

Mineral Resources Limited (MRL; ASX:MIN)

QUARTERLY REPORT ON MINING AND EXPLORATION ACTIVITIES QUARTER ENDING 31 MARCH 2012

HIGHLIGHTS

- **Carina iron ore**
 - March quarter shipments of 752,734 tonnes, up from 325,894 the previous quarter
 - Continued ramp-up of production and shipping via Kwinana Berth
 - Construction activities on schedule for completion in first quarter FY2013
- **Central Pilbara Tenements**
 - Completion of acquisition of Phil's Creek, Lamb Creek and Yandicoogina Creek tenements from Iron Ore Holdings (ASX:IOH)
 - Construction kicks-off at Phil's Creek iron ore mine
- **Exploration**
 - Significant exploration drilling activity continued



Shiploading at Kwinana Berth2

Carina Operations

The ramp up of the Carina Iron Ore Mine continued during the quarter with 752,734 tonnes of iron ore lump and fines being exported from this project. In total, 1,078,628 tonnes have been exported from the project since commencement of export operations in November 2011.

The operations team continue to take delivery of the completed operating assets from the construction crew. Completion of the construction programme will enhance the efficiency of the ongoing operation and allow for the project to settle into a steady state production cycle. Further work at Kwinana berth will also improve the efficiency of the ship loading operations.



Carina Mine



Carina Village



Lump iron ore produced at Carina temporary crushing and screening plant



Carina train load-out

Carina Construction

Crushing Services (CSI) continued construction of the permanent facilities with assembly of the two stackers and one reclaimer commencing as planned during the quarter. Other works in progress include the sealed airstrip, main crushing plant, ROM and ancillary services. The overall construction programme is due for overall completion in the first quarter of FY2013.



