

MinRex Resources Limited

ABN 81 151 185 867

ANNUAL REPORT

For the Year Ended 30 June 2017

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MinRex Resources Limited

CORPORATE DIRECTORY

DIRECTORS

Mr Simon Durack JP (Executive Chairman)
Mr Robert Downey (Non-Executive Director)
Mr David Hannon (Non-Executive Director)

COMPANY SECRETARY

Mr Simon Durack JP

REGISTERED OFFICE

LinQ House
Level 1
17 Ord Street
West Perth WA 6005

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SHARE REGISTRY

Security Transfer Australia Pty Ltd
770 Canning Highway
APPLECROSS WA 6153

Telephone: +61 8 9315 2333
Facsimile: +61 8 9315 2233

AUDITORS

Ernst & Young
The Ernst & Young Building
11 Mounts Bay Road
Perth WA 6000 Australia

STOCK EXCHANGE

Australian Securities Exchange Limited
ASX Code: MRR

MinRex Resources Limited

Directors' Report

The Directors present their report for MinRex Resources Limited ("MinRex" or "the Company") for the year ended 30 June 2017.

DIRECTORS

The following persons were Directors of MinRex Resources Limited during the financial year and up to the date of this report. Directors were in office for the entire period, unless otherwise stated:

Mr Simon Durack – B.Comm, Post Grad Dip Bus, FCA, JP (Executive Chairman & Company Secretary)

Mr Durack is a Chartered Accountant, practicing Company Secretary and Director, with over 35 years commercial experience gained working in Australia, South East Asia and Europe. Mr Durack's commercial experience includes time worked in the Accounting profession with Coopers & Lybrand (now PricewaterhouseCoopers). He has also held many senior financial and secretarial roles with both large public and private entities. In these roles, Mr Durack has been responsible for providing managerial, secretarial and financial advisory input. Mr Durack has also acted as resident Director for several offshore companies with operations in Australia. Mr Durack is an Executive Director, Group Company Secretary and Chief Financial Officer for the LinQ Group of companies and brings a strong commercial and financial background to the Company.

Mr Robert Downey B.Ed, LL.B (Hons) (Non-Executive Director)

Mr Downey is a barrister and solicitor of the Supreme Court of Western Australia. He commenced work with Phillips Fox in the areas of energy, corporate law and mining. In 2001 he joined law firm Blakiston & Crabb and specialised in advising oil & gas and mining companies in relation to a range of legal issues, including IPOs, mergers and acquisitions, as well as general AIM, ASX and ASX Listing Rules advice. Mr Downey established an independent corporate advisory firm during 2005 and was involved with the IPO listings of various mining and oil & gas companies on the ASX and at the same time held directorships on a number of these companies. In 2016 Mr Downey established Dominion Legal and specialises as a corporate resources lawyer.

Mr David Hannon BEc, FFin (Non-Executive Director)

Mr Hannon commenced his commercial career as a stockbroker and investment banker in 1985, working with several firms. He later became a joint partner of a private investment bank specializing in venture capital with a focus on the mining sector. Mr Hannon operates a private investment bank, Chifley Investor Group Pty Limited. He held a directorship in Atlas Iron Limited from 6 August 2004 to 10 March 2015. Mr Hannon holds a Bachelor of Economics from Macquarie University and is a Fellow with the Financial Services Institute of Australasia.

MinRex Resources Limited

Directors' Report

DIRECTORSHIPS OF OTHER LISTED COMPANIES IN THE LAST 3 YEARS

Name	Company
Robert Downey	Non-executive Chairman of AXG Mining Limited (appointed 8 September 2014).
David Hannon	Non-executive Director of Atlas Iron Limited (appointed 6 August 2004, resigned 10 March 2015).

COMPANY SECRETARY

Mr Simon Durack – B.Comm, Post Grad Dip Bus, FCA, JP

Refer to director's biography.

INTERESTS IN THE SECURITIES OF THE COMPANY

As at the date of this report, the interests of the Directors in the securities of MinRex Resources Limited are:

Director	Fully paid ordinary shares
Simon Durack (direct & indirect interest)	125,001
Robert Downey	-
David Hannon	9,820,649

PRINCIPAL ACTIVITY

The principal activity of the Company is mineral exploration and development. The Company has also been active in pursuing other opportunities outside of the mining sector.

RESULTS OF OPERATIONS

The Company's net loss attributable to the members of MinRex Resources Limited for the year ended 30 June 2017 was \$623,294 (2016 net loss \$892,839).

	2017	2016	% increase /
	\$	\$	(decrease)
Revenue – interest income only	10,093	14,947	(32.5)%
Loss before tax	(623,294)	(892,839)	(30.2)%
Loss after income tax – tax benefit not recognised	(623,294)	(892,839)	(30.2)%
Loss per share	(1.70) cents	(3.87) cents	(56.0)%

In regards to its principal activity, the Company's only reported revenue is interest income, which has fallen in line with the decline in the Company's cash balances and the softening in interest rates.

MinRex Resources Limited

Directors' Report

RESULTS OF OPERATIONS continued

The decrease in the loss after income tax of 30.2% is primarily due to a lack of suitable corporate opportunities being pursued during the year.

The financial performance and position of the Company is presented in the attached Financial Statements.

DIVIDENDS

No dividend was paid or declared by the Company in the year and up to the date of this report.

CORPORATE STRUCTURE

MinRex Resources Limited is a mining exploration company, which is incorporated and domiciled in Australia.

MinRex Resources Limited

Directors' Report

REVIEW OF OPERATIONS

Overview

MinRex Resources Limited ("MinRex") is an exploration company, listed on the Australian Securities Exchange, with its present focus being the exploration of gold, base metal and tin projects in Western Australia and Tasmania. The Company is also actively evaluating other exploration and corporate opportunities.

MinRex currently holds two exploration projects, the Deflector Extended Gold Project, at Gullewa in Western Australia (about 400km north of Perth), and the Heemskirk Tin Project on the west coast of Tasmania (Figure 1). Significantly, MinRex's Deflector Extended Gold Project is along strike from the Doray Minerals Limited ("Doray") Deflector Mine, where underground mining and accompanying ore processing of copper-gold mineralisation commenced in May 2016.

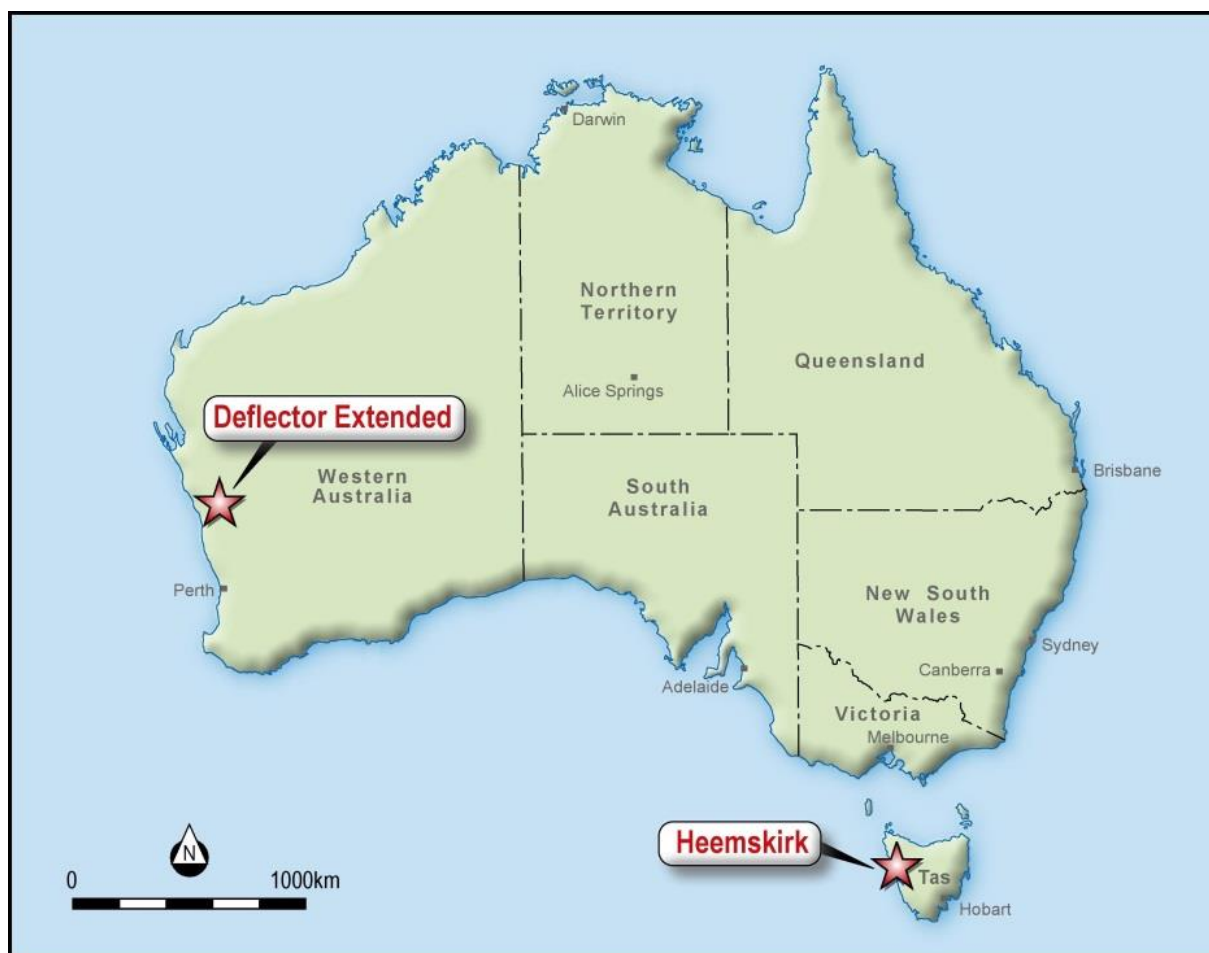


Figure 1: Location of MinRex Project Areas

Deflector Extended Gold Project

During the year, MinRex's Deflector Extended Gold Project (E59/1657) was renewed for a second, five year term, to the 11th July 2021, with no reduction in area. This tenement covers a 15km² area directly to the northeast of Doray's Deflector Mine, and also the Golden Stream open cut, where gold and copper-gold deposits have been mined from shear zones in meta-basalt. Both deposits trend towards MinRex's project area, where deep cover sequences have hampered previous exploration work (Figure 2). The Deflector Mine was opened in May 2016, as an underground mining operation on copper-gold sulphide lodes and is predicted to have an annual production of about 60,000oz of gold and 6,000t of copper.

