



The Directors are pleased to provide the Corporate Governance Statement for Mineral Resources Limited ('MRL' or 'the Company') and its related bodies corporate (the Group) for the 2019 Financial Year (FY19).

The Company is committed to a high level of corporate governance that encourages and supports a culture that values safe, ethical behaviour in addition to integrity and respect. We believe that adopting, and operating in accordance with, the highest standards of corporate governance are essential to achieving long-term growth and in creating sustainable shareholder value.

This statement reports on the Company's core governance principles and practices. This statement has been approved by the Board and is current as at 22 August 2019.

Yours faithfully

A handwritten signature in black ink, appearing to read "Derek Oelofse".

Derek Oelofse
Company Secretary
22 August 2019

Corporate Governance Statement

1. Overview

MRL's Board and management consider that an uncompromising commitment to safety, environmental performance, corporate governance, and accountability is essential for the Group to achieve its objective of being a world-class supplier of goods and services to the resources sector. As a result, specific corporate governance policies have been issued to detail the expected behaviour required from MRL employees and major sub-contractors, to ensure these objectives are met.

The ASX Corporate Governance Council released the third edition of its "*Corporate Governance Principles and Recommendations*" ("Recommendations") in 2014. The Board supports the principles laid out in the Recommendations. Although the Recommendations are not prescriptive, the ASX Listing Rules require disclosure of the extent to which the Recommendations have been followed, and for the Group to identify and provide reasons for those Recommendations that have not been followed. The Recommendations are listed below, along with details on how the Group has addressed the Recommendations, whether the Group is compliant with the Recommendations, and the location of relevant documents/reports.

The Group is currently in the process of reviewing and revising a number of its governance charters, policies and procedures. Once these documents have been approved by the Board, the Corporate Governance Statement will be updated to reflect any changes that may arise from this review. This update to the Corporate Governance Statement will also reference the external sustainability assurance process that is currently underway as part of the Group's FY19 Environmental, Social and Governance Report, which will be released in conjunction with the Annual Report in October 2019.

The Group is currently working on the implementation of the fourth edition of the ASX 'Corporate Governance Principles and Recommendations' released earlier this calendar year, which will be used to compile the FY20 Corporate Governance Statement. MRL's Governance Policies are available under the Corporate Governance section of the Group's website: www.mineralresources.com.au. Where evidence of compliance with the Recommendations is included within this Report, or the Directors' Report section of the Group's Annual Financial Report and Annual Report available on the Group's website, the relevant sections have been referenced in the table below.

2. ASX Recommendations and how MRL satisfies the Recommendations

ASX Recommendations	How MRL satisfies the Recommendations		
Principle 1 – Lay solid foundations for management and oversight			
<p>Recommendation 1.1: A listed entity should disclose:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved for the board and those delegated to management.</p>	MRL Corporate Governance Document: Board Charter		
	Compliant with ASX Recommendations	✓	Document available ✓ On the Group's website
	<p>Board Charter:</p> <p>The Board Charter defines the Board's primary responsibility to oversee the Company's business activities and management for the benefit of the Company's Shareholders. The Board has overall responsibility for establishing and monitoring the direction, strategies and financial objectives for the Company; monitoring compliance with regulatory requirements and confirming the culture for ethical behaviour and standards.</p> <p>Board responsibilities:</p> <p>The monitoring and ultimate control of the business of the Company is vested in the Board. The specific responsibilities of the Board include:</p> <ul style="list-style-type: none"> • appointment, evaluation, rewarding, and if necessary, the removal of the Managing Director and other Key Management Personnel (KMP¹) • overseeing the development of corporate objectives and Group strategy • review and approval (as required) of plans, new investments, major capital and operating expenditures, capital management, acquisitions, divestitures and major funding activities • establishing appropriate levels of delegation for the Managing Director (MD) to allow him to manage the business efficiently • monitoring actual performance against planned performance • reviewing operating information at a requisite level, so as to understand at all times the financial and operating performance of the Company • ensuring an appropriate level of appreciation of areas of significant business risk and ensuring that the Company is appropriately positioned to manage those risks 		

¹ KMP as defined in the Remuneration Report section of the Group's Directors Report, released to the ASX on 22 August 2019

- overseeing the management of safety, occupational health and environmental matters
- being appropriately satisfied that the Company's financial statements fairly and accurately set out the financial position and financial performance of the Company for the period under review
- being satisfied that appropriate reporting systems and controls are in place to assure the Board that proper operational, financial, compliance, and internal control processes remain in place at all times
- ensuring that appropriate internal and external audit arrangements are in place and operating effectively
- having a framework in place to help ensure that the Company acts legally and responsibly on all matters consistent with the Company's *Code of Conduct and Business Ethics*, and
- overseeing reporting to Shareholders.

Management's responsibilities:

Responsibility for the day-to-day operation and administration of the Company is delegated by the Board to the Managing Director.

The Board ensures that the Managing Director and other KMP are appropriately qualified and experienced to discharge their responsibilities, and that the Managing Director and other KMP have procedures in place to assess the performance of other senior employees.

The Managing Director is accountable to the Board for all authority delegated to the position. Whilst there is a clear division between the responsibilities of the Board and management, the Board is responsible for ensuring that management's objectives and activities are aligned with the expectations and risks identified by the Board.

Under the guidance and direction of the Managing Director, executives are responsible for day-to-day running of their area of responsibility by:

- planning the operation and function of areas over which executives have been assigned responsibility
- organising the resources necessary to accomplish the required outcomes to meet the goals defined by the Board
- ensuring that the plan to achieve the goals is being carried out in such a way that its accomplishment is assured.

