p> <ol style="list-style-type: none"> 1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or 2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act. 			
<p>Recommendation 1.6: A listed entity should:</p> <ol style="list-style-type: none"> a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and 	<p>Yes</p>	<p>Board Performance Evaluation Procedure , Website</p>	<p>The Nomination Committee of the Company is responsible for evaluating the performance of all Directors on annual basis, as provided for in the Board Charter.</p> <p>During the financial year, a general review of the Board occurred to ensure structure and composition suitable to the Company's status as a listed entity are in place.</p>

<p>b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>			
<p>Recommendation 1.7: A listed entity should:</p> <p>a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>Not Applicable</p>		<p>It is the policy of the Board to conduct evaluation of individuals' performance. The objective of this evaluation is to provide best practice corporate governance to the Company. Since inception, the Company has not employed an executive management team.</p>
<p>Principle 2: Structure the board to add value</p>			
<p>Recommendation 2.1 The board of a listed entity should:</p> <p>a) have a nomination committee which:</p> <ol style="list-style-type: none"> 1) has at least three members, a majority of whom are independent directors; and 2) is chaired by an independent director, and disclose: 3) the charter of the committee; 4) the members of the committee; and 	<p>Yes</p>	<p>Nomination Committee Charter, Website</p>	<p>The Board of the Company has a Nomination Committee, whose members are James Ellingford, Simon Durack and Tim Wilson (Chair) until Mr Wilson's resignation as a Director of the Company, effective 20 May 2019. Mr Costa Tsesmelis has been appointed as a Non-Executive Director of the Company on 15 April 2019, and will take on the role of the Chair of Nomination Committee. James Ellingford and Costa Tsesmelis are considered as an independent Directors.</p> <p>Attendance at this committee's meeting is recorded in the Directors' Report in the Company's 2019 Annual Report.</p> <p>A copy of its Charter can be found at Schedule 5 of the Company's Corporate Governance Plan, which is located on the Company's website.</p>

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<p>5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>			
<p>Recommendation 2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	Yes	Nomination Committee Charter, Website	Refer to the Nomination Committee Charter.
<p>Recommendation 2.3 A listed entity should disclose:</p> <p>a) the names of the directors considered by the board to be independent directors;</p> <p>b) if a director has an interest, position, association or</p>	Yes	Board Charter, Website	<p>The Company recognises the importance of Non-Executive Directors and the external perspective and advice that Non-Executive Directors can offer. An Independent Director:</p> <ol style="list-style-type: none"> 1. is a Non-Executive Director, and; 2. 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; 3. 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

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<p>relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>c) the length of service of each director.</p>			<p>associated with the service provided;</p> <ol style="list-style-type: none"> 4. is not a material supplier or customer of the Company or another group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer; 5. is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company; 6. has no material contractual relationship with the Company or other group member other than as a Director of the Company; 7. 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; 8. is free from any close family ties with any person who falls within the categories described above; and 9. 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. <p>The Company considers that James Ellingford and Costa Tsesmelis are the independent directors. Simon Durack has served on the Board since the Company was incorporated in May 2011 and is not considered to be an independent director.</p> <p>Tim Wilson was not considered to be an independent director due to Mr Wilson’s directorship position with the Company’s corporate advisor.</p> <p>The length of service of each board member is:</p> <ol style="list-style-type: none"> 1. James Ellingford (<i>appointed 3 November 2017</i>) 2. Simon Durack (<i>appointed 30 May 2011</i>) 3. Tim Wilson (<i>appointed 27 November 2017; resigned 20 May 2019</i>) 4. Costa Tsesmelis (<i>appointed 15 April 2019</i>).
<p>Recommendation 2.4 A majority of the board of a listed entity should be independent directors.</p>	<p>Yes</p>	<p>N/A</p>	<p>The Board currently comprises a total of 3 directors, of whom 2 are independent. As such, independent directors are currently in the majority.</p> <p>The Board does not currently consider an independent majority of the Board to be appropriate given the nature and size of the Company and the related party/vendor stake of some directors.</p> <p>The Company will keep this principle under review and will change over time as required.</p>



