

MINREX RESOURCES LIMITED
ACN 151 185 867
(Company)

CORPORATE GOVERNANCE STATEMENT
FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021

This Corporate Governance Statement is current as at 21 September 2021 and has been approved by the Board of the Company on that date.

This Corporate Governance Statement discloses the extent to which the Company has, during the financial year ending 30 June 2021, followed the recommendations set by the ASX Corporate Governance Council in its publication Corporate Governance Principles and Recommendations – 4th Edition (**Recommendations**). The Recommendations are not mandatory, however the Recommendations that have not been followed for any part of the reporting period have been identified and reasons provided for not following them along with what (if any) alternative governance practices were adopted in lieu of the recommendation during that period.

Due to the current size and nature of the existing Board and the magnitude of the Company's operations, the Board does not consider that the Company will gain any benefit from individual Board committees and that its resources would be better utilised in other areas as the Board is of the strong view that at this stage the experience and skill set of the current Board is sufficient to perform these roles. Under the Company's Board Charter, the duties that would ordinarily be assigned to individual committees are currently carried out by the full Board under the written terms of reference for those committees.

The Company's Corporate Governance Policies are available on the Company's website at <https://www.minrex.com.au/company-profile/corporate-governance-documents.html>.

RECOMMENDATIONS (4TH EDITION)	COMPLY	EXPLANATION
<i>Principle 1: Lay solid foundations for management and oversight</i>		
Recommendation 1.1 (a) A listed entity should have and disclose a board charter which sets out the respective roles and responsibilities of the Board, the Chair and management, and includes a description of those matters expressly reserved to the Board and those delegated to management.	YES	The Company has adopted a Board Charter that sets out the specific roles and responsibilities of the Board, the Chair and management and includes a description of those matters expressly reserved to the Board and those delegated to management.

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
		<p>The Board Charter sets out the specific responsibilities of the Board, requirements as to the Board's composition, the roles and responsibilities of the Chairman and Company Secretary, the establishment, operation and management of Board Committees, Directors' access to Company records and information, details of the Board's relationship with management, details of the Board's performance review and details of the Board's disclosure policy.</p> <p>A copy of the Company's Board Charter, is available on the Company's website.</p>
<p>Recommendation 1.2 A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a Director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director.</p>	YES	<p>(a) The Company has guidelines for the appointment and selection of the Board and senior executives in its Remuneration and Nomination Committee Charter which requires the Remuneration and Nomination Committee (or, in its absence, the Board) to ensure appropriate checks (including checks in respect of character, experience, education, criminal record and bankruptcy history (as appropriate)) are undertaken before appointing a person, or putting forward to security holders a candidate for election, as a Director. In the event of an unsatisfactory check, a Director is required to submit their resignation.</p> <p>(b) Under the Remuneration and Nomination Committee Charter, all material information relevant to a decision on whether or not to elect or re-elect a Director must be provided to security holders in the Notice of Meeting containing the resolution 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>	YES	<p>The Company's Remuneration and Nomination Committee Charter requires the Remuneration and Nomination Committee (or, in its absence, the Board) to ensure that each Director and senior executive is personally a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment.</p> <p>The Company has had written agreements with each of its Directors and senior executives for the past financial year.</p>

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
<p>Recommendation 1.4</p> <p>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>	YES	<p>The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. In accordance with this, the Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.</p>
<p>Recommendation 1.5</p> <p>A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(i) the measurable objectives set for that period to achieve gender diversity;</p> <p>(ii) the entity's progress towards achieving those objectives; and</p> <p>(iii) either:</p> <p>(A) the respective proportions of men and women on the Board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in the Workplace Gender Equality Act.</p>	PARTIALLY	<p>(a) The Company has adopted a Diversity Policy which provides a framework for the Company to establish, achieve and measure diversity objectives, including in respect of gender diversity. The Diversity Policy is available on the Company's website.</p> <p>(b) The Diversity Policy allows the Board to set measurable gender diversity objectives, if considered appropriate, and to continually monitor both the objectives if any have been set and the Company's progress in achieving them.</p> <p>(c) The Board did not set measurable gender diversity objectives for the past financial year, because:</p> <p>(i) It is the Board's view that the existing Directors and senior executive have sufficient skill and experience to carry out the Company's plans; and</p> <p>(ii) if it became necessary to appoint any new Directors or senior executives, the Board considered the application of the measurable diversity objectives and determined that, given the small size of the Company and the Board, requiring specified objectives to be met, unduly limit the Company from applying the Diversity Policy as a whole and the Company's policy of appointing the best person for the job; and</p> <p>(iii) 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) for the past financial year is disclosed on the Company's website.</p>