<p>Recommendation 1.2: A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</p> <p>(b) provide security holders with all material information that the company has in its possession relevant to a decision on whether to elect or re-elect a director.</p>	<p>MRL Corporate Governance Document: Procedures for Selection and Appointment of Directors and Shareholders Communication Policy.</p>		
	<p>Compliant with ASX Recommendations</p>	<p>✓</p>	<p>Documents available</p>
<p>Procedures for Selection and Appointment of Directors:</p> <p>The Group's Corporate Governance Document 'Procedures for Selection and Appointment of Directors' sets out principles to guide the procedures for selection and appointment of Directors. These include:</p> <ul style="list-style-type: none"> • the skills and experience appropriate for the appointee, having regard to the skills and experience of the existing Directors and any other anticipated changes to the Board, and the process and timetable for seeking appropriately qualified persons • reviewing a shortlist of candidates for the Board's consideration and interview by the Board. <p>The selection process encourages visits to the Company's operations to assist with the candidate's understanding of the Company's management processes and systems.</p> <p>Candidates are assessed on the following basis:</p> <ul style="list-style-type: none"> • competencies and qualifications • contribution to the overall balance and composition of the Board, assessed against the Board Skills Matrix • time availability, including assessment of other roles that may impede the candidate's capacity to add value to the Company • depth of understanding of the role and legal obligations of a Director. <p>Shareholders Communication Policy:</p> <p>The Company's Corporate Governance Document 'Shareholders Communication Policy' recognises the value of providing current and relevant information to its Shareholders. The Company Secretaries have primary responsibility of communication with Shareholders.</p> <p>Information is communicated to Shareholders through:</p> <ul style="list-style-type: none"> • continuous disclosure to relevant securities markets of all material information • periodic disclosure through the Annual Report, Half Year Financial Report and Quarterly Reports of exploration, production and corporate activities • notices of Shareholder Meetings, including the Annual General Meeting, and accompanying explanatory material 			

	<ul style="list-style-type: none"> • periodic newsletters or letters from the Chairman or Managing Director; and • the Company's website. <p>In the case of Board candidates standing for re-election, this includes all material information the Group has in its possession relevant to re-election of the Director.</p> <p>The Company is committed to the promotion of investor confidence by ensuring that trading in the Company's securities take place in an efficient, competitive and informed market.</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>MRL Corporate Governance Document: Service Agreements</p> <table border="1" data-bbox="728 579 2184 651"> <tr> <td data-bbox="728 579 1111 651">Compliant with ASX Recommendations</td> <td data-bbox="1111 579 1339 651">✓</td> <td data-bbox="1339 579 1715 651">Document available</td> <td data-bbox="1715 579 2184 651">✓ Directors' Report</td> </tr> </table> <p>Each Director and executive defined as Key Management Personnel (KMP) has a written agreement outlining the terms of their appointment. Key details are included in the Group's Annual Report.</p>				Compliant with ASX Recommendations	✓	Document available	✓ Directors' Report
Compliant with ASX Recommendations	✓	Document available	✓ Directors' Report					
<p>Recommendation 1.4: The company secretary of a listed entity should be accountable directly to the board, through the chair, on matters to do with the proper functioning of the board.</p>	<p>MRL Corporate Governance Document: Board Charter</p> <table border="1" data-bbox="728 815 2184 887"> <tr> <td data-bbox="728 815 1111 887">Compliant with ASX Recommendations</td> <td data-bbox="1111 815 1417 887">✓</td> <td data-bbox="1417 815 1715 887">Document available</td> <td data-bbox="1715 815 2184 887">✓ On the Group's website</td> </tr> </table> <p>The Board Charter confirms that the Company Secretaries are directly accountable to the Board, through the Chair, on all matters to do with the proper functioning of the Board and Board Committees.</p> <p>All Directors have equal access to the Company Secretaries. In addition to this, the Company Secretaries work in conjunction with the Managing Director and senior executives to carry out the instructions of the Board and in giving practical effect to the Board's decisions.</p>				Compliant with ASX Recommendations	✓	Document available	✓ On the Group's website
Compliant with ASX Recommendations	✓	Document available	✓ On the Group's website					
<p>Recommendation 1.5: A listed entity should: (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;</p>	<p>MRL Corporate Governance Document: Diversity and Inclusion Policy</p> <table border="1" data-bbox="728 1222 2184 1294"> <tr> <td data-bbox="728 1222 1111 1294">Compliant with ASX Recommendations</td> <td data-bbox="1111 1222 1417 1294">✓</td> <td data-bbox="1417 1222 1715 1294">Document available</td> <td data-bbox="1715 1222 2184 1294">✓ On the Group's website</td> </tr> </table> <p>Diversity and Inclusion Policy:</p> <p>The Company's Diversity and Inclusion Policy, available on the Group's website, aims to create and maintain an inclusive work environment that values diversity. The Company strives to:</p> <ul style="list-style-type: none"> • attract, develop and retain employees from the widest possible pool of talent 				Compliant with ASX Recommendations	✓	Document available	✓ On the Group's website
Compliant with ASX Recommendations	✓	Document available	✓ On the Group's website					

- (b) disclose the policy or a summary of it; and
- (c) disclose at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee or the board in accordance with the entity's diversity policy and its progress towards achieving them and either:
- (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity as 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.

- treat our people with dignity and respect
- embrace diversity and inclusion within our teams
- respect the diversity of our customers, clients and stakeholders
- foster a culture that maximises the benefits of diverse experiences and perspectives.

This policy applies to all Group employees and contractors. Each person has an obligation to support and respect equality, workplace diversity and ethical practices in their workplace. The following legislative requirements are considered in conjunction with this policy:

- *Western Australia Equal Employment Opportunity Act 1984*
- *Australian Government's Age Discrimination Act 2004*
- *Australian Government's Sex Discrimination Act 1984*
- *Australian Government's Racial Discrimination Act 1975*
- *Australian Government's Disability Discrimination Act 1992*

Furthermore, the Company's Code of Conduct and Business Integrity commits to creating an environment where employees can enjoy rewarding and fulfilling professional working relationships with each other; where differences are respected; and the working environment is diverse and inclusive.

The Group does not set formal gender diversity targets, as it is the Group's view that setting such targets diminishes benefits of appointing and promoting individuals based purely on relevant expertise and talent.

Diversity and Inclusion Committee and Program:

MRL understands that developing a diverse and inclusive workplace brings many benefits to the business including improved talent attraction and retention; improved group performance and productivity; as well as enhanced internal, customer and stakeholder relationships. MRL's Diversity and Inclusion Program, steered by the Diversity & Inclusion Committee, was established in FY19 and aims to oversee programs that provide equal opportunities for all employees across the Group.

The Diversity & Inclusion Committee assists the Group by reviewing and monitoring ongoing organisational compliance with relevant legislation and also provides regular reporting on the Committee's programs and findings to the broader organisation, Managing Director, Senior Executive Leadership team and the Board.