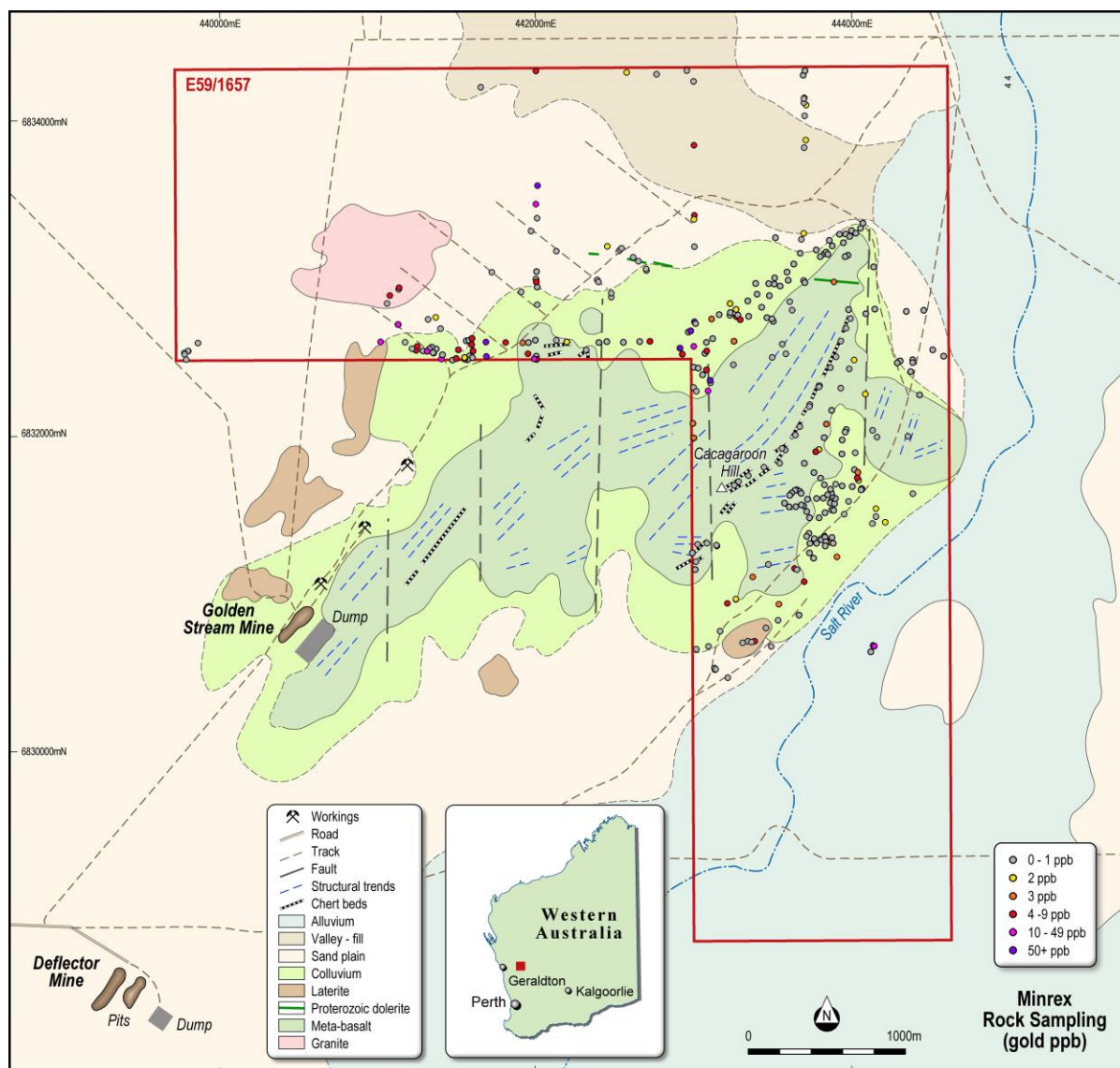


Figure 2: Geology of E59/1657 showing the surface rock sample results and the Deflector Mine site

The surface area of E59/1657 consists of about 15% outcrop of mafic meta-basalt rocks, in the Cagacaroon Hills area, and about 85% cover sediments, plus one or two small areas of granite and laterite. MinRex has been actively exploring this project area since 2011, utilising surface sampling and geological mapping to hone in to buried mineralised structures and favourable settings for mineralisation.

The geomorphology of the Deflector Extended Gold Project area indicates that the area has been more deeply eroded in the past and then infilled with younger sediments, up to 30m deep in places. The ephemeral Salt River flows through the south eastern corner of the tenement and this has undoubtedly been a major river system in the past. A drying climate has resulted in the river system being choked with alluvial sediments and the floodplain areas being infilled with valley-fill alluvium and colluvium. Colluvial scree deposits surround the outcropping Cagacaroon Hills meta-basalt, and loose wind-blown sand is also common, overlying these other deposits, principally in the west and north (Figure 2).

During the year the geological map of the project area was reviewed and updated and the importance of north-trending fault zones that disrupt the layering was realised. These faults have dextral movements that have progressively displaced the stratigraphy to the south, potentially off-setting mineralised structures.

Several surface sampling programs have now been completed in the project area, involving surface grab sampling of outcropping rock, scree, float, colluvium, calcrete, ferricrete and sediment (Figure 2). In combination with this work, a number of lines of close-spaced, surface soil sampling have also been completed, along with an auger drilling program. In the current year, two field sampling programs have been completed and a total of 190 surface rock samples and 134 soil samples collected in the Deflector Extended Gold Project area, in the past twelve months.

MinRex Resources Limited

Directors' Report

A total of 350 surface rock, scree and float samples have now been collected in the project area and these show a number of anomalous areas, suitable for further examination and sampling. In particular a number of anomalous assay values (up to 0.8ppm Au – in a repeat assay) have been returned in the past year, and a number of these cluster in a distinct scree-covered area, adjacent to mafic meta-basalt and an interpreted fault zone, near the central corner of the lease (Area 2 in Figure 3).

The other two anomalous zones (shown in Figure 3) are to the north of the Golden Stream mine (Area 1) and along Salt River north of the hidden Gearless Well granitoid intrusion (Area 3); which may lie along strike from the Deflector Mine. The prevalence of higher gold values in rock and soil samples in areas of mafic colluvium suggests that concealed mineralisation may lie below the blanket of scree surrounding the Cagacaroön Hills meta-basalt outcrop area.

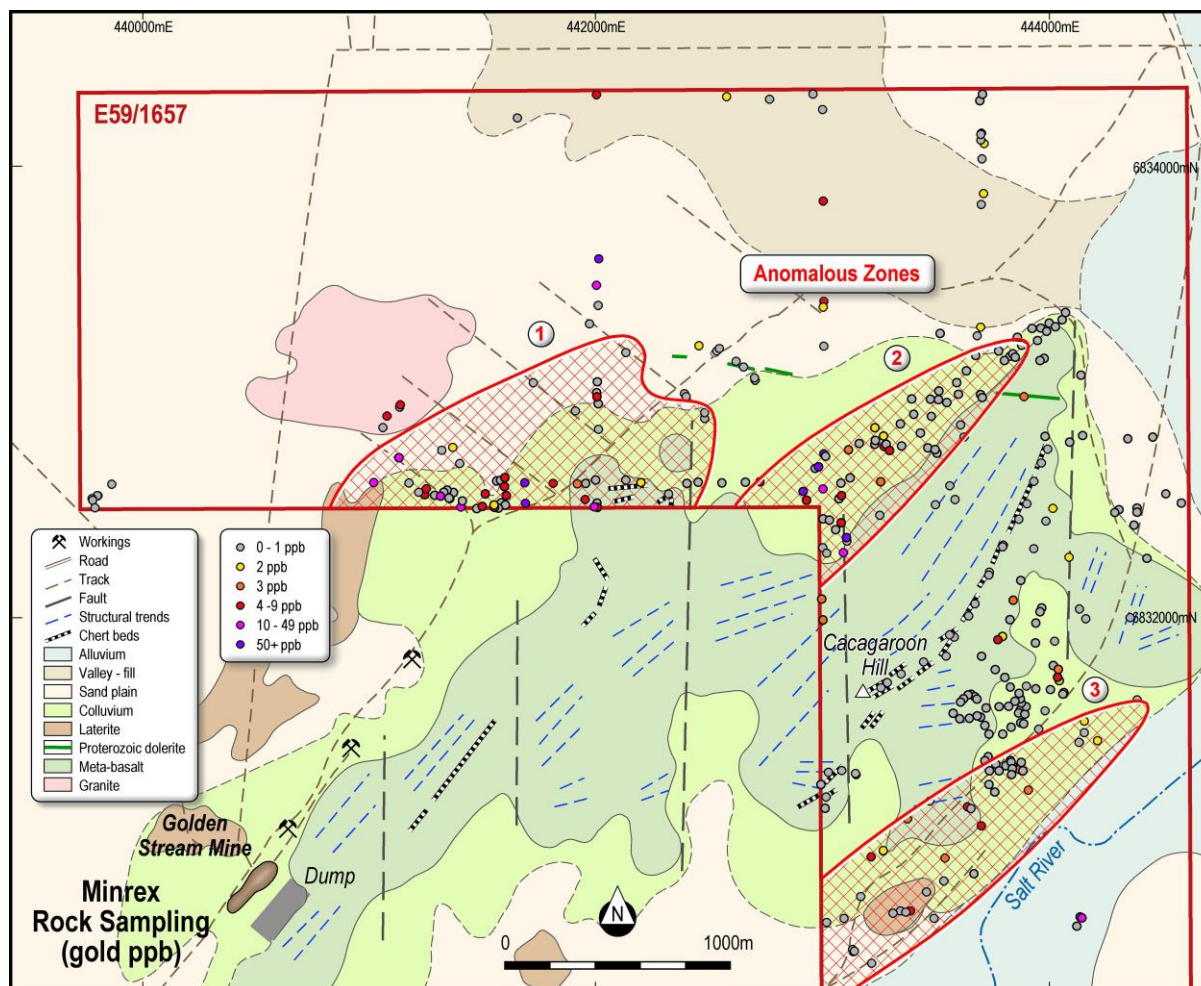


Figure 3: Plan showing the rock sample results and interpreted anomalous zones, in E59/1657

Planning is now underway for the next field sampling program, which will aim to collect additional rock and soil samples within the three defined anomalous zones, especially focussing on the newly defined Zone 2, where three scree sample assay values exceed 0.1ppm Au. These three samples were of float material, in an area of mafic scree, with the rocks comprising quartz vein and goethite, possibly after sulphide minerals, which is a similar composition to the gold ore previously mined at the Golden Stream mine and currently being mined at the Deflector Mine. A detailed examination of this area will be made in the next field program to determine the origin of these anomalous float samples.