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
<p>If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>		
<p>Recommendation 1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the Board, its committees and individual Directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	YES	<p>(a) The Company's Remuneration and Nomination Committee (or, in its absence, the Board) is responsible for evaluating the performance of the Board, its committees and individual Directors on an annual basis. It may do so with the aid of an independent advisor. The process for this is set out in the Company's Performance Evaluation Policy, which is available on the Company's website.</p> <p>(b) The Company is required to disclose whether or not performance evaluations were conducted during the relevant reporting period. The Company has not completed performance evaluations in respect of the Board, its committees (if any) and individual Directors for the past financial year in accordance with the above process.</p>
<p>Recommendation 1.7 A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	YES	<p>(a) The Company's Remuneration and Nomination Committee (or, in its absence, the Board) is responsible for evaluating the performance of the Company's senior executives on an annual basis. The Company's Remuneration and Nomination Committee (or, in its absence, the Board) is responsible for evaluating the remuneration of the Company's senior executives on an annual basis. A senior executive, for these purposes, means key management personnel (as defined in the Corporations Act) other than a Non-Executive Director.</p> <p>The applicable processes for these evaluations can be found in the Company's Performance Evaluation Policy, which is available on the Company's website.</p>

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
		(b) The Company has not completed performance evaluations in respect of the senior executive (if any) for the past financial year in accordance with the applicable processes.
Principle 2: Structure the Board to be effective and add value		
<p>Recommendation 2.1 The Board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ul style="list-style-type: none"> (i) has at least three members, a majority of whom are independent Directors; and (ii) is chaired by an independent Director, and disclose: <ul style="list-style-type: none"> (iii) the charter of the committee; (iv) the members of the committee; and (v) 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 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>	PARTIALLY	<p>(a) The Company's Remuneration and Nomination Committee Charter provides for the creation of a Nomination Committee (if it is considered it will benefit the Company), with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director.</p> <p>(b) The Company did not have a Remuneration and Nomination Committee for the past financial year as the Board did not consider the Company would benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Remuneration and Nomination Committee under the Remuneration and Nomination Committee Charter, including the following processes to address succession issues and to ensure the Board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively:</p> <ul style="list-style-type: none"> (i) devoting time at least annually to discuss Board succession issues and updating the Company's Board skills matrix; and (ii) all Board members being involved in the Company's nomination process, to the maximum extent permitted under the Corporations Act and ASX Listing Rules.

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
<p>Recommendation 2.2</p> <p>A listed entity should have and disclose a Board skills matrix setting out the mix of skills that the Board currently has or is looking to achieve in its membership.</p>	<p>YES</p>	<p>Under the Remuneration and Nomination Committee Charter (in the Company's Remuneration and Nomination Committee Charter), the Nomination Committee (or, in its absence, the Board) is required to prepare a Board skills matrix setting out the mix of skills that the Board currently has (or is looking to achieve) and to review this at least annually against the Company's Board skills matrix to ensure the appropriate mix of skills to discharge its obligations effectively and to add value and to ensure the Board has the ability to deal with new and emerging business and governance issues.</p> <p>The Company has, for the past financial year, had a Board skill matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.</p> <p>The Board Charter requires the disclosure of each Board member's qualifications and expertise. Full details as to each Director and senior executive's relevant skills and experience are included in the Company's Annual Report and is available on the Company's website.</p> <p>The Company maintains a register of each individual Directors skills matrix and has included a summary of the Board Skills Matrix attached at Annexure A to this Corporate Governance Statement.</p>