The Group ensures that all matters related to employment and career development are free from discriminatory practices by ensuring that selection for jobs and career progression are determined by personal

	<p>merit, competency, qualifications and ability to effectively perform the role. The Group does not treat any person less favourably than another on the basis of:</p> <ul style="list-style-type: none"> • gender • marital status • sexual orientation • age • race/cultural background • religious or political opinions • family responsibilities • disability. <p>Performance Disclosure:</p> <p>The Company submits an annual public report to the Workplace Gender Equality Agency, disclosing performance on gender equality indicators. This information is available in the annual public reports to the Workplace Gender Equality Agency https://portal.wgea.gov.au/sites/default/files/public_reports/tempPublicReport_jsha59sn5i.pdf.</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, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>MRL Corporate Governance Document: Performance Evaluation Practices</p> <table border="1" data-bbox="728 895 2181 963"> <tr> <td data-bbox="728 895 1111 963">Compliant with ASX Recommendations</td> <td data-bbox="1111 895 1413 963">✓</td> <td data-bbox="1413 895 1715 963">Document available</td> <td data-bbox="1715 895 2181 963">✓ On Group's website</td> </tr> </table> <p>Performance Evaluation Practices:</p> <p>The Company has a performance evaluation process in place as defined in the 'Performance Evaluation Practices' document available on the Group's website. As part of the annual review of the performance of the Board - the appropriate size, composition and terms and conditions of appointment to and retirement from the Board are considered. The level of remuneration for Non-Executive Directors is considered with regard to practices of other public companies and the aggregate amount of fees approved by Shareholders. The Board also reviews the appropriate criteria for Board membership collectively.</p> <p>The Board has established formal processes to review its own performance and the performance of individual Directors (including the Managing Director) and the committees of the Board, on an annual basis.</p>	Compliant with ASX Recommendations	✓	Document available	✓ On Group's website
Compliant with ASX Recommendations	✓	Document available	✓ On Group's website		

Board

A process has been established to review and evaluate the performance of the Board. The Board is required to meet annually with the specific purpose of reviewing the role of the Board; assessing its performance over the previous 12 months, including comparison with other Boards; and examining ways in which the Board can better perform its duties. The review will incorporate the performance of the Board.

The annual review includes consideration of the following measures:

- comparison of the performance of the Board against the requirements of the Board Charter
- assessment of the performance of the Board over the previous 12 months having regard to the corporate strategies, operating plans and the annual budget
- review the Board's interaction with management
- identification of any particular goals and objectives of the Board for the next year
- review the type and timing of information provided to the Directors
- identification of any necessary or desirable improvements to Board or Board Committee charters.

The method and scope of the performance evaluation will be set by the Board and includes a Board self-assessment checklist to be completed by each Director.

Committees

Similar procedures to those for the Board review are applied to evaluate the performance of each of the Board Committees. An assessment will be made of the performance of each Committee against each charter and areas identified where improvements can be made

Non-Executive Directors

The Chairman will have primary responsibility for conducting performance appraisals of Non-Executive Directors, in conjunction with the Non-Executive Directors, having particular regard to:

- contribution to Board discussion and function
- degree of independence, including relevance of any conflicts of interest
- availability for, and attendance at, Board meetings and other relevant events
- contribution to the Company strategy
- membership of and contribution to any Board Committees
- suitability to Board structure and composition.

	<p>Managing Director</p> <p>The Board annually reviews the performance of the Managing Director. At the commencement of each anniversary of employment, the Board and the Managing Director agree a set of performance measures to be used in the forthcoming year. These include:</p> <ul style="list-style-type: none"> • financial measures of the Company’s performance • the extent to which key operational goals and strategic objectives are achieved • development of management and staff • compliance with legal and regulatory requirements • achievement of key performance indicators. <p>FY 19 Performance Evaluation</p> <p>A formal evaluation of the performance of the Board, Audit & Risk Committee, Remuneration Committee, and Nomination Committee was undertaken in August 2019 by the Chairman.</p> <p>The annual review included consideration of the following measures:</p> <ul style="list-style-type: none"> • comparison of the performance of the Board and Committees against the requirements of their respective Charters • assessment of the performance of the Board and Committees over the previous 12 months, having regard to corporate strategies, operating plans and the annual budget • review of the Board and respective Committees’ interaction with management • identification of any particular goals and objectives of the Board and Committees for the next year • review of the type and timing of information provided to the Directors and Committee members • identification of any necessary or desirable improvements to Board or Committee Charters. 						
<p>Recommendation 1.7: A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the</p>	<p>MRL Corporate Governance Document: Performance Evaluation Processes</p> <table border="1" data-bbox="734 1171 2172 1241"> <tr> <td data-bbox="734 1171 1111 1241">Compliant with ASX Recommendations</td> <td data-bbox="1111 1171 1415 1241">✓</td> <td data-bbox="1415 1171 1715 1241">Document available</td> <td data-bbox="1715 1171 2172 1241">✓ On Group website</td> </tr> </table> <p>Performance Evaluation Practices:</p> <p>The Company has a performance evaluation process in place as defined in the ‘Performance Evaluation Practices’ document available on the Group’s website.</p>			Compliant with ASX Recommendations	✓	Document available	✓ On Group website
Compliant with ASX Recommendations	✓	Document available	✓ On Group website				

<p>reporting period in accordance with that process.</p>	<p>Managing Director Through the Remuneration Committee, the Board annually reviews the performance of the Managing Director. At the commencement of each anniversary of employment, a set of performance measures are agreed with the Managing Director. These may include:</p> <ul style="list-style-type: none"> • financial measures of the Company’s performance • the extent to which key operational goals and strategic objectives are achieved • development of management and staff • compliance with legal and regulatory requirements • achievement of key performance indicators. <p>Senior Executives The Managing Director is responsible for assessing performance of key executives within the Company. This is performed through regular meetings with each senior executive. The basis of evaluation of senior executives includes a consideration of pre-agreed performance measures.</p>
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Principle 2 – Structure the Board to add value

<p>Recommendation 2.1: The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <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>MRL Corporate Governance Document: Nomination Committee Charter</p>		
	<p>Compliant with ASX Recommendations</p>	<p>✓</p>	<p>Document available</p>
<p>Nomination Committee:</p> <p>The Board has a Nomination Committee which oversees and monitors Board and senior executive performance, succession planning, and the company’s diversity policy.</p> <p>The Nomination Committee is comprised of independent Non-Executive Directors, including:</p> <ul style="list-style-type: none"> • Tim Roberts: Independent Non-Executive Director (Chairman - resigned effective 5 June 2019) • Xi Xi: Independent Non-Executive Director (Chairman – effective from 6 June 2019) • James McClements: Lead Independent Non-Executive Director • Kelvin Flynn: Independent Non-Executive Director 			

(b) if it does not have a nomination committee, disclose that fact and the process it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience and diversity to enable it to discharge its duties and responsibilities effectively.