The future sampling programs will also include some further reconnaissance work elsewhere in the Deflector Extended Gold Project, where deep cover could be concealing gold and copper-gold mineralisation (Figure 4). It is anticipated that more detailed surface sampling will allow the Company to hone in on optimal drill target locations for future RAB, aircore and RC drill testing.



Figure 4: View from meta-basalt outcrop, across scree slopes to sand plain and Salt River alluvial flats at the Deflector Extended Gold Project

Heemskirk Tin Project

The Heemskirk Tin Project lies in exploration licence EL18/2011, on the west coast of Tasmania. A one year extension to this licence was granted on the 24th May 2017, extending the term to the 2nd April 2018, with no reduction in the area.

The Heemskirk tin field saw a brief, hectic period of activity in the 1870–80's, with companies spending on equipment rather than ore development, miners and prospectors inconsistently identifying tin minerals and ultimately a lack of capital, remote location and high costs forcing the closure of the tin field. Subsequent exploration of the area since the 1960's has seen piecemeal stream and rock chip sampling, along with geological mapping, sampling of the main old workings, the completion of three diamond drill holes, and various airborne geophysics programs completed. There has been no detailed sampling or field work completed in the area in recent times.

MinRex has now held its Heemskirk Tin Project since 2012 and has been successful in identifying a number of the old tin workings, dating from the 1870-80's, has checked the previous mine records, collated the old exploration data, reprocessed the existing geophysics and completed six surface sampling programs.

While known to be underlain by the Heemskirk Granite, the bulk of the area is covered with a thin veneer of quartz-rich organic soil and sand, probably mostly less than 1m thick, rendering exploration and prospecting for mineralisation difficult, stream valleys are infilled with deeper alluvial deposits and dense vegetation and the presence of a widely dispersed blanket of alluvial tin in the drainages of the area also compounds the exploration complexity (Figure 5).



Figure 5: View of Mt Heemskirk showing terrain and quad bike for sample collection in EL18/2011, during February 2017 exploration program

MinRex Resources Limited

Directors' Report

In the past year a single field sampling program, of two week's duration was completed, in February 2017, to collect rock samples from three of the old workings, along with soil samples from the slopes of the previously defined anomalous stream valleys, to the east of the Peripatetic and north of the Carn Brea mines (Figure 6); and to collect a few new stream sediment concentrate samples, where further infill was required. This more diverse exploration program collected a total of 58 rock samples, 68 soil samples and 7 stream sediment concentrate samples, for 133 samples, in the current year.



Figure 6: Old workings and equipment at the Carn Brea and Peripatetic tin mines in EL18/2011

MinRex has now collected a total of 129 stream sediment concentrate samples, 99 rock chip samples and 78 soil samples, for a total of 306 samples in the project area and these show a number of anomalous areas, suitable for further examination and sampling. In particular a number of anomalous assay values have been returned from sampling of the old Peripatetic mine site, where a highest value of 4.6% tin was returned (sample 16082) from the face of an open stope between Adits 3 and 4 (Figures 7 & 8). Previous sampling by other companies at the Peripatetic mine has returned assay values up to 12.3% tin.

The results from the 58 rock samples and 68 soil samples collected in 2017 are plotted below on Figure 7. The highest rock sample values are located at the old workings and are generally from old stope faces, shafts, dumps and waste piles. In all some six valley sides were also tested by soil sampling to determine if the origin of the anomalous stream sediment concentrate samples in these valleys could be determined. However, the results from the 68 soil samples were generally low, with no significant results being returned, the highest soil sample value was 0.02% tin.



Figure 7: Plan of the Heemskirk Tin Project area showing surface rock and soil sample sites

The seven new stream sediment concentrate samples included two results of over 1% tin, the highest being 32% tin, in the vicinity of the old Carn Brea mine workings (Figure 9). The samples were hand panned, in the field, to concentrate heavy minerals and are therefore higher grade than the original in-situ stream sediments.

A total of 129 stream sediment concentrate samples have now been collected, with the rationale that the results would delineate the most anomalous areas for more detailed sampling and exploration. Examination of the stream sediment concentrate results clearly show a number of areas with consistently higher results, including a number of streams with no known mines or deposits to the east of the Peripatetic mine and to the north of the Carn Brea mine (Figure 9). However, the results from the soil sampling along the valley sides in these anomalous areas were low, with no assays higher than 0.02% tin (Figure 7).

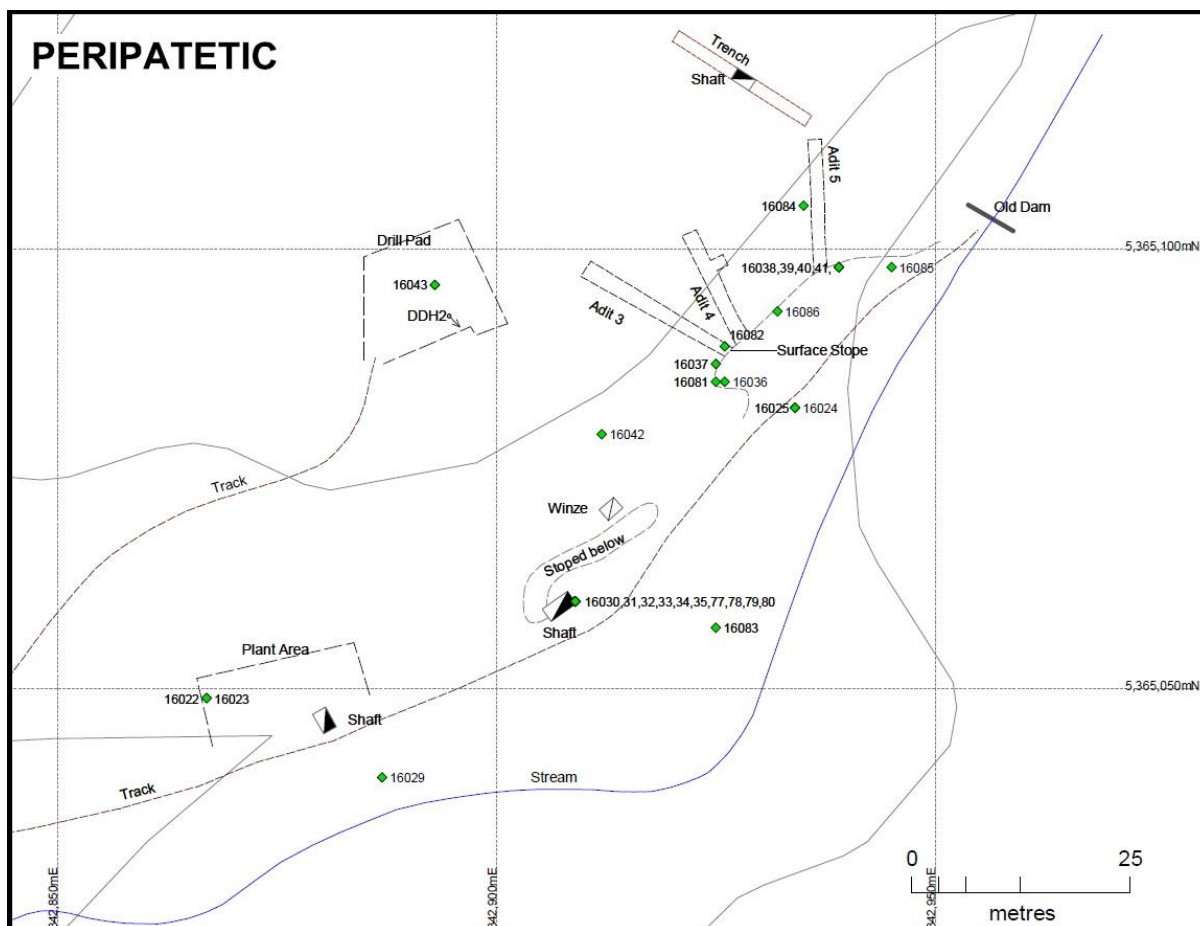


Figure 8: Sketch map of the old Peripatetic mine workings with rock sample numbers

Of the 129 stream sediment concentrate samples collected, 23 of these samples have assay results exceeding 1% tin, as shown below in Figure 9. The best of these results are clustered in the western half of the project area and generally to the east of the old Peripatetic mine site and west and north of the old Carn Brea mine site (Figure 9). Further sampling programs in these areas are now being considered.

Work is now on-going to collate the exploration results to date and plan for the next stage of exploration, with a new field program at the Heemskirk Tin Project expected to commence in the coming spring or summer months. This new program is likely to include extending the stream sediment concentrate sampling into the north-western zone of the project area. Further reconnaissance work, examination of old workings and collation of the results to date is also on-going.

By completing detailed stream sediment sampling, augmented by rock sampling at old workings, pits, trenches and outcrops the Company hopes to hone into the areas containing the greatest amount of tin in drainages and hence having the most potential for basement deposits. These higher order target areas will then be subjected to detailed soil sampling, and infill stream sediment concentrate sampling, in an effort to hone in to soil covered, large low-grade tin deposits.

The Heemskirk mineral field has never been systematically explored; early mining was piecemeal and subsequent exploration has been sparse and, most recently, dominated by remote studies, not groundwork. MinRex has been completing field sampling programs in EL18/2011 from 2012-17, with the aim of discovering previously overlooked large low-grade tin deposits, or smaller high to medium-grade tin deposits.

MinRex believes that while the Heemskirk field is relatively old, the work previously completed has not been systematic or thorough and that potential remains for new discoveries in the area.