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
<p>Recommendation 2.3</p> <p>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 or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendations (4th Edition), but the Board is of the opinion that it does not compromise the independence of the Director, the nature of the interest, position 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>	YES	<p>(a) The Board considers the independence of directors having regard to the relationships listed in Box 2.3 of the Principles and Recommendations. Currently the Board is structured as follows: James Bahen (Non-Executive Director); Glenn Whiddon (Non-Executive Director); James Pearse (Non-Executive Director); and George Karageorge (Non-Executive Director) and considers three of the Directors to be independent. One of the Directors is not considered to be independent for reasons of their executive role within a listed entity that has a joint venture arrangement with the Company.</p> <p>The Company regards each Director as being capable of exercising impartial judgement based on their expertise, experience and desire to grow the equity base of the Company. The Board has in place a process to ensure that conflicts of interest are management appropriately. If a potential conflict of interest arises, the Director concerned does not receive the relevant Board Paper and leaves the Board Meeting while the matter is considered. Directors must advise the Board immediately of any interests that could conflict with those of the Company.</p> <p>(b) James Bahen, James Pearse and Glenn Whiddon are considered independent Directors who fall into this category. As described in (a), there has been no compromise to the considered independence of the independent Directors</p> <p>(c) The Company's Annual Report discloses the length of service of each Director, as at the end of each financial year.</p>
<p>Recommendation 2.4</p> <p>A majority of the Board of a listed entity should be independent Directors.</p>	YES	<p>The Company's Board Charter requires that, where practical, the majority of the Board should be independent.</p> <p>There was an independent majority of the Board during all of of the past financial year. The Board currently comprises a total of 4 (four) directors, of whom 3 (three) are considered to be independent.</p>

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
<p>Recommendation 2.5</p> <p>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.</p>	YES	<p>The Board Charter provides that, where practical, the Chair of the Board should be an independent Director and should not be the CEO/Managing Director.</p> <p>During the past financial year, the Company did not officially have a Chair of the Company, however on occasion Mr Bahen filled a casual role of the Chair and was deemed as an independent.</p>
<p>Recommendation 2.6</p> <p>A listed entity should have a program for inducting new Directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as Directors effectively.</p>	YES	<p>In accordance with the Company's Board Charter, the Nominations Committee (or, in its absence, the Board) is responsible for the approval and review of induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities. The Company Secretary is responsible for facilitating inductions and professional development including receiving briefings on material developments in laws, regulations and accounting standards relevant to the Company.</p>
<p>Principle 3: Instil a culture of acting lawfully, ethically and responsibly</p>		
<p>Recommendation 3.1</p> <p>A listed entity should articulate and disclose its values.</p>	YES	<p>(a) The Company and its subsidiary companies are committed to conducting all of its business activities fairly, honestly with a high level of integrity, and in compliance with all applicable laws, rules and regulations. The Board, management and employees are dedicated to high ethical standards and recognise and support the Company's commitment to compliance with these standards.</p> <p>(b) The Company's values are set out in its Code of Conduct and are available on the Company's website. All employees (if any) are given appropriate training on the Company's values and senior executives will continually reference such values.</p>

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
<p>Recommendation 3.2 A listed entity should:</p> <p>(a) have and disclose a code of conduct for its Directors, senior executives and employees; and</p> <p>(b) ensure that the Board or a committee of the Board is informed of any material breaches of that code.</p>	YES	<p>(a) The Company's Code of Conduct applies to the Company's Directors, senior executives and employees (as applicable).</p> <p>(b) The Company's Code of Conduct is available on the Company's website. Any material breaches of the Code of Conduct are reported to the Board or a committee of the Board.</p>
<p>Recommendation 3.3 A listed entity should:</p> <p>(a) have and disclose a whistleblower policy; and</p> <p>(a) ensure that the Board or a committee of the Board is informed of any material incidents reported under that policy.</p>	YES	The Company's Whistleblower Protection Policy is available on the Company's website. Any material breaches of the Whistleblower Protection Policy are to be reported to the Board or a committee of the Board.
<p>Recommendation 3.4 A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the Board or committee of the Board is informed of any material breaches of that policy.</p>	YES	The Company's Anti-Bribery and Anti-Corruption Policy is available on the Company's website. Any material breaches of the Anti-Bribery and Anti-Corruption Policy are to be reported to the Board or a committee of the Board.
Principle 4: Safeguard the integrity of corporate reports		
<p>Recommendation 4.1 The Board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(i) has at least three members, all of whom are non-executive Directors and a majority of whom are independent Directors; and</p> <p>(ii) is chaired by an independent Director, who is not the Chair of the Board,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p>	PARTIALLY	<p>(a) The Company's Audit and Risk Management Committee Charter provides for the creation of an Audit and Risk Committee with at least three members, all of whom must be non-executive Directors, and majority of the Committee must be independent Directors. The Committee must be chaired by an independent Director who is not the Chair.</p>