Nomination Committee Charter:

The Nomination Committee Charter sets out the Committee's scope and responsibilities and provides it with the resources and authority required to discharge these duties. The charter includes details of the Committee's composition, structure, membership requirements, processes and procedures, as approved by the Board, to ensure the Committee's Charter appropriately reflects the Company's industry, objectives and culture.

The role of the Nomination Committee is to assist and advise the Board in fulfilling its responsibilities to members of the Company on:

- matters relating to the composition, structure and operation of the Board
- matters relating to executives' selection and performance
- other matters as required.

The objectives to the Nomination Committee include:

- providing assurance that the Board has the effective composition, size and commitment to adequately discharge its responsibilities and duties
- conducting searches for new Board members and recommending preferred candidates to the Board
- assessing the extent to which the necessary and desirable competencies are represented on the Board
- recommending required Board competencies, number and profiles of Board members
- ensuring that Board succession plans are in place to maintain the required competencies, number, and profiles of Board members
- reviewing nominations received from members who wish to be appointed to the Board in accordance with preferred criteria
- continually monitoring Board membership and structure to ensure that there is appropriate representation on the Board from across the membership
- developing and maintaining the process for evaluating performance of the Board
- conducting searches for the Managing Director and executives and recommending preferred candidates to the Board
- ensuring that succession plans are in place
- evaluating the performance of the Managing Director and executives.

FY19 Financial Year Nomination Committee Meetings:

The number of meetings and attendance at each meeting is disclosed in the Directors' Report section of the Group's Annual Financial Statements and Annual Report, which is available on the Group's website.

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.

MRL Corporate Governance Document: Board Skills Matrix – set out below

Compliant with ASX Recommendations

✓

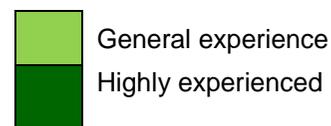
Document available

✓ Refer below

The Board's Skills Matrix is set out below:

	Accounting	Finance	Audit	Operations	Governance	Human Resources	Investor Relations	IT	Legal	Innovation	Management	OH&S	Risk	Leadership	Strategy
Peter Wade	Highly experienced														
Chris Ellison	Highly experienced														
Kelvin Flynn	Highly experienced	Highly experienced	Highly experienced	General experience	Highly experienced	General experience	Highly experienced								
James McClements	Highly experienced	Highly experienced	Highly experienced	General experience	Highly experienced	General experience	Highly experienced								
Tim Roberts ¹	Highly experienced														
Xi Xi	Highly experienced	General experience	Highly experienced												

¹ Resigned effective 5 June 2019



<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 relationship of the type described in Box 2.3 [of the ASX Corporate Governance Council's 2014 Corporate Governance Principles and Recommendations] but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, 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>MRL Corporate Governance Document: Directors' Report</p>			
	<p>Compliant with ASX Recommendations</p>	<p>✓</p>	<p>Document available</p>	<p>✓ Directors' Report section of the Group's Annual Financial Statements and Annual Report, which is available on the Group's website</p>
	<p>Directorship:</p> <p>The following directors are independent:</p> <ul style="list-style-type: none"> • James McClements: Lead Independent Non-Executive Director • Kelvin Flynn: Independent Non-Executive Director • Xi Xi: Independent Non-Executive Director • Tim Roberts: Independent Non-Executive Director (resigned effective 5 June 2019). A replacement for this position is currently being considered by the Board. <p>The remaining directors, who are not considered independent, include:</p> <ul style="list-style-type: none"> • Chris Ellison (not independent due to his position as Managing Director) • Peter Wade, Non-Executive Chairman (considered not to be independent due to his previous role as Managing Director and Executive Chairman, a position he relinquished in November 2013). <p>Each Director's skills, experience and expertise relevant to the position of Director; and period of office of each Director in office at the date of this Report; is contained in the Directors' Report section of the Group's Annual Financial Statements and Annual Report, which is available on the Group's website.</p>			
<p>Recommendation 2.4: A majority of the board of a listed entity should be independent directors.</p>	<p>MRL Corporate Governance Document: Directors' Report</p>			
	<p>Compliant with ASX Recommendations</p>	<p>✓</p>	<p>Document available</p>	<p>✓ Directors' Report section of the Group's Annual Financial Statements and Annual Report, which is available on the Group's website</p>
	<p>Board Composition:</p> <p>The majority of the Board are independent directors. This includes:</p> <ul style="list-style-type: none"> • James McClements: Lead Independent Non-Executive Director 			

	<ul style="list-style-type: none"> • Kelvin Flynn: Independent Non-Executive Director • Xi Xi: Independent Non-Executive Director • Tim Roberts: Independent Non-Executive Director (resigned effective 5 June 2019). A replacement for this position is being considered by the Board. <p>The remaining directors, who are not considered independent, comprise Chris Ellison, not independent due to his position as Managing Director, and Peter Wade, not considered to be independent due to his previous role as Managing Director and Executive Chairman, a position he relinquished in November 2013.</p>			
<p>Recommendation 2.5: 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>	<p>MRL Corporate Governance Document: Directors' Report</p>			
	<p>Compliant with ASX Recommendations</p>	<p>X</p>	<p>Document available</p>	<p>✓ Directors' Report section of the Group's Annual Financial Statements and Annual Report, which is available on the Group's website</p>
<p>Recommendation 2.6: 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.</p>	<p>MRL Corporate Governance Document: Nomination Committee Charter</p>			
	<p>Compliant with ASX Recommendations</p>	<p>✓</p>	<p>Document available</p>	<p>✓ On Group website</p>
	<p>As part of the process for appointing new Directors to the Board, a new Director receives an induction appropriate to their experience. This ensures new directors are able to participate fully in Board decision-making at the earliest opportunity, and to enable new directors to gain an understanding of the Group's operating environment, financial, strategic, operational and risk management positions.</p>			