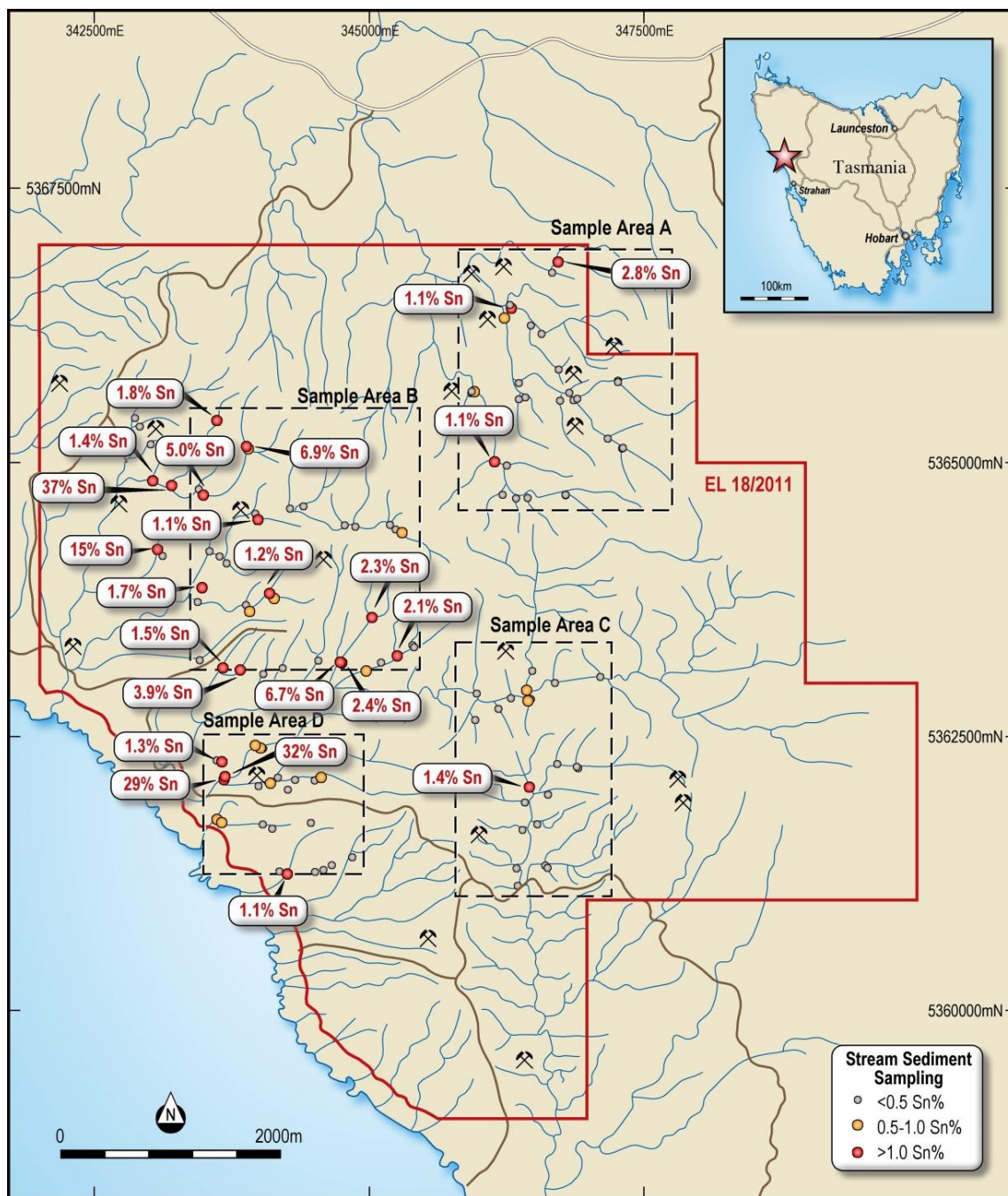


Figure 9: Plan of the Panned-Concentrate Assay Grades from Stream Sampling in E18/2011

Competent Persons Statement:

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Kieron Munro, a Competent Person who is a Member of the Australian Institute of Geoscientists and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Munro is employed as an independent geological consultant by MinRex and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

MinRex Resources Limited

Directors' Report

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

On 9 August 2017, the Company announced that it was undertaking a Private Placement and Rights Issue to raise up to \$1,694,902 before costs.

The Company has raised \$277,348 before costs, through the placement of 5,546,952 ordinary shares at \$0.05 each to sophisticated investors. These shares were allotted on 16 August 2017.

The Company's Non-renounceable Rights Issue for 2 new shares for every 3 shares held by Shareholders registered at the Record Date, opened on 24 August 2017 and closed on 7 September 2017. The Company has raised \$539,142 before costs from the Non-renounceable Rights Issue and allotted 10,782,844 to eligible shareholders on 13 September 2017. Directors will seek to place the 17,568,246 shortfall shares.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Company will continue with its exploration activities, whilst at the same time, will continue to review other corporate opportunities to drive shareholder wealth.

ENVIRONMENTAL REGULATIONS AND PERFORMANCE

The Company holds participating interests in two exploration tenements. The various authorities granting such tenements require the tenement holder to comply with the terms of the grant of the tenement and all directions given to it under those terms of the tenement. There have been no known breaches of the Company's environmental conditions, and no such breaches have been notified by any government agencies during the year ended 30 June 2017.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has made an agreement indemnifying all the Directors and officers of the Company against all losses or liabilities incurred by each Director or officer in their capacity as Directors or officers of the Company to the extent permitted by the Corporation Act 2001. The indemnification specifically excludes wilful acts of negligence. The Company paid insurance premiums in respect of Directors' and Officers' Liability Insurance contracts for current officers of the Company. The liabilities insured are damages and legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company. The total amount of insurance premiums paid has not been disclosed due to confidentiality reasons.

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

MinRex Resources Limited

Directors' Report

DIRECTORS' MEETINGS

During the financial year, the number of meetings of directors held during the year and the number of meetings attended by each director were as follows:

Director	Board Meetings Held	Board Meetings Attended	Audit & Risk Committee Meetings Held	Audit & Risk Committee Meetings Attended	Remuneration Committee Meetings Held	Remuneration Committee Meetings Attended	Nomination Committee Meeting Held	Nomination Committee Meeting Attended
Mr. Simon Durack	9	9	2	2	1	1	1	1
Mr. Robert Downey	9	9	2	2	1	1	1	1
Mr. David Hannon	9	9	2	2	1	1	1	1

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

SHARE OPTIONS

No Options were issued or exercised during the year. No Options were granted or exercised subsequent to the end of the year. On 11 July 2016, 16,625,000 Options exercisable at \$0.20 per Option lapsed. Prior to lapsing, no Options were exercised.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of MinRex Resources Limited support and have adhered to the principles of sound corporate governance. The Board recognises the recommendations of the Australian Securities Exchange Corporate Governance Council, and considers that MinRex Resources Limited is in compliance with those guidelines to the best extent possible, which are of importance to the commercial operation of a junior listed resources company. During the financial year, shareholders continued to receive the benefit of an efficient and cost-effective corporate governance policy for the Company. The Company's Corporate Governance Statement and disclosures are contained elsewhere in the annual report.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

Section 307C of the Corporations Act 2001 requires the Company's auditors to provide the Directors of MinRex Resources Limited with an Independence Declaration in relation to the audit of the full year financial report. A copy of this declaration appears on page 15 of this financial report.

Non-audit services were provided by the Company's auditor. Ernst & Young Australia received a total of \$3,000 for the provision of tax compliance services (refer note 12). The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that the auditor independence was not compromised.

Auditor's Independence Declaration to the Directors of MinRex Resources Limited

As lead auditor for the audit of MinRex Resources Limited for the financial year ended 30 June 2017, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.



Ernst & Young



T G Dachs
Partner
Perth
28 September 2017

MinRex Resources Limited

Directors' Report

REMUNERATION REPORT (AUDITED)

This report outlines the remuneration arrangements in place for Directors of MinRex Resources Limited in accordance with the requirements of the Corporation Act 2001 and its Regulations. For the purpose of this report, Key Management Personnel (KMP) of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company. The 2016 Remuneration Report was approved and adopted by shareholders at the Company's Annual General Meeting held on 21 November 2016.

Details of Key Management Personnel

Mr Simon Durack	Executive Chairman
Mr Robert Downey	Non-Executive Director
Mr David Hannon	Non-Executive Director

Remuneration Policy

The Remuneration Committee of the Board is responsible for determining and reviewing compensation arrangements for the Directors. The Remuneration Committee assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and executive team. The expected outcome of this remuneration structure is to retain and motivate Directors.

As part of its Corporate Governance Policies and Procedures, the board has adopted a formal Remuneration Committee Charter.

The rewards for Directors' have no set or pre-determined performance conditions or key performance indicators as part of their remuneration due to the current nature of the business operations. The Remuneration Committee determines appropriate levels of performance rewards as and when they consider rewards are warranted.

The table below shows the performance of the Company as measured by loss per share since incorporation in May 2011:

	30 June 2017	30 June 2016	30 June 2015	30 June 2014	30 June 2013	30 June 2012
Loss per share during the year (cents)	(1.70)	(3.87)	(restated) (3.33)	(restated) (1.91)	(restated) (1.29)	(restated) (3.07)
Share price per share as at period end	\$0.054	\$0.11	\$0.085	\$0.16	\$0.075	\$0.14

The weighted average number of ordinary shares in 2016 has been adjusted for the bonus element of the shares subscribed for on 4 July 2016. As a result, the loss per share amounts from prior years were restated.

MinRex Resources Limited

Directors' Report

Details of the nature and amount of each element of the emolument of each Executive and Non- Executive Director of the Company for the financial year are as follows:

2017	Short term benefits		
Director	Directors Fees	Consulting Fees	Total
Mr Simon Durack	\$36,000	\$9,000	\$45,000
Mr Robert Downey	\$36,000	-	\$36,000
Mr David Hannon	\$36,000	-	\$36,000
Total	\$108,000	\$9,000	\$117,000
2016	Short term benefits		
Director	Directors Fees	Consulting Fees	Total
Mr Simon Durack	\$18,000	\$86,318	\$104,318
Mr Emmanuel Heyndrickx	\$9,167	\$3,864	\$13,031
Mr Robert Downey	\$18,000	\$6,300	\$24,300
Mr Abraham Anthony Schildkraut	\$9,000	\$12,000	\$21,000
Mr David Hannon	\$8,600	-	\$8,600
Total	\$62,767	\$108,482	\$171,249

There were no other Executive officers of the Company during the financial year ended 30 June 2017. Given the nature of the Company's present activity, no remuneration is performance related.