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
<p>(iv) the relevant qualifications and experience of the members of the committee; and</p> <p>(v) 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> <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 the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>		<p>(b) The Company did not have an Audit and Risk Committee for the past financial year as the Board did not consider the Company would benefit from its establishment, and does not currently have one. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Audit and Risk Committee under the Audit and Risk Management Committee Charter including the following processes to independently verify the integrity of the Company's periodic reports which are not audited or reviewed by an external auditor, as well as the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p>(i) the Board devotes time at annual Board meetings to fulfilling the roles and responsibilities associated with maintaining the Company's internal audit function and arrangements with external auditors; and</p> <p>(ii) all members of the Board are involved in the Company's audit function to ensure the proper maintenance of the entity and the integrity of all financial reporting.</p>
<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 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>	<p>YES</p>	<p>The Company's Audit and Risk Management Committee Charter requires the CEO and CFO (or, if none, the person(s) fulfilling those functions) to provide a sign off on these terms.</p> <p>The Company has obtained a sign off on these terms for each of its financial statements in the past financial year.</p>

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
<p>Recommendation 4.3</p> <p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	YES	<p>The Company has included in each of its (to the extent that the information contained in the following is not audited or reviewed by an external auditor):</p> <ul style="list-style-type: none"> (a) annual reports or on its website, a description of the process it undertook to verify the integrity of the information in its annual directors' report; (b) quarterly reports, or in its annual report or on its website, a description of the process it undertook to verify the integrity of the information in its quarterly reports; (c) integrated reports, or in its annual report (if that is a separate document to its integrated report) or on its website, a description of the process it undertook to verify the integrity of the information in its integrated reports; and (d) periodic corporate reports or in its annual report or on its website, a description of the process it undertook to verify the integrity of the information in these reports.
Principle 5: Make timely and balanced disclosure		
<p>Recommendation 5.1</p> <p>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.</p>	YES	<p>The Company is committed to:</p> <ul style="list-style-type: none"> • ensuring that shareholders and the market are provided with full and timely information about its activities; • complying with the continuous disclosure obligations contained in the Listing Rules and the applicable sections of the Corporations Act; and • providing equal opportunity for all stakeholders to receive externally available information issued by the Company in a timely manner.

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
		<p>The Company's Continuous Disclosure Policy contains its written policy for complying with its continuous disclosure obligations under listing rule 3.1. The Continuous Disclosure Policy sets out policies and procedures for the Company's compliance with its continuous disclosure obligations under the ASX Listing Rules, and addresses financial markets communication, media contact and continuous disclosure issues. It forms part of the Company's corporate policies and procedures and is available to all staff.</p> <p>The Corporate Governance Plan, which incorporates the Continuous Disclosure Policy, is available on the Company's website.</p>
<p>Recommendation 5.2 A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.</p>	YES	Under the Company's Continuous Disclosure Policy, all members of the Board receive material market announcements promptly after they have been made.
<p>Recommendation 5.3 A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.</p>	YES	All substantive investor or analyst presentations are released on the ASX Markets Announcement Platform ahead of such presentations.
Principle 6: Respect the rights of security holders		
<p>Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.</p>	YES	The Company provides information about itself and its governance to investors via its website at https://www.minrex.com.au/ . The Company is committed to maintaining a Company website with general information about the Company and its operations and information specifically targeted at keeping the Company's shareholders informed about the Company.
<p>Recommendation 6.2 A listed entity should have an investor relations program that facilitates effective two-way communication with investors.</p>	YES	The Company has adopted a Shareholder Communications Policy which aims to promote and facilitate effective two-way communication with investors. The Strategy outlines a range of ways in which information is communicated to shareholders and is available on the Company's website.