	<p>The Board regularly reviews the composition, performance and working relationships to ensure that the Board continues to have the mix of skills and experience necessary for the conduct of the Group’s activities. Where deficiencies are identified, these are addressed either by seeking new appointments to the Board, or by arranging appropriate professional development for existing Board members.</p> <p>The Nomination Committee charter includes the following related objectives:</p> <ul style="list-style-type: none"> • assessing the extent to which necessary and desirable competencies are represented on the Board • recommending required Board competencies, numbers and profiles of Board members • ensuring that Board succession plans are in place to maintain the required competencies, number and profiles of Board members.
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Principle 3 – Act ethically and responsibly

<p>Recommendation 3.1: A listed entity should:</p> <p>(a) have a code of conduct for its directors, senior executives and employees; and</p> <p>(b) disclose that code or a summary of it.</p>	<p>MRL Corporate Governance Document: Code of Conduct and Business Integrity</p>			
	<p>Compliant with ASX Recommendations</p>	<p>✓</p>	<p>Document available</p>	<p>✓ On Group website</p>
	<p>Code of Conduct and Business Integrity</p> <p>The Group has a Code of Conduct and Business Integrity (the Code) that defines the way the Group does business. It is based on the Group’s values and represents its commitment to uphold the highest standards of ethics and integrity in its business practices. The Code applies to all employees, directors, officers and contractors, regardless of location or role.</p> <p>The Code covers a range of aspects including:</p> <ul style="list-style-type: none"> • ensuring a safe workplace • fitness for work • respecting difference • human rights • native title and heritage • acting lawfully • bribery and corruption • gifts, hospitality and entertainment • conflicts of interest • fair and open competition 			

	<ul style="list-style-type: none"> • insider trading • privacy • government and international obligations • representing MRL • consequences of breaching the Code. <p>The Group prohibits any form of punishment, disciplinary or retaliatory action being taken against anyone for raising or helping to address a business conduct concern. Failure to comply with the Code is viewed as a serious matter that may lead to disciplinary action, including dismissal and/or legal action.</p> <p>The Group has a whistleblower policy to support the effectiveness of the Code.</p>
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Principle 4 – Safeguard integrity in financial reporting

<p>Recommendation 4.1: The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and the majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual</p>	<p>MRL Corporate Governance Document: Audit & Risk Committee Charter</p>			
	<p>Compliant with ASX Recommendations</p>	<p>✓</p>	<p>Document available</p>	<p>✓ On Group website</p>
	<p>Audit & Risk Committee:</p> <p>MRL has an Audit & Risk Committee which is a committee of the Board of the Company. During FY19, membership of the Audit & Risk Committee was as follows:</p> <ul style="list-style-type: none"> • Kelvin Flynn: Independent Non-Executive Director (Chair) • James McClements: Lead Independent Non-Executive Director • Tim Roberts: Independent Non-Executive Director (Resigned effective 5 June 2019). A replacement Independent Non-Executive Director is being considered by the Board. <p>Audit & Risk Committee Charter:</p> <p>The Audit & Risk Committee's Charter sets out the Committee's function, composition, mode of operation, authority and responsibilities.</p> <p>The primary function of the Committee is to assist the Board in fulfilling its responsibilities relating to accounting and reporting practices of the Group. In addition, the Committee:</p> <ul style="list-style-type: none"> • oversees, co-ordinates and appraises the quality of audits conducted by the Group's external auditors and internal auditors 			

<p>attendances of the members at those meeting; 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>	<ul style="list-style-type: none"> • determines the independence and effectiveness of the external and internal auditors • maintains open lines of communications among the Board, internal and external auditors to exchange views and information, as well as confirm their respective authority and responsibilities • serves as an independent and objective party to review financial information submitted by management to the Board for issue to Shareholders, regulatory authorities and the general public; and • reviews the adequacy of the reporting and accounting controls of the Company. <p>The Committee is not required to personally conduct accounting reviews or audits, and is entitled to rely on employees of the Company or professional advisers where appropriate.</p> <p>Each Director's skills, experience and expertise relevant to the position of Director is contained in the Directors' Report section of the Group's Annual Financial Statements and Annual Report, which is available on the Group's website.</p> <p>FY19 Audit & Risk Committee Meetings:</p> <p>The number of times that the committee met during the reporting period is contained in the Directors' Report section of the Group's Annual Financial Statements and Annual Report, which is available on the Group's website.</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, 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>	<p>MRL Corporate Governance Document: Audit & Risk Committee Charter and Directors' Declaration</p>			
<p>Compliant with ASX Recommendations</p>	<p>✓</p>	<p>Document available</p>	<p>✓ On Group's website and in the Directors' Declaration section of the Group's Annual Financial Statements and Annual Report, which is available on the Group's website</p>	
<p>Audit & Risk Committee:</p> <p>The Audit & Risk Committee ensures that the Managing Director and Chief Financial Officer prepare a written statement to the Board certifying that the Group's annual and half-yearly Financial Reports present a true and fair view, in all material respects, of the financial position of the Group as at the reporting date and its financial performance to the reporting date, and are in accordance with relevant accounting standards.</p>				

	<p>The statement is presented to the Board prior to the approval and sign-off of the respective annual and half yearly Financial Reports.</p> <p>Confirmation is provided by the Managing Director and Chief Financial Officer that the assurance provided to the Board is founded on a sound system of risk management and internal control and that the system is considered to operate effectively in all material respects in relation to reporting financial risk.</p> <p>Directors' Declaration: The Directors' Declaration, included in the FY19 Financial Report, confirms that the Managing Director and Chief Financial Officer have provided the declarations required by section 295A of the <i>Corporations Act 2001</i> with regard to this financial period.</p>			
<p>Recommendation 4.3: 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>	<p>MRL Corporate Governance Document: Shareholders Communication Policy</p>			
	<p>Compliant with ASX Recommendations</p>	<p>✓</p>	<p>Document available</p>	<p>✓ On Group's website</p>
	<p>It is both the Group's policy and the policy of the Group's auditor for the lead engagement partner to be present at the Annual General Meeting (AGM) and to answer any questions regarding the conduct of the audit and the preparation and content of the auditors' report.</p> <p>To assist with this process, Shareholders are encouraged to provide relevant questions at least five business days prior to the AGM to allow the external auditors adequate time to give consideration, and prepare responses to, Shareholder questions.</p> <p>The Company's Shareholders Communication Policy, available on the Group's website confirms that "a representative from the Company's Auditor, usually the lead engagement partner, is present at the Annual General Meeting and to answer any questions regarding the conduct of the audit and the preparation and content of the auditors' report".</p>			

Principle 5 – Make timely and balanced disclosure

Recommendation 5.1:

A listed entity should:

(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.