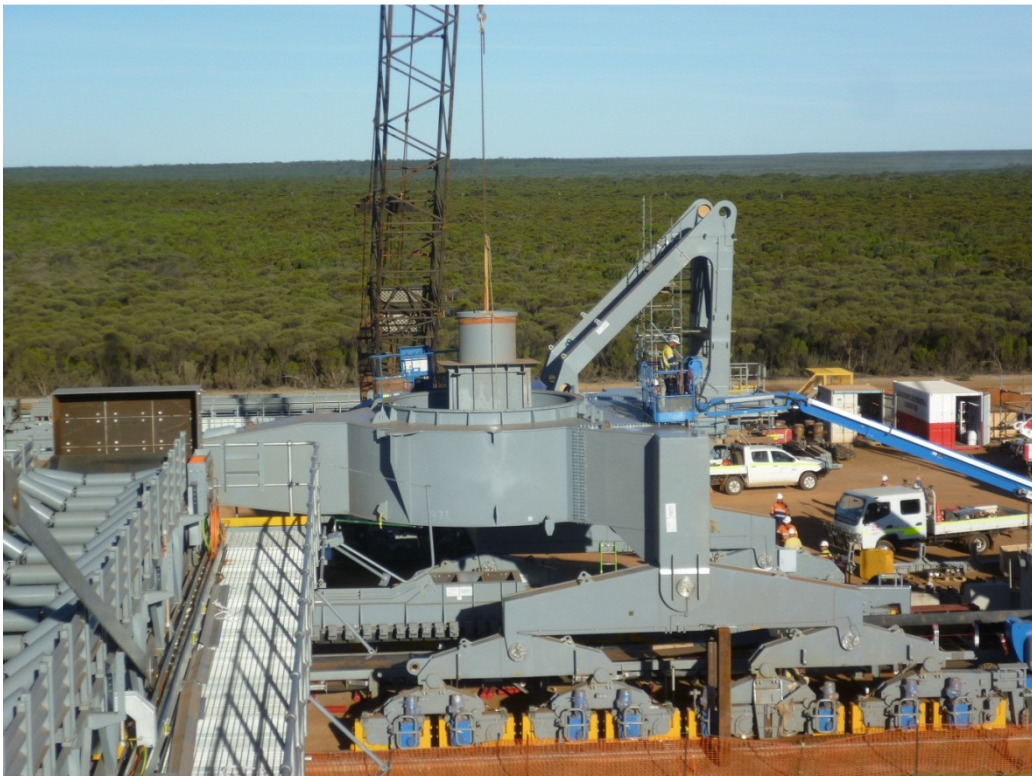
Carina sealed haul road



Carina airstrip



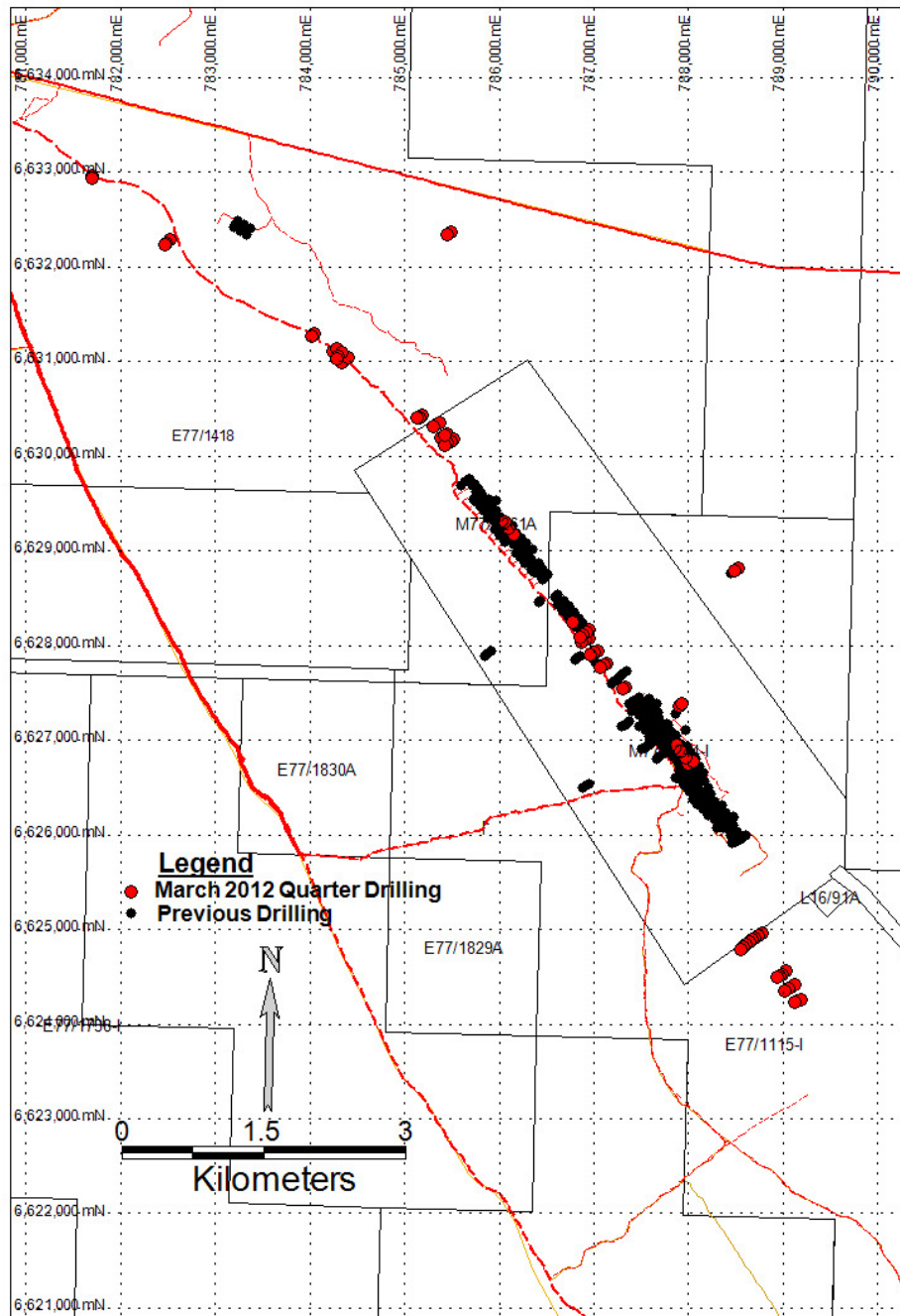
Stockyard earthworks and machine assembly at Carina Ore Handling Plant



Reclaimer assembly at Carina Ore Handling Plant

Carina Drilling

Eighty Reverse Circulation (RC) holes were completed for 7,340m in the Carina area during the quarter. This included exploration and sterilisation work to the north (fifty three RC holes) and south (twenty RC holes) of the Carina deposit. Four RC holes were drilled to infill gaps within the Carina mining pit previously inaccessible due to topography. Three hydrogeological monitoring bores were drilled at the Carina Extended deposit for upcoming hydrogeological test pumping. Further geotechnical and hydrogeological work is planned for Carina in the coming period.