Directors' fees

Executive Chairman

The Executive Chairman, Mr Simon Durack, is paid Director's fees on a monthly basis.

Non-Executive Directors

The Non-Executive Directors, Mr Robert Downey and Mr David Hannon are paid Directors' fees on a monthly basis.

The aggregate fee remuneration for Directors has been set at an amount not to exceed \$350,000 per annum as detailed in the Company's new Constitution which was adopted by shareholders at the Annual General Meeting, which was held on 23 November 2015. This amount may only be increased with the approval of Shareholders at a general meeting.

Consulting fees

As there are no full-time executives engaged by the Company, and all Directors' fees charged have been historically very low, the Board of Directors resolved to pay each and any Director the sum of \$250 per hour, plus GST, in Consulting Fees for any work performed in the pursuit of other corporate opportunities, as fair compensation for the professional work undertaken.

MinRex Resources Limited

Directors' Report

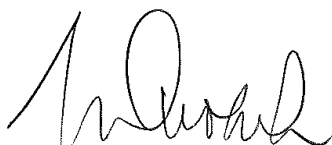
Directors' Interests held in MinRex Resources Limited

Shares	Beginning of Year		Net Change during year		End of Year	
	Ordinary Shares	Partly paid shares	Ordinary Shares	Partly paid shares	Ordinary Shares	Partly paid shares
Directors						
Mr Simon Durack	25,001	-	100,000	-	125,001	-
Mr Robert Downey	-	-	-	-	-	-
Mr David Hannon	3,190,651	-	6,629,998	-	9,820,649	-
	3,215,652	-	6,729,998	-	9,945,650	-
Rights						
Directors						
Mr Simon Durack	18,750	-	(18,750)	-	-	-
Mr Robert Downey	-	-	-	-	-	-
Mr David Hannon	2,392,988	-	(2,392,988)	-	-	-
	2,411,738	-	(2,411,738)	-	-	-

Other transactions with Key Management Personnel

There were no other transactions with Key Management Personnel, other than the consulting fees paid during the year to the Directors of the Company to pursue and review other corporate activities, as disclosed in the Remuneration Short Term Benefits table in the Remuneration Report.

END OF REMUNERATION REPORT (AUDITED)



Simon Durack
Executive Chairman

West Perth
28 September 2017

MinRex Resources Limited

Corporate Governance Statement

The Board of Directors of MinRex Resources Limited is responsible for corporate governance of the Company. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

The Company's corporate governance policies and procedures are based on the Australian Securities Exchange Corporate Governance Council's (the Council's) "Corporate Governance Principles and Recommendations" (the Recommendations). In accordance with the 3rd Edition of the Recommendations, the Corporate Governance Statement must contain certain specific information and must disclose the extent to which the Company has followed the guidelines during the reporting period. Where a recommendation has not been followed that fact must be disclosed, together with the reasons for the departure. For further information on corporate governance policies adopted by the Company, refer to the Corporate Governance Plan on our website: www.minrex.com.au.

This Corporate Governance Statement is current as at 30 June 2017 and has been approved by the Board.

Corporate Governance Compliance

During the year MinRex Resources Limited complied with each of the 8 Corporate Governance Principles and Recommendations, other than in relation to where the Company has disclosed departures from the Recommendations as set out in the table below:

PRINCIPLES AND RECOMMENDATIONS		COMPLY (YES/NO)	EXPLANATION
1.	<i>Lay solid foundations for management and oversight</i>		
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	YES	The Company's Board Charter sets out the roles and responsibilities of members of the Board. This charter can be found at Schedule 1 of the Company's Corporate Governance plan, which is located on the Company's website. At present, the Company has not employed any executive management, as the size and scope of the Company's operations has not warranted the cost of such appointments.
1.2	A listed entity should: (a) Undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (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.	YES	Appropriate checks are undertaken by members of the Board, prior to the appointment of any new Directors.
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	YES	Formal agreements have been drawn up at time of appointment.
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to with the proper functioning of the board.	YES	Refer to the Board Charter.

MinRex Resources Limited

Corporate Governance Statement

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
<p>1.5 A listed entity should:</p> <p>(a) Have a diversity policy which includes requirements for the board or 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>(b) Disclose that policy or a summary of it; and</p> <p>(c) Disclose at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	YES	<p>The Board has adopted a formal Gender Diversity policy, which can be found at Schedule 11 to the Company's Corporate Governance Plan, which is located on the Company's website.</p> <p>This policy contains a framework for the Company to work towards gender diversity.</p> <p>The Company is committed to workplace diversity and recognises the benefits arising from employee and Board diversity, including a broader pool of high quality employees, improving employee retention, accessing different perspectives and ideas and benefiting from all available talent.</p> <p>As at 30 June 2017, there was one female employee of the Company, who is the only employee of the Company at the date of this Annual Report. Currently, the Company has not appointed any female Directors.</p>
<p>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>	YES	<p>The Nomination Committee of the Company is responsible for evaluating the performance of all Directors on annual basis, as provided for in the Board Charter.</p>
<p>1.7 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the</p>	NOT APPLICABLE	<p>Since inception, the Company has not employed an executive management team.</p>

MinRex Resources Limited

Corporate Governance Statement

PRINCIPLES AND RECOMMENDATIONS		COMPLY (YES/NO)	EXPLANATION
	performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.		
2.	<i>Structure the board to add value</i>		
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ul style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director; <p>and disclose:</p> <ul style="list-style-type: none"> (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period, and the individual attendances of the members at those meetings; or <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>	YES	<p>The Board of the Company has a Nomination Committee, whose members are Robert Downey (Chair), Simon Durack and David Hannon. Robert Downey and David Hannon are independent Directors.</p> <p>Attendance at this committee's meeting is recorded in the Directors' Report in the Company's 2017 Annual Report.</p> <p>A copy of its Charter can be found at Schedule 5 of the Company's Corporate Governance Plan, which is located on the Company's website.</p>
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.	YES	Refer to the Charter of the Nomination Committee.
2.3	A listed entity should disclose:	YES	The Company considers that Robert Downey is an independent Director.

MinRex Resources Limited

Corporate Governance Statement

PRINCIPLES AND RECOMMENDATIONS		COMPLY (YES/NO)	EXPLANATION
	<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 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) The lengthy of service of each director.</p>		<p>Simon Durack has served on the Company's Board since it was incorporated in May 2011. Robert Downey joined the Board on 8 September 2014 and David Hannon on 4 April 2016.</p> <p>As at the date of the 2017 Annual Report, David Hannon indirectly owned 18.42% of the issued ordinary shares in the Company. For this reason David Hannon has not been considered an independent Director. Robert Downey has no financial interest in the Company and is therefore considered an independent Director.</p>
2.4	A majority of the board of a listed entity should be independent directors.	NO	One of the three directors is independent. This is not uncommon for Junior Explorer companies.
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.	NO	Simon Durack is the only Executive Director of the Company and has for a number of years been the appointed Chair of all recent Shareholder and Directors' meetings. On 21 November 2016, the independent Directors of the Company appointed Mr Simon Durack as the Executive Chairman of the Company. The Company has to date not appointed a CEO or other executive management.
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.	YES	All current Board members are experienced company Directors, with many years of commercial experience and hold accounting and legal qualifications. Each member of the Board adheres to professional development. All new Directors are formally briefed and inducted into the Company.
3.	<i>Act ethically and responsibly</i>		
3.1	<p>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>	YES	The Board has established a formal Corporate Code of Conduct, which can be found at Schedule 2 of the Company's Corporate Governance Plan, located on the Company's website. The Company's Corporate Code of Conduct provides a framework for decisions and actions in relation to ethical conduct in employment. It underpins the Company's commitment to integrity and fair dealing in its business affairs and to a duty of care to all employees, clients and stakeholders.
4.	<i>Safeguard integrity in corporate reporting</i>		
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p>	YES	The Company has established an Audit and Risk Committee. The role of the Audit and Risk Committee is to assist the Board in monitoring and reviewing any matters of significance affecting financial reporting and compliance.

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Corporate Governance Statement

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
<p>(1) has at least three members, all of whom are non-executive directors and a 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 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>The Audit and Risk Committee is made up of Robert Downey (Chair), David Hannon and Simon Durack, of which two are independent non-executive Directors. The qualifications and experience of these committee members is outlined in the Directors' Report, contained in the Company's 2017 Annual Report. Their attendance at committee meetings is also detailed in the Directors' Report.</p> <p>The Charter of the Audit and Risk Committee can be found at Schedule 3 of the Company's Corporate Governance Plan, located on the Company's website.</p>
<p>4.2 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 controls which is operating effectively.</p>	<p>YES</p>	<p>A section 295A declaration is received by the Board prior to its approval every year of the Company's Annual Financial Statements.</p>
<p>4.3 A listed entity that has an AGM should ensure that its external auditor attends its AGM and is</p>	<p>YES</p>	<p>The Company is audited by Ernst & Young. A representative of the Auditors is present at every Annual General Meeting of the Company.</p>

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PRINCIPLES AND RECOMMENDATIONS		COMPLY (YES/NO)	EXPLANATION
	available to answer questions from security holders relevant to the audit.		
5.	<i>Make timely and balanced disclosure</i>		
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.	YES	The Board has developed a Continuous Disclosure policy which is designed to ensure compliance with the ASX Listing Rules and ensure accountability at a Board level for compliance. This policy can be found at Schedule 7 of the Company's Corporate Governance Plan, located on the Company's website.
6.	<i>Respect the rights of security holders</i>		
6.1	A listed entity should provide information about itself and its governance to investors via its website.	YES	The Board of the Company has developed a Shareholder Communications Strategy, which can be found at Schedule 10 of the Corporate Governance Plan, which can be found on the Company's website.
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	YES	Refer to explanation at 6.1 above.
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.	YES	All shareholders are sent notices of all General Meetings of the Company and are encouraged to attend. Regular phone calls are made in the lead up to General Meetings to facilitate shareholder attendance at such meetings of the Company.
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.	YES	The Company's Share Registry provides this service.
7.	<i>Recognise and manage risk</i>		
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of 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;	YES	<p>The Board has established a risk management policy which is included in the Company's Corporate Governance Plan, which can be found on the Company's website.</p> <p>It is the responsibility of the Audit & Risk Committee to implement the risk management system. This committee is made up of Robert Downey (Chair), David Hannon and Simon Durack. Two members of this committee are independent non-executive Directors. The Charter for this committee can be found at Schedule 3 of the Company's Corporate Governance Plan, which can be found on the Company's website.</p>