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
<p>Recommendation 6.3 A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.</p>	YES	<p>Shareholders are encouraged to participate at all general meetings and AGMs of the Company. Upon the despatch of any notice of meeting documents to Shareholders, the Company Secretary shall send out material stating that all Shareholders are encouraged to participate at the meeting.</p> <p>The Company provided Shareholders with the opportunity to participate in shareholder meetings by allowing voting in person, by proxy or online.</p>
<p>Recommendation 6.4 A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.</p>	YES	All substantive resolutions at securityholder meetings are decided by a poll rather than a show of hands.
<p>Recommendation 6.5 A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p>	YES	Shareholders are given the option to receive communications from, and send communication to, the Company and its share registry electronically. To ensure that Shareholders can obtain all relevant information to assist them in exercising their rights as shareholders, the Company has made available a telephone number and relevant contact details (via the website) for Shareholders to make their enquiries with the Company or Company's registrar, Automic Pty Ltd.
<p>Principle 7: Recognise and manage risk</p>		

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
<p>Recommendation 7.1 The Board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(i) has at least three members, a majority of whom are independent Directors; and</p> <p>(ii) is chaired by an independent Director, and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) 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 risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.</p>	<p>COMPLIES WITH 7.1(b)</p>	<p>(b) The Company did not have an Audit and Risk Committee for the past financial year as the Board did not consider the Company would benefit from its establishment, and does not currently have one. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Audit and Risk Committee under the Audit and Risk Management Committee Charter including the following processes to oversee the entity's risk management framework:</p> <p>(i) the Board devotes time at Board meetings to fulfilling the roles and responsibilities associated with overseeing risk and maintaining the entity's risk management framework and associated internal compliance and control procedures</p> <p>Items that are usually required to be discussed by a risk committee are marked as separate agenda items at Board meetings when required. Responsibility and control of risk management is delegated to the appropriate level of management within the Company with the Executive Director having ultimate responsibility to the Board for the Risk Management Policy, which can be found on the Company's website.</p> <p>The risk management system covers:</p> <ul style="list-style-type: none"> • operational risk; • financial reporting; • compliance / regulations; and • system / IT process risk. <p>A risk management model is to be developed and will provide a framework for systematically understanding and identifying the types of business risks threatening the Company as a whole, or specific business activities within the Company.</p>

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
<p>Recommendation 7.2 The Board or a committee of the Board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the Board; and</p> <p>(b) disclose in relation to each reporting period, whether such a review has taken place.</p>	YES	<p>(a) The Risk Management Policy requires that the Audit and Risk Committee (or, in its absence, the Board) should, at least annually, satisfy itself that the Company's risk management framework continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board.</p> <p>(b) The Company's Board has completed a review of the Company's risk management framework in the past financial year.</p>
<p>Recommendation 7.3 A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(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 governance, risk management and internal control processes.</p>	NO	<p>(b) The Company does not currently have an internal audit function. The Board works collectively to identify and manage operational, financial and compliance risks which could prevent the Company from achieving its objectives.</p>
<p>Recommendation 7.4 A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</p>	YES	<p>The Risk Management Policy requires the Audit and Risk Committee (or, in its absence, the Board) to assist management to determine whether the Company has any potential or apparent exposure to environmental or social risks and, if it does, put in place management systems, practices and procedures to manage those risks.</p> <p>Given the speculative nature of the Company's business, it is subject to general risks and certain specific risks. The Company has identified those economic, environmental and/or social sustainability risks to which it has a material exposure, and disclosed in the Annual Report how it intends to manage those risks.</p>