MRL Corporate Governance Document: Continuous Disclosure Policy

Compliant with ASX Recommendations

✓

Document available

✓ **On Company website**

Continuous Disclosure Policy:

The Group has a Continuous Disclosure Policy which demonstrates its commitment to:

- complying with the general and continuous disclosure principles contained in the Corporations Act and the ASX Listing rules
- preventing the selective or inadvertent disclosure of material price sensitive information
- ensuring Shareholders and the market are provided with full and timely information about the Group's activities
- ensuring that all market participants have equal opportunity to receive externally available information issued by the Group.

Disclosure officers:

The Managing Director and Company Secretaries have been appointed as the Group's Disclosure Officers responsible for implementing and administering the Continuous Disclosure Policy. The Disclosure Officers are responsible for all communication with ASX and the Managing Director is responsible for making decisions on what should be disclosed publicly under this policy.

In the absence of the Managing Director, or a Company Secretary, any matters regarding disclosure issues are to be referred to the Chairman.

Material information:

In accordance with the ASX Listing Rules, the Group must immediately notify the market (via an announcement to the ASX) once it becomes aware of any information concerning the Group, which a reasonable person would expect to have a material effect on the price or value of the Company's securities.

ASX announcements are placed on the Investors section of the Group website as soon as practicable after the ASX confirms receipt of that information. The Group is also required to disclose information, if asked to do so by the ASX, to correct or prevent a false market.

	<p>As per the Continuous Disclosure Policy, the Group is aware of the Corporations Act's requirements that it is deemed to have become aware of information where a Director or executive officer has, or ought to have, come into possession of the information in the course of the performance of his duties as a Director or executive officer.</p> <p>The Company is also aware the Corporations Act's definition of a "material effect on price or value" is where a reasonable person would be taken to expect information to have a material effect on the price or value of the Company's securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the securities.</p>
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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>	<p>MRL Corporate Governance Document: Continuous Disclosure Policy and Shareholders Communication Policy</p>			
	Compliant with ASX Recommendations	✓	Documents available	✓ On Group's website
	<p>Continuous Disclosure Policy and Shareholders Communication Policy:</p> <p>MRL has a Continuous Disclosure Policy and a Shareholders Communication Policy which describes disclosure of information to investors. The Group's Continuous Disclosure Policy defines the Managing Director and the Company Secretaries as the Company's Disclosure Officers, who are responsible for all communication with ASX.</p> <p>The Shareholders Communication Policy states that the Group recognises the value of providing current and relevant information to its Shareholders. The Managing Director and Company Secretaries have primary responsibility for communication with Shareholders. The Company is committed to the promotion of investor confidence by ensuring that trading in the Company's securities takes place in an efficient, competitive and informed market.</p> <p>Information is communicated to Shareholders through:</p> <ul style="list-style-type: none"> • continuous disclosure to relevant securities markets of all material information • periodic disclosure through the annual report, half year financial report and quarterly reporting of exploration, production and corporate activities • notices of meetings and explanatory material 			

	<ul style="list-style-type: none"> • the Annual General Meeting • periodic newsletters or letters from the Chairman or Managing Director • the Company's website. <p>Announcements lodged with the ASX are placed on the Group's website as soon as practicable after the ASX confirms receipt of that information. The Group places the full text of notices of Shareholder meetings and explanatory material on the website.</p> <p>The Group believes that communicating with Shareholders by electronic means, particularly through its website, is an efficient way of distributing information in a timely and convenient manner. The Group's website includes the following pages, which contain information relevant to Shareholders:</p> <ul style="list-style-type: none"> • 'About us' section which includes a 'Corporate Governance' section on the Company's corporate governance policies and practices. • 'Investors' section that contains ASX Announcements; Financial Reports including Annual Reports, Quarterly Reports, Full year and Half year results; speeches and supporting material given at investor conferences or presentations; share price information; and the Investor Calendar. • 'News' section, containing news and media. <p>All website information is frequently reviewed and updated to ensure that information is current, or appropriately dated and archived.</p>		
<p>Recommendation 6.2: A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.</p>	<p>MRL Corporate Governance Document: Shareholders Communication Policy</p>		
	<p>Compliant with ASX Recommendations</p>	<p>✓</p>	<p>Document available ✓ On Company website</p>
	<p>Shareholders Communication Policy:</p> <p>The Shareholders Communication Policy states that the Group recognises the value of providing current and relevant information to its Shareholders and investors. The Managing Director and Company Secretaries have primary responsibility for communication with Shareholders. The Company is committed to the promotion of investor confidence by ensuring that trading in the Company's securities takes place in an efficient, competitive and informed market.</p> <p>Information is communicated to Shareholders through:</p> <ul style="list-style-type: none"> • continuous disclosure to relevant securities markets of all material information • periodic disclosure through the annual report (or concise annual report), half year financial report and quarterly reporting of exploration, production and corporate activities 		

	<ul style="list-style-type: none"> • notices of meetings and explanatory material • the Annual General Meeting • periodic newsletters or letters from the Chairman or Managing Director • the Company’s website. <p>Announcements lodged with the ASX are placed on the Group’s website as soon as practicable after the ASX confirms receipt of that information. The Group places the full text of notices of Shareholder meetings and explanatory material on the website.</p> <p>The Group believes that communicating with Shareholders by electronic means, particularly through its website, is an efficient way of distributing information in a timely and convenient manner. The Group’s website includes the following pages, which contain information relevant to Shareholders:</p> <ul style="list-style-type: none"> • ‘About us’ section which includes a ‘<i>Corporate Governance</i>’ section on the Company’s corporate governance policies and practices. • ‘Investors’ section that contains ASX Announcements; Financial Reports including Annual Reports, Quarterly Reports, Full year and Half year results; speeches and support material given at investor conferences or presentations; share price information; and the Investor calendar. • ‘News’ section, containing news and media. <p>The Group’s website contains a “Contact” section that enables questions relating to the Group to be lodged with the Group. Requests and responses are tracked to ensure appropriate consideration is provided to all queries and communications with the Group.</p>		
<p>Recommendation 6.3: 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>MRL Corporate Governance Document: Shareholders Communication Policy</p>		
	<p>Compliant with ASX Recommendations</p>	<p>✓</p>	<p>Document available ✓ On Group website</p>
	<p>Shareholders Communication Policy:</p> <p>The Shareholders Communication Policy provides for the following with regard to Shareholder meetings:</p> <ul style="list-style-type: none"> • notices of meetings are distributed to Shareholders in accordance with the provisions of the Corporations Act • notices of meeting and other meeting material are drafted in concise and clear language • Shareholders are encouraged to use their attendance at meetings to ask questions on any relevant matter, with time being specifically set aside for Shareholder questions • notices of meetings encourage participation in voting on proposed resolutions by lodgement of proxies, if Shareholders are unable to attend the meeting 		

