



Audit and Risk Committee Charter

INTRODUCTION

This Charter has been developed and approved by the Board of Mineral Resources Limited to outline the processes used by the Committee in discharging its responsibilities.

PURPOSE

The purpose of the Committee is to oversee the:

- The integrity of financial reporting (including the adequacy of financial risk management controls);
- The accounting and reporting practices;
- The adequacy of the processes for identifying and managing risk generally;
- The internal audit function;
- The external audit function;
- The insurance framework;
- Treasury and capital management practices;
- Taxation practices; and
- Compliance with applicable legal and regulatory requirements and internal Code of Conduct and Business Integrity, as requested by the Board.

COMPOSITION

The Board appoints the members and the Committee Chair, who will be an independent Non-executive Director and not the Chairman of the Board. The Committee must be comprised of at least three Board members, all of whom are determined by the Board to be independent.

The Chair of the Committee is responsible for leading the Committee and overseeing the processes for the Committee's performance of its role in accordance with this Charter.

The members shall, between them:

- have sufficient accounting and financial knowledge to allow them to discharge their duties and actively challenge information presented by management, internal and external auditors; and
- have reasonable knowledge of the industries in which the Company operates and its risks and controls.



ROLE AND RESPONSIBILITIES

Accounting and financial reporting

- Review the appropriateness of significant accounting policies and practices of the Company, including management's interpretation of accounting standards. The Committee will consider, and if thought fit, approve any material changes proposed to the Company's accounting interpretations;
- Review half year and full year financial statements, and other related information, with management and the external auditor, to support the Committee's assessment as to the integrity of the financial statements and making the necessary recommendations to the Board; and
- Review the position taken by management on significant transactions and accounting issues and/or any unusual or highly judgemental matters.

External and internal audit

- Evaluate the expertise and experience of potential external auditors and recommend to the Board the organisation to be proposed to be appointed, replaced or terminated by the Company;
- Consider and make recommendations to the Board as to when the external audit contract should be put out to tender, taking into account applicable laws and regulations;
- Manage the relationship between the Company and the external auditor, including the external auditor's remuneration, and overseeing the external auditor's work. The external auditor must report directly to the Committee and is accountable to the Committee. If the external auditor resigns, the Committee will investigate and consider whether any action is required;
- Monitor and evaluate the performance of the external auditor and the progress of the audit. The criteria for evaluation of performance will include the value delivered to shareholders and the Company, cost-effectiveness, findings or conclusions arising from review of the external auditor by a regulator, and the maintenance of the highest levels of professional integrity, objectivity and independence, taking into consideration relevant professional and regulatory requirements;
- Evaluate the independence of the external auditor and ensure that the provision of non-audit services by the external auditor does not adversely impact independence;
- Review and approve the external auditor's arrangements for the rotation and succession of audit and review partners or their equivalents, including their approach to managing the transition; and
- Review the appointment and performance of internal auditors.



Internal controls

- Oversee management's design and implementation of internal controls, with the system of safeguarding the integrity of the financial statements designed by management in a manner so as to preserve the independence of the Committee and of the Board; and
- Review the processes that management have put in place to ensure compliance with laws, regulations and internal Code of Conduct and Business Integrity.

Other key financial processes

- Review other key financial processes such as the tax and treasury operations, to ensure prudent management practices are in place.

Risk management

- Assist the Board in reviewing the principal risks facing the Company, including those that threaten the Company's business model, future performance, solvency or liquidity;
- Oversee management's design and implementation of the Company's risk management framework and review that framework at least annually to satisfy itself that it continues to be sound;
- Review and make recommendations to the Board in relation to any incident involving fraud or other breakdown of the Company's internal controls;
- Review the insurance strategy and determine the extent to which it aligns with the Company's risk tolerance;
- Review the organisational structure of the Company to ensure the Company has available and uses appropriate resources and processes to eliminate or minimise sustainability risks (environmental and social risks including health and safety and community) from work carried out as part of the Company's business; and
- Review investigations of major environmental and social risks (including health and safety and community) incidents within the Company, as well as compliance standards and provide appropriate recommendations for change to the Board.

MEETINGS

The Committee will meet at least twice per year and additionally as it considers necessary.

A quorum for any meeting will be two independent Non-executive members.



All Directors will have access to Committee papers and Non-executive Directors may attend Committee meetings.

Any person may be invited to attend meetings of the Committee, but not necessarily for the full duration of the meeting. A standing invitation will be issued to the Managing Director and Chief Financial Officer.

The Committee Chairman will report to the Board after each Committee meeting and will make recommendations to the Board as appropriate.

REVIEW OF AUDIT AND RISK COMMITTEE AND CHARTER

The Committee will evaluate its performance each year having regard to the principles and requirements of its Charter.

The Committee will review and assesses the adequacy of this Charter annually and makes any appropriate changes.

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

Derek Oelofse
Group Financial Controller and Company Secretary
1 May 2020