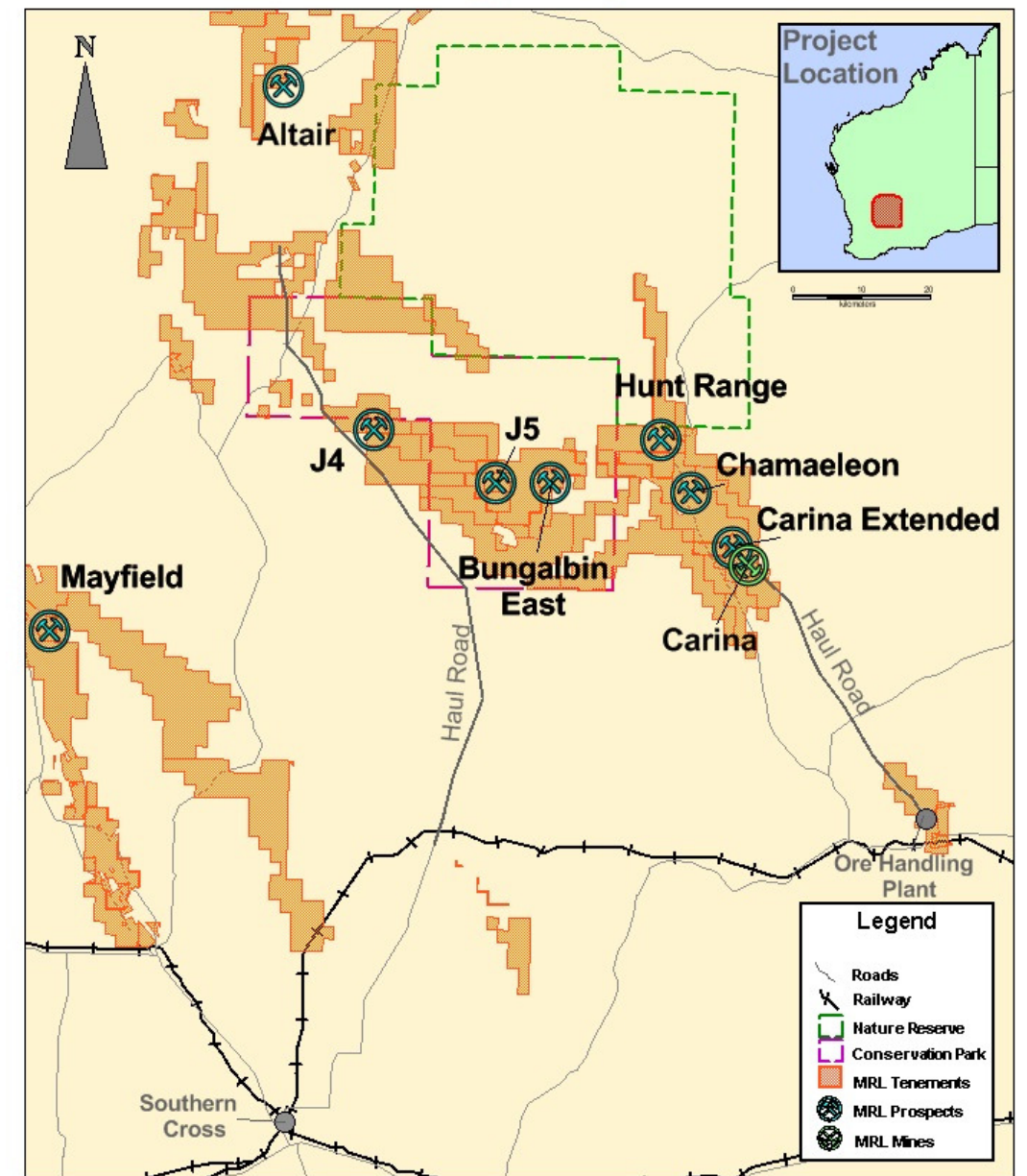


Drilling in the Carina and Carina Extended during the March 2012 quarter

Greater Yilgarn Exploration

Planning continued for exploration within the greater Yilgarn area. A Program of works (POW) was approved by the WA Department of Mines and Petroleum and site works were completed at Mayfield, located 100km west of Carina. A POW for Hunt Range 20km north of Carina was approved. POWs have been lodged and awaiting approval for Chameleon, 10km north of Carina and J4, located 60km to the west.

