



An integrated supplier of goods and services to the Resources Sector

CHAIRMAN'S PRESENTATION  
2008 ANNUAL GENERAL MEETING



**Peter Wade**

**Executive Chairman / Managing Director**

**18 November 2008**

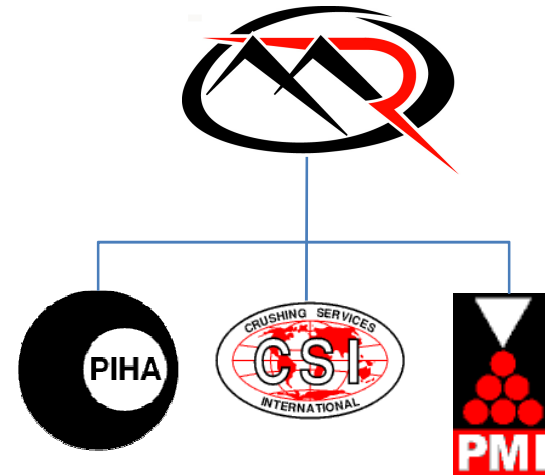
# GROUP STRUCTURE

## Board of Directors

- Peter Wade (Executive Chairman & Managing Director)
- Chris Ellison (Executive Director)
- Joe Ricciardo (Non-Executive Director)
- Mark Dutton (Non-Executive Director)

## Senior Management

- Bob Gavranich (General Manager PIHA)
- Steve Wyatt (General Manager CSI)
- David Geraghty (Technical Director PMI)
- Bruce Goulds (CFO)



# 2007/08 PERFORMANCE

- Financial Performance
- Operational Highlights



# FINANCIAL PERFORMANCE 2007/08

	FY2008	FY2007	Change
<b><u>EARNINGS</u></b>			
Revenue	245	149	65%
NPAT	47	20	133%
NPAT / Revenue	19%	14%	
EPS (cents per share)	39	17	129%
Dividend (cents per share)	19.35	8.30	
<b><u>BALANCE SHEET</u></b>			
Total Assets	224	158	42%
Funds Employed	95	85	12%
ROFE % [EBIT / Funds Employed]	73%	36%	
Interest Cover (times)	31.4	18.0	
<b><u>CASHFLOW</u></b>			
Cash Generated	30	21	45%
Net Borrowing Position	(22)	9	



# OPERATIONAL HIGHLIGHTS 2007/08

- World best practice safety record maintained
- All sections of business performing ahead of budget
- > 300,000 tonnes of manganese shipped
- > 220,000 tonnes of iron ore shipped
- 3 contract crushing operations extended by negotiation
- Substantial tight fit lining opportunities for PIHA



# MARKET & COMPANY PROJECTIONS 2008/9

- Global financial crisis
- Chinese market outlook
- Impact of global financial crisis
- MIN market outlook
- MIN operations outlook





# GLOBAL FINANCIAL CRISIS

- Global demand for commodities softens
- Global GDP growth at risk
- Substantial reduction in credit availability
- Chinese economy not decoupled from global environment
- Australian currency weakens against strong USD



# CHINESE MARKET OUTLOOK

- Chinese growth has softened from very high levels
- IMF growth forecasts 9% GDP growth for 2009
- China Bureau of Statistics released third quarter growth at 9%
- Chinese government has announced AUD\$800 billion stimulus package over 2 year representing nominal 7% of GDP per year





# IMPACT OF GLOBAL FINANCIAL CRISIS

- MIN has a proven business model, uniquely diversified operations, strong cash flows, and balance sheet to weather the turmoil
- Confidence that BRIC nations will continue to drive strong resources demand
- MIN share price weaker as a result of the current crisis
- A time of opportunity for MIN to benefit from the upswing



# MIN MARKET OUTLOOK

- The three major iron ore producers have announced reductions in iron ore tonnages
- Softened market conditions for manganese and iron ore volumes and prices to recover progressively through FY2009
- Australian dollar weakness to continue
- Bulk commodity shipping costs to remain relatively soft
- Global government stimulus packages to be introduced to target GDP growth



# MIN OPERATIONS OUTLOOK

- Contract crushing operations to maintain strong performance including extension of two existing contracts
- Windimurra Vanadium plant operation to commence in FY2009
- PIHA opportunities in pipelining and polyethylene fitting manufacture to grow strongly
- MIN substantial stockpiles of processed iron ore and manganese available for projected recovery of demand
- Balfour Downs manganese operations proceeding towards project commencement in 2009
- Ongoing price negotiations with a range of customers for sales of iron ore and manganese



# FINANCIAL GUIDANCE

- Board forecasts a range of profitability scenarios for 2008/09
  - Net profit range of \$32 million to \$51 million
  - Board will continue to keep markets informed
- Forecasts are influenced by:
  - Quantum of mineral sales for balance of financial year
  - Credit availability to small Chinese customers to support LCs
  - AUD / USD position
  - Sea Freight costs from Port Hedland to China
  - Continuing volatility of financial markets

This guidance is provided based upon current operational outcomes and the present business and market climates within which the Company operates. Results may vary if circumstances change.





West Angelas Crushing Plant





Cross-country water pipeline





Winning of HBI fines



Windimurra Plant





Windimurra Plant