



 **MINERAL
RESOURCES**



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MINERAL RESOURCES LIMITED

TAX TRANSPARENCY REPORT FY25



MINERAL RESOURCES LIMITED (MINRES, COMPANY OR GROUP) IS PLEASED TO PRESENT ITS TAX TRANSPARENCY REPORT (REPORT) FOR THE FINANCIAL YEAR ENDED **30 JUNE 2025 (FY25)** OUTLINING THE GROUP'S APPROACH TO TAX, TAX PROFILE AND DETAILS OF RECENT INCOME TAX RETURNS INCLUDING INCOME TAXES PAID.

This report is prepared in accordance with the Global Reporting Initiative (GRI) sustainability reporting standard *GRI 207: Tax 2019* and meets the requirements under Part A and Part B of the Australian Taxation Office's (ATO) voluntary *Tax Transparency Code (TTC)*.

In addition to complying with Australian domestic and international tax laws in the jurisdictions in which the Group operates, MinRes makes a broader economic contribution to the communities in which we operate. For an overview of the broader economic contribution of the Group, refer to the Value and Performance section of MinRes' *2025 Sustainability Report*.

TAX GOVERNANCE AND CONTROL FRAMEWORK

MinRes has a Board-approved Tax Risk Management Framework (Framework) detailing the management of tax risks across all tax types. The Framework is readily accessible to employees via the Company's intranet.

While MinRes executives and senior management are responsible for the management of tax related matters on a day-to-day basis, ultimate oversight of the Framework sits with the MinRes Board and the Board's Audit and Risk Committee.

The Group's Tax Risk Register is used to rate tax risks, with risks assigned an overall residual rating of "high" or "very high" included in the Group's Business Risk Register. This register is reported to the Board on a quarterly basis through the Audit and Risk Committee.

In addition, the Audit and Risk Committee is updated on tax matters at least twice per year. This includes but is not limited to an explanation of the Group's effective tax rate, the status of revenue authority reviews/audits, tax risks associated with significant transactions and any tax developments or trends impacting the Group.

This approach to tax governance ensures that tax risks are appropriately integrated into business and investment decisions.

APPROACH TO TAX

MinRes recognises the importance of paying tax and complying with the tax laws in Australia and any other jurisdiction in which it operates.

MinRes views tax compliance as an important commitment towards contributing to the wellbeing of society. In complying with tax laws, the Company supports the nation's public development programs and social support, both of which play a critical role supporting quality of life for the nation's citizens.

MinRes' tax strategy, as defined in the Framework, is to manage its tax affairs in accordance with the following principles:

- To comply with all applicable legislation, regulations, reporting and disclosure requirements in the countries in which the Group operates.
- To maintain an open, proactive, professional and transparent relationship with the Australian Tax Office (ATO) and other revenue authorities.
- To ensure the tax strategy is in accordance with the Group's overall strategy and the Group's approach to risk.
- To ensure tax risks are considered when assessing any significant transaction or project.
- To ensure risks are managed in such a way that key areas are monitored and material risks minimised, including Board oversight of such risks.

This strategy ensures MinRes always seeks to comply with both the letter and spirit of tax laws.

Updates to the Framework are reviewed by the Chief Financial Officer and are submitted to the company's Audit and Risk Committee for comment and approval.

ATTITUDE TO TAX RISK

MinRes approaches tax risk with a commitment to responsible and conservative tax management and has a low tax risk tolerance.

MinRes enters transactions only where there is sound commercial and economic justification that exceeds the Company's minimum required project investment returns. The Group does not enter transactions or structures for the sole or dominant reason of obtaining a tax benefit.

The foundation of the MinRes tax strategy lies in the Group's commitment to conducting its operations with integrity while complying with all tax laws. When significant or complex transactions arise, MinRes seeks advice from appropriately qualified experts to ensure tax positions adopted are correct and defensible.

The Company is committed to being a responsible taxpayer, which includes cooperating with the ATO and other revenue authorities, in an open and transparent manner. MinRes' approach to tax risk is underpinned by the Group's commitment to protecting the interests of shareholders while upholding the Company's duty as a responsible corporate citizen.

TESTING OF CONTROL FRAMEWORK

MinRes' internal auditors (an independent "big four" audit firm) conduct periodic internal audit reviews of the Company's Tax Governance Framework and processes, which includes testing of tax-related controls and general compliance with the Framework.

STAKEHOLDER ENGAGEMENT

MinRes engages with taxation authorities in an open and transparent manner and where required, seeks guidance from taxation authorities in the form of private rulings or pre-transaction decision requests.

MinRes is also a member of the Corporate Tax Association (CTA) in Australia and has used its association to provide feedback and input on taxation issues affecting the Company.