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<u>Recommendation 2.5</u> The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	Yes	N/A	The current Chairman of the Board is James Ellingford, who is an independent director and not the CEO.
<u>Recommendation 2.6</u> A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Yes	Director Induction Program (Internal documents)	All current Board members are experienced company Directors, with many years of commercial experience and hold relevant qualifications. Each member of the Board adheres to professional development. All new Directors are formally briefed and inducted into the Company.
Principle 3: Act ethically and responsibly			
<u>Recommendation 3.1</u> A listed entity should: <ul style="list-style-type: none"> a) have a code of conduct for its directors, senior executives and employees; and b) disclose that code or a summary of it. 	Yes	Code of Conduct, Website	The Board has established a formal Corporate Code of Conduct, which can be found at Schedule 2 of the Company's Corporate Governance Plan, located on the Company's website. The Company's Corporate Code of Conduct provides 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.
Principle 4: Safeguard integrity in corporate reporting			
<u>Recommendation 4.1</u>	Yes	Audit and Risk Committee	The Company has established an Audit and Risk Committee. 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.

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<p>The board of a listed entity should: (a) have an audit committee which:</p> <ol style="list-style-type: none"> 1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and 2) is chaired by an independent director, who is not the chair of the board, <p>and disclose:</p> <ol style="list-style-type: none"> 3) the charter of the committee; 4) the relevant qualifications and 5) experience of the members of the committee; and 6) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including</p>		<p>Charter, Website</p>	<p>The Audit and Risk Committee is made up of Simon Durack (Chair), James Ellingford and Costa Tsesmelis. Tim Wilson was a member of the Audit and Risk Committee until his resignation date, 20 May 2019. Costa Tsesmelis was appointed as a Director on 15 April 2019. James Ellingford and Costa Tsesmelis are independent directors. The Chair of the committee, Simon Durack is not an independent director and consequently the majority of independent directors on the Committee is consistent with the Corporate Governance Council recommendations. Should additional directors be appointed, the composition of the committee may change.</p> <p>The qualifications and experience of these committee members is outlined in the Directors' Report, contained in this Annual Report.</p> <p>Directors' attendance at committee meetings is also detailed in the Directors' Report. The Charter of the Audit and Risk Committee can be found at Schedule 3 of the Company's Corporate Governance Plan, located on the Company's website.</p>
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the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.			
<p>Recommendation 4.2</p> <p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	Yes	Kept at Company Secretary's office	A section 295A declaration is received by the Board prior to its approval every year of the Company's Annual Financial Statements.
<p>Recommendation 4.3</p> <p>A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	Yes	AGM	In accordance with Section 250RA for the Corporations Act 2001, the external auditor is required to attend every AGM for the purpose of answering questions from security holders relevant to the audit. The Company is audited by PKF Perth.
Principle 5: Make timely and balanced disclosure			
<p>Recommendation 5.1</p> <p>A listed entity should:</p>	Yes	Continuous Disclosure Policy, Website	The Board has developed a Continuous Disclosure policy which is designed to ensure compliance with the ASX Listing Rules and ensure accountability at a Board level for compliance. This policy can be found at Schedule 7 of the Company's Corporate Governance Plan, located on the Company's

<p>a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and b) disclose that policy or a summary of it.</p>			<p>website.</p>
<p>Principle 6: Respect the rights of security holders</p>			
<p><u>Recommendation 6.1</u> A listed entity should provide information about itself and its governance to investors via its website.</p>	<p>Yes</p>	<p>Shareholder Communication Strategy, Website</p>	<p>The Board of the Company has developed a Shareholder Communications Strategy, which can be found at Schedule 10 of the Corporate Governance Plan, which can be found on the Company's website.</p>
<p><u>Recommendation 6.2</u> A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.</p>	<p>Yes</p>	<p>Continuous Disclosure and Shareholder Communication Strategy, Website</p>	<p>The Company respects the rights of its shareholders and to facilitate the effective exercise of those rights the Company is committed to:</p> <ul style="list-style-type: none"> • communicating effectively with shareholders through releases to the market via ASX, information mailed to shareholders and the general meetings of the Company; • giving shareholders ready access to balanced and understandable information about the Company and corporate proposals; • requesting the external auditor to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report of future Annual Reports. <p>The Company also makes available a telephone number and email address for shareholders to make enquiries of the Company.</p>
<p><u>Recommendation 6.3</u> A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.</p>	<p>Yes</p>	<p>Continuous Disclosure and Shareholder Communication Strategy, Website</p>	<p>The Company respects the rights of its shareholders and to facilitate the effective exercise of those rights the Company is committed to making it easy for shareholders to participate in general meetings of the Company and ensuring the attendance of the external auditor at the annual general meeting to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.</p>
<p><u>Recommendation 6.4</u> A listed entity should give security holders the option to receive communications from and send</p>	<p>Yes</p>	<p>Continuous Disclosure and Shareholder Communication</p>	<p>All new shareholders receive correspondence which allows them to elect to receive communications electronically. An election form is also sent to all shareholders periodically.</p> <p>Additionally, a shareholder can, at any time, contact Company's share registrars to make this election.</p>