	<ul style="list-style-type: none"> it is general practice for a presentation on the Company's activities to be made to Shareholders at each AGM, and as noted at Recommendation 4.3 above, it is both the Group's policy and the policy of the Group's auditor for the lead engagement partner to be present at the AGM to answer any questions regarding the conduct of the audit and the preparation and content of the auditors' report. 			
<p>Recommendation 6.4: 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>	<p>MRL Corporate Governance Document: Shareholders Communication Policy</p>			
	<p>Compliant with ASX Recommendations</p>	<p>✓</p>	<p>Document available</p>	<p>✓ On Group's website</p>
	<p>As noted at Recommendation 6.1 above, the Group's website contains a "Contact" section that enables questions relating to the Group to be lodged with the Company. Responses are tracked to ensure appropriate consideration is provided to all queries and communication with the Group.</p> <p>Likewise, the Contacts section of the Group's website contains the contact details of the Group's Share Registry (Computershare) and a hyperlink to Computershare's website. Via this link, Shareholders are able to lodge queries related to the share registry on Computershare's website.</p>			
<p>Principle 7 – Recognise and manage risk</p>				
<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>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director.</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p>	<p>MRL Corporate Governance Documents:</p> <ul style="list-style-type: none"> Risk Management and Internal Compliance and Control, Audit & Risk Committee Charter, 			
	<p>Compliant with ASX Recommendations</p>	<p>✓</p>	<p>Documents available</p>	<p>✓ On Group website</p>
	<p>Audit & Risk Committee:</p> <p>MRL has an Audit & Risk Committee which is a committee of the Board of the Company. During FY19, membership of the Audit & Risk Committee was as follows:</p> <ul style="list-style-type: none"> Kelvin Flynn: Independent Non-Executive Director (Chair) James McClements: Lead Independent Non-Executive Director Tim Roberts: Independent Non-Executive Director (Resigned effective 5 June 2019). A replacement Independent Non-Executive Director is currently being considered by the Board. 			

<p>(4) the members of the committee; and</p> <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 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 processes it employs for overseeing the entity's risk management framework.</p>	<p>Audit & Risk Committee Charter:</p> <p>The Audit & Risk Committee Charter sets out the Audit & Risk Committee's function, composition, mode of operation, authority and responsibilities.</p> <p>The primary function of the Committee is to assist the Board in fulfilling its responsibilities relating to accounting and reporting practices of the Group. In addition, the Committee:</p> <ul style="list-style-type: none"> • oversees, co-ordinates and appraises the quality of audits conducted by the Group's external auditors and internal auditors • determines the independence and effectiveness of the external and internal auditors • maintains open lines of communications among the Board, internal and external auditors to exchange views and information, as well as confirm their respective authority and responsibilities • serves as an independent and objective party to review financial information submitted by management to the Board for issue to Shareholders, regulatory authorities and the general public • reviews the adequacy of the reporting and accounting controls of the Company. <p>FY19 Audit & Risk Committee Meetings:</p> <p>The number of times that the Audit & Risk Committee met during the reporting period is contained in the Directors' Report section of the Group's Annual Financial Statements and Annual Report, which is available on the Group's website.</p> <p>MRL also has a Risk Management, Internal Compliance and Control Policy that describes the process of risk management internal compliance and control. A copy of this policy is available on the Group's website.</p>						
<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</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>MRL Corporate Governance Documents:</p> <ul style="list-style-type: none"> • Audit & Risk Committee Charter • Risk Management and Internal Compliance and Control <table border="1" data-bbox="728 1209 2181 1279"> <tr> <td data-bbox="728 1209 1111 1279">Compliant with ASX Recommendations</td> <td data-bbox="1111 1209 1413 1279">✓</td> <td data-bbox="1413 1209 1715 1279">Documents available</td> <td data-bbox="1715 1209 2181 1279">✓ On Group website</td> </tr> </table> <p>The Audit & Risk Committee is responsible for reviewing the risk management framework.</p>			Compliant with ASX Recommendations	✓	Documents available	✓ On Group website
Compliant with ASX Recommendations	✓	Documents available	✓ On Group website				

	<p>The Risk Management, Internal Compliance and Control Policy states that management, under the guidance of the Board and the Audit & Risk Committee determines the Company's risk profile and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control.</p> <p>The Board, via the Audit & Risk Committee, oversees an ongoing assessment of the effectiveness of risk management, internal compliance and control. Responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management.</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 risk management and internal control processes.</p>	<p>MRL Corporate Governance Documents:</p> <ul style="list-style-type: none"> • Audit & Risk Committee Charter • Code of Conduct and Business Integrity • Risk Management and Internal Compliance and Control 			
	<p>Compliant with ASX Recommendations</p>	<p>✓</p>	<p>Documents available</p>	<p>✓ On Group website</p>
	<p>The Company does not currently have a formal internal audit function.</p> <p>Procedures for continually improving both risk management and internal control processes are managed by the Group as follows:</p> <p>The Risk Management Internal Compliance and Control (Policy/Procedure) defines the company's process of risk management, compliance and control as follows:</p> <ul style="list-style-type: none"> • establishing the Company's goals and objectives, and implementing and monitoring strategies and policies to achieve these goals and objectives • continuously identifying and reacting to 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 • formulating risk management strategies to manage identified risks and designing and implementing appropriate risk management policies and internal controls; and • monitoring the performance of, and continuously improving the effectiveness of, risk management systems and internal compliance and controls, including an ongoing assessment of the effectiveness of risk management and internal compliance and control. <p>The Charter of the Audit & Risk Committee defines responsibilities for the Committee including to:</p>			

- perform an independent review of financial information prepared by management for external reporting. This includes conducting reviews of the annual report, directors' report, annual financial statements, half yearly financial statements and any other externally-reported financial information required by law
- monitor the integrity and effectiveness of financial reporting processes review and assess the external audit arrangements
- appoint, review and assess the internal audit arrangements
- consider significant internal audit findings, management's responses and related actions
- review and ensure implementation of legislated major accounting changes
- ensure that appropriate policies are established and adequate systems are in place to identify and disclose related-party transactions and assess the propriety of any related-party transactions
- ensure that the Board is kept regularly informed on general progress and activities, and is promptly briefed on all significant issues related to these responsibilities.