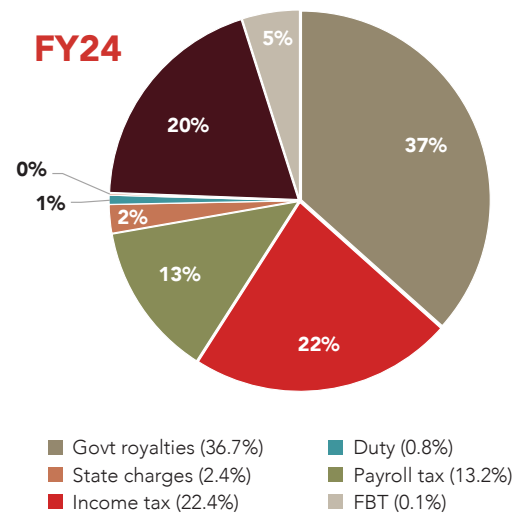
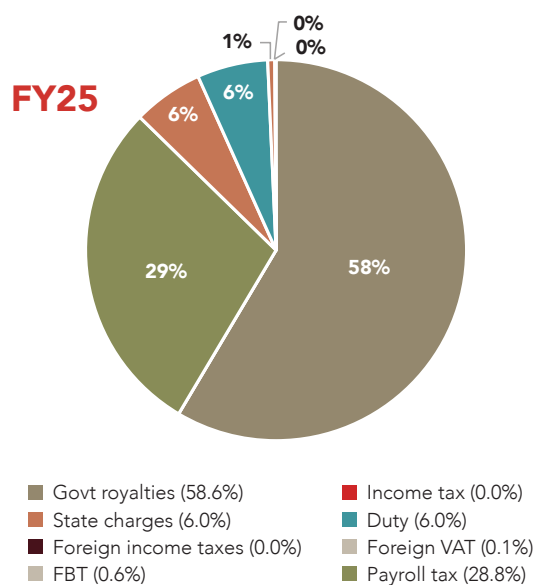
CONTRIBUTION SUMMARY FOR TAXES AND GOVERNMENT CHARGES PAID

The table below summarises the major taxes paid by the Group during FY25.

Table 1: Contribution Summary		
	FY25 (\$M)	FY24 (\$M)
Government royalties	182.2	215.4
Income taxes	(4.7) ¹	132.1
Payroll tax	89.5	77.7
State Government charges and levies	18.6	14.3
Duty ²	18.0	4.6
Fringe benefits tax (FBT)	1.9	0.8
Total – Australian taxes and charges	305.5	444.9
Foreign income taxes	0.0	114.8
Foreign value added tax (VAT)	0.3	28.8
Total – Foreign taxes and charges	0.3	143.6
TOTAL	305.8	588.5

¹ Net income tax refund received from prior year tax return amendments (on a cash basis)

² Duties are predominately paid on acquisitions of interests in land (e.g. mining tenements). Does not include duty on transactions that are not yet assessed by RevenueWA



AUSTRALIAN TAX RETURN INFORMATION

The table below reflects MinRes' tax information for the preceding two financial years. Information is based on lodged income tax returns for the respective periods, noting FY25 tax returns are yet to be finalised and are due for lodgement in early calendar year 2026.

Table 2 shows tax return information for the MinRes Tax Consolidated Group (MinRes TCG) comprising Mineral Resources Limited as the head company and its 100% owned subsidiaries.

Table 2: MinRes Tax Consolidated Group

	FY24 (\$M)	FY23 (\$M) ³
Total revenue	6,038.4	5,639.5
Accounting profit before tax	111.6	0.9
Accounting depreciation and amortisation	614.7	530.0
Tax depreciation and amortisation	(473.8)	(240.5)
Temporary full expensing	0.0	(432.5)
Dividend imputation gross up	11.8	211.1
Accounting revaluations/impairments	424.8	679.0
Net foreign exchange revaluations	(40.5)	89.1
Exploration deductions	(108.1)	(118.3)
Net capital gains/(losses)	0.0	0.9
Deferred strip deductions	(311.3)	(196.0)
Capitalised interest deductible for tax	(139.7)	(6.0)
Deferred income that is assessable for tax	53.0	146.6
Deduction arising from Onslow acquisition	(132.0)	0.0
Timing differences in accounting provisions/accruals	318.3	11.9
Other	7.4	18.2
Deduction for foreign income tax paid ⁵	(104.3)	0.0
Utilisation of carried forward tax losses	(192.7)	0.0
Taxable income	39.3	694.4
Income tax payable at 30%	11.8	208.3
Less: tax offsets ⁶	(11.8)	(208.3)
Final income tax payable in Australia	0.0	0.0
Franking credit balance	798.1	861.5

³ Restated to reflect tax return amendment.

⁴ The Temporary Full Expensing regime ended on 30 June 2023.