communications to, the entity and its security registry electronically.		Strategy, Website	
Principle 7: Recognise and manage risk			
<p><u>Recommendation 7.1</u> The board of a listed entity should:</p> <p>a) have a committee or committees to oversee risk, each of which:</p> <ol style="list-style-type: none"> 1) has at least three members, a majority of whom are independent directors; and 2) is chaired by an independent director, and disclose: 3) the charter of the committee; 4) the members of the committee; and 5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the</p>	Yes	Audit and Risk Committee Charter, Website	<p>The Board has established a risk management policy which is included in the Company's Corporate Governance Plan, which can be found on the Company's website.</p> <p>It is the responsibility of the Audit & Risk Committee to implement the risk management system.</p> <p>The Audit and Risk Committee is made up of Simon Durack (Chair), James Ellingford and Costa Tsesmelis. Tim Wilson was a member of the Audit and Risk Committee until his resignation date, 20 May 2019. Costa Tsesmelis was appointed as a Director on 15 April 2019. James Ellingford and Costa Tsesmelis are independent directors. The Chair of the committee, Simon Durack is not independent director and consequently the majority of independent directors on the Committee is consistent with the Corporate Governance Council recommendations Should additional directors be appointed, the composition of the committee may change.</p> <p>The Charter for this committee can be found at Schedule 3 of the Company's Corporate Governance Plan, which can be found on the Company's website.</p> <p>Attendance at these committee meetings can be found in the Directors' Report in this Annual Report of the Company.</p>

entity's risk management framework.			
<p>Recommendation 7.2 The board or a committee of the board should:</p> <ul style="list-style-type: none"> a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and b) disclose, in relation to each reporting period, whether such a review has taken place. 	Yes	Audit and Risk Committee Charter, Website	The Board 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 and monitors the effectiveness of management systems and reports on them. A review of these systems occurs twice yearly at half year and annual reporting periods.
<p>Recommendation 7.3 A listed entity should disclose:</p> <ul style="list-style-type: none"> a) if it has an internal audit function, how the function is structured and what role it performs; or b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes. 	Yes	Audit and Risk Committee Charter, Website	The Company is not of the size or scale to warrant the cost of an internal audit function. This function is overseen by the Audit & Risk Committee, which is laid out in the Charter of this committee, which can be found at Schedule 3 of the Company's Corporate Governance Plan, located on the Company's website.
<p>Recommendation 7.4 A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	Yes	Corporate Governance Statement	The Company is not exposed to any material economic, environmental and social sustainability risks.

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Principle 8: Remunerate fairly and responsibly			
<p>Recommendation 8.1 The board of a listed entity should:</p> <ul style="list-style-type: none"> a) have a remuneration committee which: <ul style="list-style-type: none"> 1) has at least three members, a majority of whom are independent directors; and 2) is chaired by an independent director, and disclose: <ul style="list-style-type: none"> 3) the charter of the committee; 4) the members of the committee; and 5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is 	Yes	Remuneration and Nomination Committee Charters, Website	<p>The Board has established a Remuneration Committee which is comprised of James Ellingford (Chairman), Simon Durack, Costa Tsesmelis and Tim Wilson, until his resignation date, 20 May 2019. Costa Tsesmelis was appointed as a Director on 15 April 2019. Two members of this committee are independent directors.</p> <p>The Remuneration Committee Charter is disclosed in Schedule 4 of the Company's Corporate Governance Plan, which can be found on the Company's website.</p> <p>Attendance details of the meetings of this committee, can be found in the Directors' Report in this Annual Report.</p>



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appropriate and not excessive.			
<p>Recommendation 8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	N/A	-	<p>The Company does not differentiate between the remuneration of the executive and non-executive directors. No senior executives are employed by the Company.</p> <p>Details of the remuneration of the Directors of the Company, can be found in the Remuneration Report in this Annual Report.</p>
<p>Recommendation 8.3 A listed entity which has an equity-based remuneration scheme should:</p> <p>a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>b) disclose that policy or a summary of it.</p>	N/A	-	<p>The Company does not operate an equity-based remuneration scheme.</p>

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