Via Independent Expert Reports:

- Where an item has a material impact on the accuracy and reliability of financial performance to, and financial position as at, a period end (e.g. resource stockpiles) independent experts are commissioned to assess quantities included in carrying value calculations. Variances are thoroughly investigated and where deficiencies are identified, appropriate amendments made to measuring processes/systems.
- Risks associated with IT system changes are managed by ensuring independent experts are commissioned to review change processes and to provide a report to executives on the adequacy and efficacy of internal controls inherent in the new systems, as well as to verify that all risks associated with transition from previous to new systems have been appropriately managed.

Via Risk Surveyor Reports:

- The Group arranges major property and project insurance-based risk management audits through its insurance brokers on at least an annual basis. These comprehensive risk reviews are conducted by independent risk management companies, which provide a report to executives on the adequacy of property insurance and associated control risks, for major property and processes within the Group's supply chain. Issues identified are logged and followed up by periodic updates on corrective actions to the Chief Operating Officer and Chief Financial Officer, until both sign off that they are satisfied that any weaknesses in process controls and/or operating systems have been adequately remediated.

The Board is satisfied that the processes summarised above achieve the objective of ensuring the effectiveness of the Group's risk management and internal control processes are continually monitored and improved.

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.

MRL Corporate Governance Documents:

- **Environmental, Social and Governance (ESG) Report**

Compliant with ASX Recommendations	✓	Documents available	✓ On Group website
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In 2018, MRL produced its first Environmental, Social, Governance (ESG) Report, which presented a summary of key ESG risks and opportunities. In FY19 a Sustainability Report will be incorporated into the FY19 Annual Report, prepared in accordance with the 'Core' Global Reporting Initiative (GRI) Standards.

A thorough materiality assessment was undertaken in FY19, led by an independent advisor, to understand our key sustainability topics. This involved reviewing key issues that are important to our business, investors and other stakeholders, and assessing factors that could influence our ability to create or sustain value (Materiality Assessment). Our Materiality Assessment was informed by an assessment of our sustainability context, industry specific issues, stakeholder concerns, peer reporting, as well as international sustainability frameworks such as the GRI and the Sustainable Development Goals.

This results of the Materiality Assessment have been categorised into four main themes, covering health & safety, people, social and environment.

Theme	Material Topic
Health & Safety	<ul style="list-style-type: none"> • Maintaining a safe working environment that promotes health and wellbeing
People	<ul style="list-style-type: none"> • Attracting and retaining talent • Developing a diverse, inclusive and non-discriminatory workplace
Environment	<ul style="list-style-type: none"> • Managing our resource use and environmental impacts, while innovating towards a low-carbon economy
Social	<ul style="list-style-type: none"> • Supporting community partnerships • Creating opportunities for skills development and managing our relationships with communities

Each material topic is described in the FY19 Sustainability Report, including why the topic is important to the Group; what we are doing to manage it; our performance; and future-looking initiatives. The FY19 Sustainability Report is currently undergoing independent assurance by a leading external assurance provider. The FY19 Sustainability Report will be released to the market, along with the Group's Annual Report, in October 2019.

Principle 8 – Remunerate fairly and responsibly

Recommendation 8.1:

The board of a listed entity should:

(a) have a remuneration committee which:

(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

(b) if it does not have a remunerations 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.

MRL Corporate Governance Documents: Remuneration Committee Charter

Compliant with ASX Recommendations

✓

Documents available

✓ **On Group website**

Remuneration Committee:

MRL has a Remuneration Committee that is composed of Non-Executive Directors, one of whom is appointed as Committee Chair.

During FY19, membership of the Remuneration Committee was as follows:

- James McClements, Independent Non-Executive Director (Chair)
- Kelvin Flynn, Independent Non-Executive Director
- Tim Roberts, Independent Non-Executive Director (resignation effective 5 June 2019). A replacement Independent Non-Executive Director is currently being considered by the Chair.

Remuneration Committee Charter:

The Remuneration Committee Charter, available on MRL’s website, sets out the Committee’s scope and responsibilities and provides it with the resources and authority required to discharge these duties. The Charter includes details of the Committee’s composition, structure, membership requirements and processes and procedures approved by the Board, reflecting the Company’s industry, objectives and culture.

FY19 Remuneration Committee Meetings:

The number of meetings and attendance at each meeting is disclosed in the Directors’ Report section of the Group’s Annual Financial Statements and Annual Report, which is available on the Group’s website.

<p>Recommendation 8.2: A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and other senior executives.</p>	<p>MRL Corporate Governance Documents: Remuneration Report – included in the Directors’ Report section of the Group’s Annual Financial Statements and Annual Report, which is available on the Group’s website</p>			
	<p>Compliant with ASX Recommendations</p>	<p>✓</p>	<p>Documents available</p>	<p>✓ Via Directors’ Report section of the Group’s Annual Financial Statements and Annual Report, which is available on the Group’s website</p>
	<p>Details of Non-Executive Director and executive remuneration policies and practices are provided in the Remuneration Report, a section of the Annual Financial Statements and Annual Report, available on the Group’s website. This is audited by the Group’s external auditors.</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 limits the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>MRL Corporate Governance Documents: Remuneration Report – included in the Directors’ Report section of the Group’s Annual Financial Statements and Annual Report, which is available on the Group’s website</p>			
	<p>Compliant with ASX Recommendations</p>	<p>✓</p>	<p>Documents available</p>	<p>✓ Via Directors’ Report section of the Group’s Annual Financial Statements and Annual Report, which is available on the Group’s website</p>
	<p>The Company has a Long-Term Incentive (LTI) plan which entitles participants to equity-based remuneration, provided minimum performance thresholds are achieved.</p> <p>Details and entitlements under the LTI are included in the Remuneration Report section of the Annual Financial Statements and Annual Report (available on the Group’s website) and is audited by external auditors.</p> <p>LTI participants who are awarded equity-based remuneration via the LTI scheme are prohibited from entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.</p>			