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PRINCIPLES AND RECOMMENDATIONS		COMPLY (YES/NO)	EXPLANATION
	<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>(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>		Attendance at these committee meetings can be found in the Directors' Report in the 2017 Annual Report of the Company.
7.2	<p>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>	YES	The Board is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control. The Board has delegated to the Audit and Risk Committee responsibility for implementing the risk management system and monitors the effectiveness of management systems and reports on them. A review of these systems occurs twice yearly at half year and annual reporting periods.
7.3	<p>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>	NOT APPLICABLE	The Company is not of the size or scale to warrant the cost of an internal audit function. This function is overseen by the Audit & Risk Committee, which is laid out in the Charter of this committee, which can be found at Schedule 3 of the Company's Corporate Governance Plan, located on the Company's website.
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.	NOT APPLICABLE	The Company is not materially exposed to any material economic, environmental and social sustainability risks.
8.	<i>Remunerate fairly and responsibly</i>		
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p>	YES	The Board has established a Remuneration Committee which is comprised of David Hannon (Chair), Robert Downey and Simon Durack. Two of the three members of this committee are independent directors.

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PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
<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>(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>		<p>The Remuneration Committee Charter is disclosed in Schedule 4 of the Company's Corporate Governance Plan, which can be found on the Company's website.</p> <p>Attendance details of the meetings of this committee, can be found in the Directors' Report of this 2017 Annual Report of the Company.</p>
<p>8.2 A listed entity should separately disclose its policies and practises regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>YES</p>	<p>The Company does not differentiate between the remuneration of the executive and non-executive directors. No senior executives are employed by the Company.</p> <p>Details of the remuneration of the Directors of the Company, can be found in the Remuneration Report in this 2017 Annual Report of the Company.</p>
<p>8.3 A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>NOT APPLICABLE</p>	<p>The Company does not operate an equity-based remuneration scheme.</p>

Statement of Comprehensive Income
For the year ended 30 June 2017

	Note	30-Jun-17 \$	30-Jun-16 \$
Revenue from ordinary activities			
Interest Income		10,093	14,947
Expenditure			
Depreciation and amortisation		(6,154)	(6,199)
Corporate expenses		(247,639)	(201,317)
Exploration, evaluation & development expenditure	8	(128,856)	(113,358)
Management and administration expenses	4	(250,738)	(586,912)
Total expenditure		(633,387)	(907,786)
(Loss) from ordinary activities before income tax expense		(623,294)	(892,839)
Income tax expense	5	-	-
Net (loss) attributable to the members of MinRex Resources Limited		(623,294)	(892,839)
Other comprehensive income			
Other comprehensive income		-	-
Income tax relating to items of other comprehensive income/(loss)		-	-
Other comprehensive income for the period, net of tax		-	-
Total comprehensive(loss) for the year		(623,294)	(892,839)
Basic loss per share attributable to the ordinary equity holders of the company (cents)	14	(1.70)	(3.87)
Diluted loss per share attributable to the ordinary equity holders of the company (cents)	14	(1.70)	(3.87)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes

Statement of Financial Position
For the year ended 30 June 2017

		30-Jun-17 \$	30-Jun-16 \$
Current Assets	Note		
Cash and cash equivalents	6	1,129,876	852,293
Other receivables	7	24,236	31,103
Prepayment		7,184	5,270
Total Current Assets		<u>1,161,296</u>	<u>888,666</u>
 Non-Current Assets			
Property, plant and equipment		1,939	8,093
Total Non-Current Assets		<u>1,939</u>	<u>8,093</u>
Total Assets		<u>1,163,235</u>	<u>896,759</u>
 Current Liabilities			
Trade and other payables	9	37,313	89,352
Total Current Liabilities		<u>37,313</u>	<u>89,352</u>
 Total Liabilities		<u>37,313</u>	<u>89,352</u>
 Net Assets		<u>1,125,922</u>	<u>807,407</u>
 Equity			
Contributed equity	10	4,551,382	3,609,573
Accumulated losses	11	(3,425,460)	(2,802,166)
Total Equity		<u>1,125,922</u>	<u>807,407</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes

**Statement of Changes in Equity
For the year ended 30 June 2017**

	Issued Capital	Accumulated Losses	Total Equity
30 June 2016	\$	\$	\$
Balance at 1 July 2015	3,454,614	(1,909,327)	1,545,287
Net loss for the period	-	(892,839)	(892,839)
Comprehensive income for the period	-	-	-
Total comprehensive loss for the period	-	(892,839)	(892,839)
Transaction with owners recorded directly in equity			
Share issued	165,365	-	165,365
Share issue costs	(10,406)	-	(10,406)
Balance at 30 June 2016	3,609,573	(2,802,166)	807,407
30 June 2017			
Balance at 1 July 2016	3,609,573	(2,802,166)	807,407
Net loss for the year	-	(623,294)	(623,294)
Comprehensive income for the period	-	-	-
Total comprehensive loss for the year	-	(623,294)	(623,294)
Transaction with owners recorded directly in equity			
Shares issued	950,906	-	950,906
Share issue costs	(9,097)	-	(9,097)
Balance at 30 June 2017	4,551,382	(3,425,460)	1,125,922

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes

Statement of Cash Flows
For the year ended 30 June 2017

	Note	30-Jun-17 \$	30-Jun-16 \$
Cash Flows from Operating Activities			
Interest received		9,533	14,939
Payments to suppliers and employees		(673,759)	(841,399)
Net cash used in Operating Activities	6	(664,226)	(826,460)
Cash Flows from Investing Activities			
Payments for plant and equipment		-	(2,220)
Net cash provided by Investing Activities		-	(2,220)
Cash Flows from Financing Activities			
Issue of shares - private placement net of costs		941,809	154,959
Net cash provided by Financing Activities		941,809	154,959
Net increase/(decrease) in cash held		277,583	(673,721)
Cash at the beginning		852,293	1,526,014
Cash held at the end of the year	6	1,129,876	852,293

The above Statement of Cash Flows should be read in conjunction with the accompanying notes

MinRex Resources Limited

Notes to the financial statements for the year ended 30 June 2017

1. Corporate Information

The financial report of MinRex Resources Limited for the year ended 30 June 2017 was authorised for issue in accordance with a resolution of the directors on 28 September 2017.

MinRex Resources Limited was incorporated on 30 May 2011 and is domiciled in Australia. It is a for profit mining exploration company limited by shares, whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and the principal activities of the Company are described in the Directors' Report.

2. Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on a historical cost basis. The financial report is presented in Australian dollars.

(b) Compliance with IFRS

The financial report also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

(c) Change in Accounting Policy

The policy for accounting for exploration and evaluation expenditure has changed from the policy applied in previous reporting periods.

In previous reporting periods, all costs incurred in connection with the exploration and evaluation of areas with current rights of tenure were capitalised and recognised as an exploration and evaluation asset. Costs carried forward in respect of an area of interest that was abandoned were written off in the year in which the decision to abandon was made.

The policy has now changed, and the new policy has been applied retrospectively. Under the new policy:

- Exploration and evaluation costs are written off in the year they are incurred apart from acquisition costs which are carried forward where right to tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

The Directors are of the opinion that the change in accounting policy provides users with more relevant and no less reliable information as the policy is more transparent and less subjective. The policy is commonly used by exploration focussed companies where exploration and evaluation expenditure is viewed as an ongoing expense of discovery.

MinRex Resources Limited

Notes to the financial statements for the year ended 30 June 2017

Given the Company wrote off its exploration and evaluation expenditure for the years ended 30 June 2015 and 30 June 2016 on the basis of an expected change in business activities, the Company had no capitalised exploration, evaluation and development expenditure at 30 June 2015 and 30 June 2016. Consequently, the change in policy had no impact on accumulated losses at 30 June 2015 and 30 June 2016 and there was no impact on the basic and diluted loss per share per for years ended 30 June 2015 and 30 June 2016.

Expenditure on exploration activities has been reclassified from investing to operating activities in the Statement of Cash Flows as a result of the change in policy.

(d) New Accounting Standards and Interpretations

The Company has adopted all new and amended Australian Accounting Standards and AASB Interpretations for the reporting year ended 30 June 2017. The adoption of these new and amended standards has not resulted in any significant changes to the Company's accounting policies or to the amounts reported for the current or prior periods.

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the Company has decided not to early adopt. None of the changes are expected to materially impact the Company.

Standards and Interpretations in issue not yet adopted and new pronouncements issued

Reference	Title	Application date of standard*	Application date for Company*
AASB 9	Financial Instruments	1 January 2018	1 July 2018
AASB 15	Revenue from Contracts with Customers, and relevant amending standards	1 January 2018	1 July 2018
AASB 16	Leases	1 January 2019	1 July 2019
AASB 2016-1	Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017	1 July 2017
AASB 2016-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107	1 January 2017	1 July 2017
AASB 2016-5	Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions	1 January 2018	1 July 2018
AASB 2017-2	Amendments to Australian Accounting Standards – Further Annual Improvements 2014-2016 Cycle	1 January 2017	1 July 2017

The impact of the above new and revised standards and new pronouncements issued is yet to be determined.

MinRex Resources Limited

Notes to the financial statements for the year ended 30 June 2017

(e) Accounting policies

Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognised:

Interest Income

Interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

Income Tax

The income tax expense (revenue) comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the period as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity. Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be

MinRex Resources Limited

Notes to the financial statements for the year ended 30 June 2017

utilised. Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

Receivables

Amounts receivable from third parties are carried at amortised cost. The recoverability of the debts is assessed at balance date and specific allowance is made for any doubtful accounts.