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
Principle 8: Remunerate fairly and responsibly		
<p>Recommendation 8.1</p> <p>The Board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ul style="list-style-type: none"> (i) has at least three members, a majority of whom are independent Directors; and (ii) is chaired by an independent Director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) 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 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 appropriate and not excessive.</p>	COMPLIES WITH 8.1 (b)	<p>(b) The Company did not have a Remuneration Committee for the past financial year as the Board did not consider the Company would benefit from its establishment, and does not currently have one. In accordance with the Company's Board Charter which can be found on Company's website, the Board carries out the duties that would ordinarily be carried out by the Remuneration Committee under the Remuneration and Nomination Committee Charter including the following processes to set the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <ul style="list-style-type: none"> (i) the Board devotes time at the annual Board meeting to assess the level and composition of remuneration for Directors and senior executives. <p>When the Board meets as a remuneration committee (which was once during the past financial year) is carries out those functions which are delegated to it in the Company's Remuneration and Nomination Committee Charter. Items that are usually required to be discussed by a Remuneration Committee are marked as separate agenda items at Board meetings when required.</p>
<p>Recommendation 8.2</p> <p>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>	YES	<p>Details of the Company's policies on remuneration are set out in the Company's "Remuneration Report" in each Annual Report published by the Company. This disclosure includes a summary of the Company's policies regarding the deferral of performance-based remuneration and the reduction, cancellation or claw-back of the performance-based remuneration in the event of serious misconduct or a material misstatement in the Company's financial statements, if these events are applicable.</p>

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
<p>Recommendation 8.3</p> <p>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>	YES	<p>The Company's equity-based remuneration scheme terms and conditions are disclosed in the Company's Notice of Meeting and are subject to approval by shareholders. The Company's Securities Trading Policy, which can be found on the Company's website, includes a statement on the Company's policy on prohibiting participants in the Company's Employee Incentive Plan entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the Employee Incentive Plan. The Company's Trading Policy sets out the following information:</p> <ul style="list-style-type: none"> • Closed periods in which Directors, employees and contractors of the Company must not deal in the Company's securities; • The trading in the Company's securities which are not subject to the Company's trading policy; and • The procedures for obtaining written clearance for trading in exceptional circumstances.
<i>Additional recommendations that apply only in certain cases</i>		
<p>Recommendation 9.1</p> <p>A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.</p>	N/A	
<p>Recommendation 9.2</p> <p>A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.</p>	N/A	

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
<p>Recommendation 9.3 A listed entity established outside Australia, and an externally managed 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>	N/A	

ANNEXURE A

**MINREX RESOURCES LIMITED
ACN 151 185 867
(COMPANY)**

BOARD SKILLS MATRIX

Skill	Requirements overview	Present on Board (Y/N)
Risk & Compliance	Identify key risks to the organisation related to each key area of operations. Ability to monitor risk and compliance and knowledge of legal and regulatory requirements.	Y
Financial & Audit	Experience in accounting and finance to analyse statements, assess financial viability, contribute to financial planning, oversee budgets, oversee funding arrangements.	Y
Strategy	Ability to identify and critically assess strategic opportunities and threats to the organization. Develop strategies in context to our policies and business objectives.	Y
Policy Development	Ability to identify key issues for the organisation and develop appropriate policy parameters within which the organization should operate.	Y
Technology	Knowledge of IT governance including privacy, data management and security.	N
Executive Management	Experience in evaluating performance of senior management, and oversee strategic human capital planning. Experience in industrial relations and organizational change management programmes.	N
Industry Specific	Experience and knowledge with respect to the industry/business areas in which the Company operates.	Y
Leadership	Make decisions and take necessary actions in the best interest of the organisation, and represent the organisation favourably. Analyse issues and contribute at board level to solutions.	Y
Ethics and Integrity	Understand role as director and continue to self educate on legal responsibility, ability to maintain board confidentiality, declare any conflicts.	Y
Contribution	Ability to constructively contribute to board discussions and communicate effectively with management and other directors.	Y
Negotiation	Possess excellent negotiation skills, with the ability to drive stakeholder support for board decisions.	Y
Crisis Management	Ability to constructively manage crisis, provide leadership around solutions and contribute to communications strategy with stakeholders.	Y
Diversity	Equal gender representation should be a priority as diversity leads to better board outcomes.	N
Previous Board Experience	The Board's directors should have extensive director experience and have completed formal training in governance and risk.	Y