⁵ Relates to US and China tax withheld from the sale of Wodgina product under the prevailing Marketing Agreement with Albemarle that was terminated during FY24.

⁶ Relates to franking credits from fully franked Mt Marion Lithium Pty Ltd dividends paid to the MinRes TCG. Refer to Table 3 for taxes paid by Mt Marion Lithium Pty Ltd.



Table 3 relates to Mt Marion Lithium Pty Ltd, the entity that owns the Mt Marion lithium mine in which MinRes (and the MinRes TCG) holds a 50% interest.

This entity is proportionally consolidated at 50% for Group financial reporting purposes and pays tax separately to the MinRes TCG.

Table 3: Mt Marion Lithium Pty Ltd (at MinRes' 50% share)

	FY24 (\$M)	FY23 (\$M) ⁷
Total revenue	458.6	1,169.3
Accounting profit before tax	149.7	890.1
Accounting depreciation and amortisation	115.5	13.4
Tax depreciation and amortisation	(7.4)	(6.5)
Net foreign exchange revaluations	0.0	6.0
Exploration deductions	(0.5)	(0.8)
Deferred strip deductions	(145.3)	(100.3)
Trading stock adjustments due to book and tax valuation differences	(22.9)	(2.0)
Other	(11.7)	(2.7)
Taxable income	77.4	797.2
Income tax payable at 30%	23.2	239.2
Less: tax offsets	0.0	0.0
Final income tax payable in Australia	23.2	239.2
Franking credit balance	148.7	164.7

⁷ Restated to reflect tax return amendment



Table 4 relates to Resource Development Group (RDG) which is a separate TCG in which MinRes holds a controlling interest. RDG is fully consolidated into the MinRes Group for financial reporting purposes and

pays tax separately to the MinRes TCG. As RDG is fully consolidated, tax return information is shown on a 100% basis.⁸

Table 4: Resource Development Group

	FY24 (\$M)	FY23 (\$M)
Total revenue	136.2	53.0
Accounting profit before tax	25.4	20.1
Accounting depreciation and amortisation	2.8	1.6
Tax depreciation and amortisation	(5.1)	(5.3)
Temporary full expensing	0.0	(99.3)
Immediately deductible costs capitalised for accounting purposes	(25.3)	0.0
Other	1.0	(19.6)
Taxable income	(1.3)	(102.5)
Income tax payable at 30%	0.0	0.0
Less: tax offsets	0.0	0.0
Final income tax payable in Australia	0.0	0.0
Franking credit balance	4.3	4.3

The MinRes TCG did not pay any tax in cash in FY24, primarily due to the following:

- The taxable profits made and taxed in Mt Marion Lithium Pty Ltd (refer to Table 3) are paid to the MinRes TCG as a fully franked dividend, with the associated franking credits being utilised by the MinRes TCG to reduce the tax payable by the MinRes TCG to nil.
- The MinRes TCG had carried forward tax losses from prior years which could be offset against taxable profits in FY24.
- MinRes claimed an income tax deduction for foreign income tax paid, which for accounting purposes was not included in the calculation of profit before tax.
- The difference between the accounting and tax treatment of mine stripping costs, being the costs incurred on the removal of overburden as part of the mining process. Such costs are immediately deductible for tax purposes but are capitalised as a deferred stripping asset for accounting purposes that are amortised over time.



VARIANCE BETWEEN TAX RETURN FIGURES REPORTED AND ANNUAL FINANCIAL STATEMENTS

The tax payable shown in the tables above differ from the tax expense reported in MinRes' financial reports, as the latter is based on *Australian Accounting Standards* and includes deferred tax benefits/expenses arising on temporary differences. Temporary differences exist where amounts are assessable or deductible for tax at a different time to when they are recognised for accounting purposes (e.g. mine stripping costs, as outlined above).

MinRes has a proven track record of paying its fair share of Australian income tax on taxable profits as demonstrated by the MinRes TCG franking credit balance of \$798.1 million at 30 June 2024. This represents the amount of Australian tax paid by the MinRes TCG available to be distributed to its shareholders as at 30 June 2024.

RECONCILIATION OF ACCOUNTING PROFIT TO TAX EXPENSE

The table below is a reconciliation of the MinRes Group's FY25 profit before tax, and the Group's tax expense, as reported in the FY25 financial statements and income tax note.