Mining Tenements and Mineral Exploration and Evaluation Expenditure

Exploration and evaluation costs are written off in the year they are incurred apart from acquisition costs which are carried forward where right to tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Where an area of interest is abandoned or the Directors decide that it is not commercial, any accumulated acquisition costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and accumulated costs written off to the extent that they will not be recoverable in the future.

Amortisation is not charged on costs carried forward in respect of areas of interest in the development phase until production commences.

Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

MinRex Resources Limited

Notes to the financial statements for the year ended 30 June 2017

Depreciation and Amortisation

The depreciable amount of all fixed assets including buildings and capitalised leased assets is calculated using the straight line method, over their estimated useful lives to the economic entity commencing from the time the asset is held ready for use.

The straight line depreciation and amortisation rates used for each class of assets are as follows:

Plant and equipment 20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

Impairment of Assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed in profit and loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Accounts Payable

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Company. Trade accounts payable are normally settled within 30- 45 days.

Contributed Equity

Ordinary shares are classified as equity.

Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expected liability.

MinRex Resources Limited

Notes to the financial statements for the year ended 30 June 2017

Employee Benefits

Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months of the statement of financial position date are recognised in respect of employees' services rendered up to statement of financial position date and measured at amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable. Liabilities for wages and salaries are included as part of other payables and liabilities for annual and sick leave are included as part of employee benefit provisions.

Long service leave

Liabilities for long service leave are recognised as part of the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees to the statement of financial position date using the projected unit credit method. Consideration is given to expect future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using high quality corporate bond rates at the statement of financial position date with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of MinRex Resources Limited.

Earnings per Share

Basic earnings per share ("EPS") is calculated by dividing the net profit attributable to members of the Company for the reporting period, after excluding any costs of servicing equity, by the weighted average number of ordinary shares of the Company, adjusted for any bonus issue.

Diluted EPS is calculated by dividing the basic EPS earnings, adjusted by the after tax effect of financing costs associated with dilutive potential Ordinary Shares and the effect on revenues and expenses of conversion to Ordinary Shares associated with dilutive potential Ordinary Shares, by the weighted average number of Ordinary Shares and dilutive Ordinary Shares adjusted for any bonus issue.

MinRex Resources Limited

Notes to the financial statements for the year ended 30 June 2017

3. Segment Information

For management purposes, the Company is organized into one main operating segment, which involves mining and exploration for gold and other minerals. All of the Company's activities are interrelated, and discrete financial information is reported to the Board (Chief Operating Decision Makers) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the financial statements of the Company as a whole. Total revenue earned by the Company is generated in Australia and all the Company's non-current assets reside in Australia.

4. Management and administration expenses	30-Jun-2017 \$	30-Jun-2016 \$
Audit and compliance	50,906	83,417
Bank charges	637	1,169
General office expenses	184,913	186,948
Legal and Professional Support	14,282	315,378
	<u>250,738</u>	<u>586,912</u>

5. Income Tax	30-Jun-2017 \$	30-Jun-2016 \$
(a) Income tax expense		
major component of tax expense for the year		
Current tax	-	-
Deferred tax	-	-
	<u>-</u>	<u>-</u>

(b) Numerical reconciliation between aggregate tax expense recognised in the statement of comprehensive income and tax expense calculated per the statutory income tax rate.

A reconciliation between tax expense and the product of accounting loss before income tax multiplied by the Group's applicable tax rate is as follows:

(Loss) before income tax expense	(623,294)	(892,839)
Tax at the company rate of 27.5% (2016 30%)	(171,406)	(267,852)
Tax losses and temporary differences not recognised	171,406	267,852

MinRex Resources Limited

Notes to the financial statements for the year ended 30 June 2017

Income tax expense / (benefit)

5. Income Tax (continued)

	-	-
30-Jun-2017	30-Jun-2016	
\$	\$	

(c) Deferred tax

The following temporary differences existed at the balance sheet date:

Deferred tax asset

Accruals	8,128	7,872
Unrecognised tax losses	931,375	799,132
Section 40-880 deductions	68,217	173,965
Deferred tax assets not recognised	1,007,720	980,969

Deferred tax liability

There was no deferred tax liability as at 30 June 2017 (2016: \$nil).

The Company has \$3,386,817 in losses for income tax purposes. The aggregate deferred tax benefit of \$1,007,720 has not been carried forward as an asset in the Statement of Financial Position as realisation of the benefit is not regarded as probable and will only be obtained if:

- (a) the Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the exploration expenditure and tax losses to be realised;
- (b) the Company continues to comply with the conditions for deductibility imposed by the law; and
- (c) no changes in tax legislation adversely affect the Company in realising the benefit from the tax losses.

MinRex Resources Limited

Notes to the financial statements for the year ended 30 June 2017

6. Cash and Cash Equivalents	30-Jun-2017	30-Jun-2016
	\$	\$
Reconciliation of Cash and Cash Equivalents		
Cash comprises of:		
Cash at bank	1,129,876	852,293
Reconciliation of operating loss after tax to the cash flows from operations		
Loss from ordinary activities after tax	(623,294)	(892,839)
Non-cash items		
Depreciation	6,154	6,199
Movement in exploration, evaluation and development expenditure	(15,327)	15,327
Change in assets and liabilities		
(Increase)/Decrease in prepayments	(1,914)	2,319
Decrease/(Increase) in trade and other receivables	6,867	(4,971)
(Decrease)/Increase in trade & other payables	(36,712)	47,505
Net cash used in operating activities	(664,226)	(826,460)

7. Other Receivables	30-Jun-2017	30-Jun-2016
	\$	\$
Term Deposit	12,064	11,504
GST refundable	12,037	17,580
Other receivable	135	2,019
	24,236	31,103

The carrying amount of these receivables represents fair value and are not considered to be impaired.

MinRex Resources Limited

Notes to the financial statements for the year ended 30 June 2017

8. Exploration, Evaluation and Development Expenditure	30-Jun-2017	30-Jun-2016
	\$	\$
Exploration, evaluation and development assets	-	-
(a) Area of Interest		
Deflector Extended Gold Project- Western Australia	-	-
Heemskirk Tin Project – Tasmania	-	-
Carrying amount at end of year ¹	-	-

1. The carrying amount is nil at 30 June 2017 and 2016, as a result of the Company's accounting policy to expense all exploration, evaluation and development expenditure as incurred. Refer note 2(e).

9. Trade and Other Payables	30-Jun-2017	30-Jun-2016
	\$	\$
Trade payables	1,459	60,566
Accruals	35,854	28,786
	37,313	89,352

MinRex Resources Limited

Notes to the financial statements for the year ended 30 June 2017

10. Contributed Equity	30-Jun-17	30-Jun-17	30-Jun-16	30-Jun-16
	No.	\$	No.	\$
Ordinary Shares				
Issued and fully paid	36,979,684	4,551,382	21,131,251	3,609,573
Partly paid shares	-	-	-	-
	36,979,684	4,551,382	21,131,251	3,609,573
Movements in ordinary shares on issue	No.	\$	No.	\$
At beginning of year	21,131,251	3,609,573	35,000,001	3,454,614
Cancellation of partly paid shares for consolidation	-	-	(17,500,000)	-
Issue of fully paid ordinary shares to partly paid shareholders on consolidation	-	-	875,000	-
Private Placement	-	-	2,756,250	165,365
Cost of Private Placement	-	-	-	(10,406)
Rights Issue	15,848,433	950,906	-	-
Cost of Rights Issue	-	(9,097)	-	-
At end of year	36,979,684	4,551,382	21,131,251	3,609,573

	30-Jun-2017	30-Jun-2016
	No	No
Options		
Issue of unlisted options exercisable at \$0.20 on or before 11 July 2016 to partly paid shareholders on consolidation of their shares in November 2015	-	16,625,000
At 30 June	-	16,625,000

The options issued in November 2015 lapsed on 11 July 2016 and were not exercised.

	30-Jun-2017	30-Jun-2016
	No.	No.
Rights		
Issue of rights on 1 June 2016 to purchase three shares per four outstanding shares held	-	15,848,438
At 30 June	-	15,848,438

The rights issued in June 2016 were fully exercised on 4 July 2016 and raised a total of \$950,906 before costs.

MinRex Resources Limited

Notes to the financial statements for the year ended 30 June 2017

11. Accumulated Losses

30-Jun-2017	30-Jun-2016
\$	\$

Movements in accumulated losses were as follows:

At beginning of the period	(2,802,166)	(1,909,327)
Loss during the year	(623,294)	(892,839)
At 30 June	(3,425,460)	(2,802,166)

12. Auditor's Remuneration

30-Jun-2017	30-Jun-2016
\$	\$

The auditor of MinRex Resources Limited is Ernst & Young (Australia)

Amounts received or due and receivable by Ernst & Young (Australia) for

-an audit or review of the financial report of the entity

- other services

32,870	41,818
3,000	3,000
35,870	44,818

13. Key Management Personnel Disclosures

(a) Details of Key Personnel

Mr Simon Durack	Executive Chairman and Company Secretary
Mr Robert Downey	Non-Executive Director
Mr David Hannon	Non-Executive Director

(b) Remuneration of Key Management Personnel

30-Jun-2017	30-Jun-2016
\$	\$

Compensation of key management personnel of the Group

Short Term Employee benefits

Director fees

Consulting fees

Short Term Employee benefits

108,000	62,767
9,000	108,482
117,000	171,249

(c) Other transactions with Key Management Personnel

There were no other transactions with Key Management Personnel, with the exception of that disclosed in 13 (e) below.

MinRex Resources Limited

Notes to the financial statements for the year ended 30 June 2017

13. Key Management Personnel Disclosures (continued)

(d) Outstanding Balances

The following balances were outstanding at the reporting date in relation to the transactions with related parties:

In 2017 \$Nil in Director's and Consulting fees were payable to Directors of the Company (2016 \$32,801).

(e) Related Party transactions

There were no other transactions with Key Management Personnel, other than the consulting fees paid during the year to the Directors of the Company to pursue and review other corporate opportunities, as disclosed in the Remuneration Short Term Benefits table in the Remuneration Report.

The only other related party transactions relate to Directors' fees paid to the Directors of the Company.