MRL Yilgarn Project



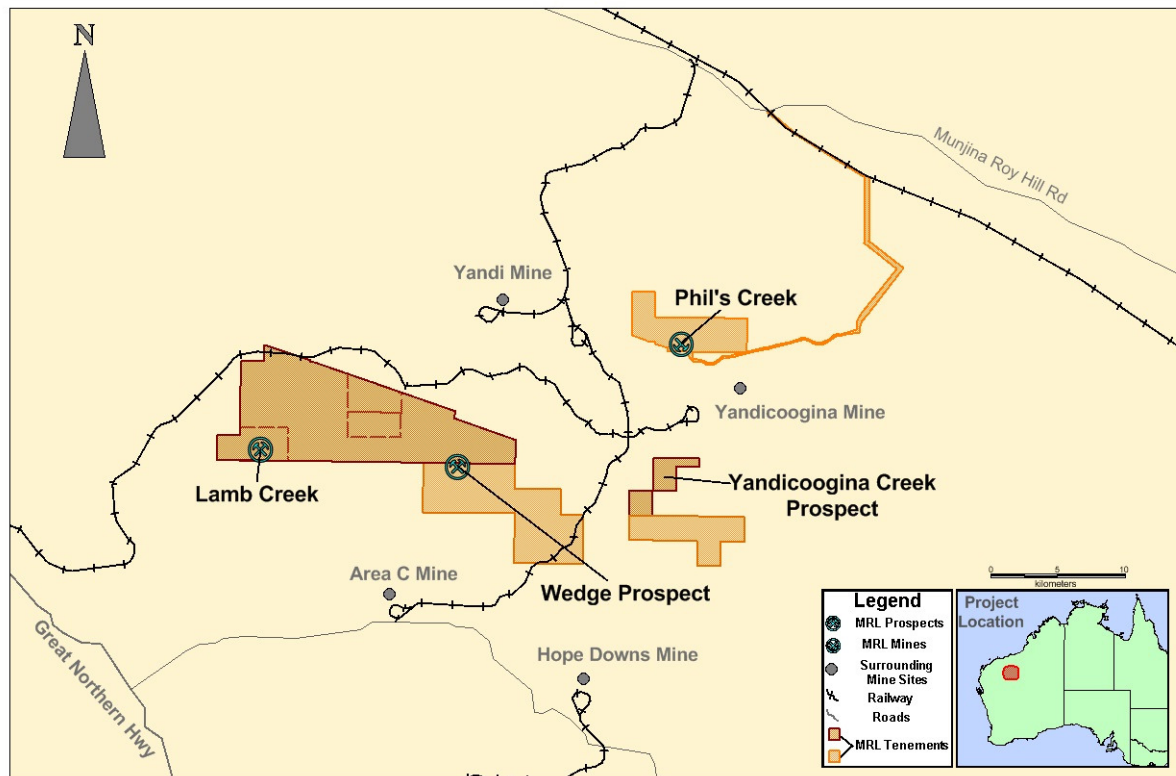
Yilgarn Area location map

Central Pilbara Tenements

Subsequent to the quarter end, MRL completed the acquisition of the Central Pilbara Satellites from IOH. This tenement package includes the Phil's Creek, Lamb Creek, Wedge, and Yandicoogina Creek areas.

MRL also entered into an agreement to purchase tenement E47/2366 from Murchison Metals Ltd (ASX:MMX) which is contiguous with and to the south of the Central Pilbara Satellites.

MRL Central Pilbara Area



Location of MRL Central Pilbara Projects

Phil's Creek Development

Construction activities commenced at the Phil's Creek mine during the quarter. Work underway includes the clearing and grubbing of the mining area, main haul road, village access road and mining village. A new Komatsu mining fleet has arrived on site. Export of iron ore products from the mine will commence later this calendar year.



View from the ROM pad at Phil's Creek



Cut and fill operations in the ROM area



First accommodation units arrive on site



New mining fleet at site

Phil's Creek Drilling

Sixty holes for 1,196m of infill RC drilling of the Phil's Creek deposit to a 50x50m spacing was completed during the quarter. A twenty hole diamond drilling program commenced subsequent to the quarter end.



Geology team at Phil's Creek site

Tenements

The following tenements were granted during the quarter:

- Miscellaneous Licence L45/219 at Poondano
- Exploration Licence E77/1831 in the Yilgarn Area
- Prospecting Licences P77/3948, P77/3949, P77/3985, and P77/3986 in the Yilgarn Area

Exploration Licence E77/1342 at Mt Elvire was disposed during the period.

COMPETENT PERSONS AND JORC COMPLIANCE STATEMENT

Exploration Results

The information in this report that relates to exploration results is based on information compiled by Mr Sean Gregory who is a member of the Australian Institute of Mining and Metallurgy and an employee of Mineral Resources Limited. Sean Gregory has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results'. Sean Gregory consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Geological Data, Interpretation and Resource Estimation

The information in this report that relates to mineral resource results is based on information compiled by Mr Sean Gregory who is a member of the Australasian Institute of Mining and Metallurgy and a full time employee of Mineral Resources Limited. Sean Gregory has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Sean Gregory consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.