	FY25 (\$M)	FY24 (\$M)
Profit/(loss) before tax	(1,117)	105
Tax at the statutory tax rate of 30%	(335)	32
Tax losses not recognised	37	46
Deferred tax asset on Bald Hill mine not recognised	33	-
Adjustment recognised for prior periods	30	1
Derecognition of deferred tax assets relating to RDG	11	-
Employee Share Trust adjustments	6	12
Net tax expense relating to the Yilgarn Hub transaction	4	-
Adjustments to losses not recognised for tax rate in foreign jurisdiction	1	9
Other (non-assessable)/non-deductible items	(2)	4
Net tax benefit on transactions associated with the Onslow Iron Road Trust	(6)	-
Foreign tax recognised (US income tax withheld by JV partner Albemarle)	-	73
Trading stock deduction on which deferred tax was not previously recognised	-	(6)
Deferred tax benefit arising from MARBL restructure	-	(180)
Income tax expense/(benefit)	(221)	(9)

COUNTRY BY COUNTRY REPORTING

The following table details the financial and tax related information for MinRes Group entities on a jurisdictional basis. Note the information is based on the FY25 Group annual results (with FY25 tax returns not yet lodged).

Income tax payments may be made with respect to FY25 after 30 June 2025.

These payments will be included in the FY26 Tax Transparency Report as tax paid on a cash basis.

Table 6: Country by country information

Country	Australia	China	United Kingdom	Singapore	United Arab Emirates
Entity name(s)	MinRes Group	LithCo Lithium Ningbo (LLN)	Lithium Resources UK (LUK)	MinRes Insurance Pte Ltd (MCI)	MinRes International Holdings Ltd, MinRes International Investments Ltd, Minres International Management Ltd (together, UAE entities)
Functional currency	AUD	RMB	AUD	AUD	USD
Function within Group	Headquarters of Group and country of primary operations. Diversified commodities production and mining services group.	LLN was placed into care and maintenance at the end of FY24 and so no longer sells spodumene concentrate and lithium battery chemicals.	LUK is the holding company for LLN and its primary function to date has been to provide finance for LLN's business operations in China.	MCI provides insurance services to the broader MinRes group.	The UAE entities are intended to be holding and management companies for future international investments. The entities had no activity in FY25.
Employees ¹⁰	6,797	1	0	0	0
Revenue from third-party sales (\$M)	4,472	1	0	0	0
Revenue from intra- group transactions with other tax jurisdictions (\$M)	4.9	0	0	1	0
Profit/(loss) before tax (\$M)	(1,088)	(24)	(5)	1	0
Tangible assets other than cash and cash equivalents (\$M)	9,322	0	0	0	0
Income tax paid on cash basis (\$M)	(4.7)	0	0	0	0
Income tax (expense)/ benefit accrued in the P&L (\$M)	221	0	0	0	0
Statutory tax rate	30.0%	25.0%	25.0%	17.0%	0%
Effective tax rate	20.3%	0%	0%	44.3%	0%
Explanation of variance between statutory tax rate and effective tax rate	Refer to Reconciliation of Accounting Profit to Tax Expense (and Note 7 of the MinRes FY25 Financial Report).	Nil effective tax rate as deferred tax asset on tax losses are not recognised.	Nil effective tax rate as deferred tax asset on tax losses are not recognised.	Tax expense booked at the 30% Australian tax rate to reflect the CFC attribution of income to Australia. Australian interest withholding tax expense also reflected as a tax expense.	N/A

¹⁰ This figure does not include contractors or Non-Executive Directors



INTERNATIONAL RELATED PARTY DEALINGS

Although the MinRes Group has its operating activities predominantly located in Australia, MinRes does have transactions with international related parties. All these transactions are conducted in compliance with the arm's length guidelines set by the Organization for Economic Cooperation and Development (OECD) and comply with relevant jurisdictional laws and regulations.

MinRes ensures that its international related party dealings are on arm's length terms such that it does not artificially shift any profits into foreign jurisdictions to obtain a tax benefit. MinRes' international related party dealings for FY25 are summarised below:

MinRes TCG

The MinRes TCG loan to Lithium Resources UK Co (LUK) that was used for funding of LithCo Lithium Ningbo (LLN) remained outstanding during FY25. Given the winding down of the LLN business, the Group will undertake a comprehensive review of this loan in FY26.

During FY25, MinRes TCG also received a loan from its wholly owned Singaporean captive insurance entity, MinRes Insurance Pte Ltd (MCI). The profits derived by MCI are attributed back to Australia under Australia's Controlled Foreign Company (CFC) attribution rules, meaning the profits of MCI will be taxed in Australia at the Australian corporate tax rate.

Mt Marion Lithium Pty Ltd

Mt Marion Lithium sells spodumene produced from the Mt Marion mine (located in Western Australia) to its two shareholders:

- 51% is sold to the MinRes TCG.
- 49% is sold to Ganfeng Lithium Co (Chinese battery chemical producer).

Sales to each shareholder are on equivalent arm's length pricing terms. Contemporaneous transfer pricing documentation is prepared for the international related party sales to Ganfeng Lithium Co with the assistance of external transfer pricing advisors to ensure that pricing is on arm's length terms.

FOR FURTHER INFORMATION

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