14. Loss per Share

	2017 cents per share	2016 cents per share
Basic loss Per Share	(1.70)	(3.87)
Weighted Average number of ordinary shares used in calculating basic earnings/(loss) per share:	36,632,321	23,100,486
Effect of dilution: Nil	-	-
Adjusted weighted average number of ordinary shares used in calculating diluted loss per share	36,632,321	23,100,486

The 2016 weighted average number of ordinary shares has been adjusted for the bonus element of the shares subscribed for on 4 July 2016.

15. Financial Risk Management

Exposure to interest rate, liquidity and credit risk arises in the normal course of the Company's business. The Company does not hold or issue derivative financial instruments.

The Company uses different methods as discussed below to manage risks that arise from these financial instruments. The objective is to support the delivery of the financial targets while protecting future financial security. Risk management is carried out by executive management with guidance from the Audit & Risk Committee. Primary responsibility for the identification and management of financial risks rests with the Board.

(a) Liquidity Risk

The Company manages liquidity risk by maintaining sufficient cash facilities to meet the operating requirements of the business. The responsibility for liquidity risk management rests with the Board of Directors.

MinRex Resources Limited

Notes to the financial statements for the year ended 30 June 2017

15. Financial Risk Management (continued)

Maturity analysis for financial liabilities

Financial liabilities of the Company comprise trade and other payables. As at 30 June 2017 and 30 June 2016 all financial liabilities are contractually matured within 30 days.

(b) Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments.

The Company's exposure to market risk for changes to interest rate risk relates primarily to its earnings on cash.

Interest rate sensitivity

The following table demonstrates the sensitivity of the Company's statement of comprehensive income to a reasonably possible change in variable interest rates, with all other variables constant.

	Effect on Post Tax Earnings Increase/(Decrease)	Effect on Equity including accumulated losses Increase/(Decrease)	Effect on Post Tax Earnings Increase/(Decrease)	Effect on Equity including accumulated losses Increase/(Decrease)
	2017	2017	2016	2016
	\$	\$	\$	\$
Increase 100 basis points	11,299	11,299	8,523	8,523
Decrease 100 basis points	(11,299)	(11,299)	(8,523)	(8,523)

A sensitivity of 100 basis points has been used as this is considered reasonable given the current level of both short term and long term Australian Dollar interest rates. The change in basis points is derived from a review of historical movements and management's judgement of future trends.

(c) Credit Risk Exposures

Credit risk represents the risk that the counterparty to the financial instrument will fail to discharge an obligation and cause the Company to incur a financial loss. The Company's maximum credit exposure is the carrying amounts of financial assets in the statement of financial position.

At 30 June 2017, the Company held cash at bank. These were held with financial institution with a rating from Standard & Poors of AA or above (long term). The Company has no past due or impaired debtors as at 30 June 2017 (2016 Nil).

(d) Fair value

The carrying value of the financial instruments as at 30 June 2017 approximates their fair value due to their short term nature.

MinRex Resources Limited

Notes to the financial statements for the year ended 30 June 2017

16. Contingent Liabilities

As at the date of this report, no contingent liabilities had been identified in relation to the financial year ended 30 June 2017.

17. Capital Commitments

The company's minimum expenditure commitments in relation to its tenements are:

- 1) Deflector Extended Gold Project (E59/1657): \$30,000
- 2) Heemskirk Tin Project (EL 18/2011): \$57,200

18. Events Subsequent to Reporting Date

On 9 August 2017, the Company announced that it was undertaking a Private Placement and Rights Issue to raise up to \$1,694,902 before costs.

The Company has raised \$277,348 before costs, through the placement of 5,546,952 ordinary shares at \$0.05 each to sophisticated investors. These shares were allotted on 16 August 2017.

The Company's Non-renounceable Rights Issue for 2 new shares for every 3 shares held by Shareholders registered at the Record Date, opened on 24 August 2017 and closed on 7 September 2017. The Company has raised \$539,142 before costs from the Non-renounceable Rights Issue and allotted 10,782,844 to eligible shareholders on 13 September 2017. Directors will seek to place the 17,568,246 shortfall shares.

MinRex Resources Limited

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of MinRex Resources Limited, I state that:

1. In the opinion of the Directors:
 - (a) the financial statements and notes of the company are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of the company as at 30 June 2017 and of its performance, for the year ended on that date; and
 - (ii) complying with Accounting Standard (including the Australian Accounting Interpretation) and the Corporations Regulations 2001;
 - (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2(b);
 - (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with sections of 295A of the *Corporations Act 2001* for the financial year ended 30 June 2017.

On behalf of the Board



Simon Durack
Executive Director

West Perth
28 September 2017

Independent auditor's report to the members of MinRex Resources Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of MinRex Resources Limited ("the Company") which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Directors' Declaration of the Company.

In our opinion the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. We have determined that there are no key audit matters to communicate in our report.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures provide the basis for our audit opinion on the accompanying financial report.

Information other than the financial report and auditor's report

The Directors are responsible for the other information. The other information comprises the information in the Company's 2017 Annual Report, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' responsibilities for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors
- ▶ Conclude on the appropriateness of the Directors' use of the going concern basis of accounting in the preparation of the financial report. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events and conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the disclosures in the financial report about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial report. However, future events or conditions may cause an entity to cease to continue as a going concern
- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the Directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Audit of the Remuneration Report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 16 to 18 of the Directors' Report for the year ended 30 June 2017.

In our opinion, the Remuneration Report of MinRex Resources Limited for the year ended 30 June 2017, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



Ernst & Young



T G Dachs
Partner
Perth
28 September 2017

ASX Additional Information

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 25 September 2017.

(a) Distribution of Shareholders

Number of Shares Held	Number of Shareholders	Number of Shares
1 - 1,000	17	3,648
1,001 - 5,000	25	74,100
5,001 - 10,000	41	386,780
10,001 - 100,000	67	2,471,094
100,001 and over	50	50,373,858
Total	200	53,309,480

The number of shareholders holding less than a marketable parcel is 87.

Top Twenty Shareholders

	Holder name	Securities	%
1	CHIFLEY PORTFOLIOS PTY LTD	9,820,649	18.42%
2	JOHN WARDMAN & ASSOC PTY LTD	4,004,583	7.51%
3	KATHIRAVELU ANANDA	3,438,437	6.45%
4	GETMEOUTOFHERE PTY LTD	2,915,104	5.47%
5	SUBURBAN HOLDINGS PTY LTD	2,646,952	4.97%
6	NAUTICAL HOLDINGS WA PTY LTD	1,926,412	3.61%
7	CS THIRD NOMINEES PTY LTD	1,900,000	3.56%
8	LION SUPER PTY LTD	1,876,000	3.52%
9	BOME ERROL & MELANIE	1,520,754	2.85%
10	VIVRE INV PTY LTD	1,300,000	2.44%
11	CAREY D G & CAREY-DOMINGU	1,250,000	2.94%
12	ELITE4FITNESS PTY LTD	1,057,579	1.98%
13	HORATIO STREET PTY LTD	1,000,000	1.88%
14	MELVILLE AG & ES	1,000,000	1.88%
15	PEGARI PTY LIMITED	1,000,000	1.88%
16	THOMPSON IAN & PETER R	975,189	1.83%
17	DOYLE A M & MORETTI L H	875,000	1.64%
18	DOYLE ANTHONY	803,750	1.51%
19	SIMON NOMINEES PTY LTD	700,000	1.31%
20	FRANCIPANE SAM	700,000	1.31%
	Total	40,710,409	76.36%

MinRex Resources Limited

(b) Schedule of Interests in Mining Tenements

Tenement	Project	Registered Holder	MinRex Beneficial Interest
E59/1657	Deflector Extended Gold Project	MinRex Resources Limited	100%
EL18/2011	Heemskirk Tin Project	MinRex Resources Limited	100%

(c) Substantial Shareholder (Holding not less than 5%)

As at 25 September 2017

	Holder name	Securities	%
1	CHIFLEY PORTFOLIOS PTY LTD	9,820,649	18.42%
2	JOHN WARDMAN & ASSOC PTY LTD	4,004,583	7.51%
3	KATHIRAVELU ANANDA	3,438,437	6.45%
4	GETMEOUTOFHERE PTY LTD	2,915,104	5.47%

(d) Class of Shares and Voting Rights

There is only one class of share. All ordinary shares carry one vote per share.

(e) Unquoted option securities

Nil

(f) Restricted Securities

Nil

(g) On-Market Buy Back

There is no current on-market buy back of ordinary shares.

(h) Listing rule 11.1.3

Following compliance with listing rule 11.1.3, the Company confirms that it used its cash and assets in a form readily convertible to cash that it had at the time of admission in a way consistent with its business objectives.

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

MINREX RESOURCES LIMITED

ABN / ARBN:

81 151 185 867

Financial year ended:

30 JUNE 2017

Our corporate governance statement² for the above period above can be found at:³

- ☐ These pages of our annual report: 19 to 26
- ☐ This URL on our website: www.minrex.com.au – Company Profile – Corporate Governance

The Corporate Governance Statement is accurate and up to date as at 28 September 2017 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date: 28 September 2017

Name of Director or Secretary authorising
lodgement: Simon Durack

¹ Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

² "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

³ Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location] ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

⁴ If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
1.5	<p>A listed entity should:</p> <p>(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>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at [insert location] www.minrex.com.au</p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.6	<p>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>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location] NOT APPLICABLE</p> <p>... and the information referred to in paragraph (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location] NOT APPLICABLE</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE			
2.1	<p>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>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at www.minrex.com.au</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location] NOT APPLICABLE</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	... the names of the directors considered by the board to be independent directors: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location] ... and, where applicable, the information referred to in paragraph (b): <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location] ... and the length of service of each director: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
4.1	<p>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 a 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 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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at www.minrex.com.au</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at www.minrex.com.au</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at Not Applicable</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
4.2	<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>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
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.	... our continuous disclosure compliance policy or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at www.minrex.com.au	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
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.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>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, 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>(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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at www.minrex.com.au</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at NOT APPLICABLE</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.2	<p>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>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
7.3	<p>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>[If the entity complies with paragraph (a):]</p> <p>... how our internal audit function is structured and what role it performs:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.4	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at NOT APPLICABLE</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration 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>(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>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at www.minrex.com.au</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at NOT APPLICABLE</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.3	<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>	<p>... our policy on this issue or a summary of it:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at NOT APPLICABLE</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>... the information referred to in paragraphs (a) and (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i> NOT APPLICABLE</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i> NOT APPLICABLE</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>