

MRL Group Half Yearly Results

An Integrated Australian Mining Services Company

February 2013

www.mineralresources.com.au



Service Provider



Process Minerals

Mineral and base metals processing, logistics, ship loading & marketing services, camp accommodation construction and operations



PIHA

Pipeline, water & dewatering services, infrastructure, contractor, polyethylene fittings manufacturer



Crushing Services International

Australia's largest specialist crushing, screening and processing contractor

Minerals Producer



Polaris Metals

Specialist Iron Ore resources company



Mesa Minerals (64% owned) & Auvex Resources

Specialist manganese and technology companies

About Mineral Resources

- Mineral Resources Limited is a Western Australian, publicly listed, ASX 200 company (**ASX:MIN**) with a market cap approximately \$A2 billion
- Employs in excess of 1,300 people
- Largest Australian specialist contract crushing, materials handling and mining services provider:
 - installed and operating crushing and processing plants for blue chip clients:
 - combined installed capacity of +130 million tonnes pa for external customers
- Mid-tier iron ore and manganese producer and mine operator with export allocations at Kwinana and Port Hedland.

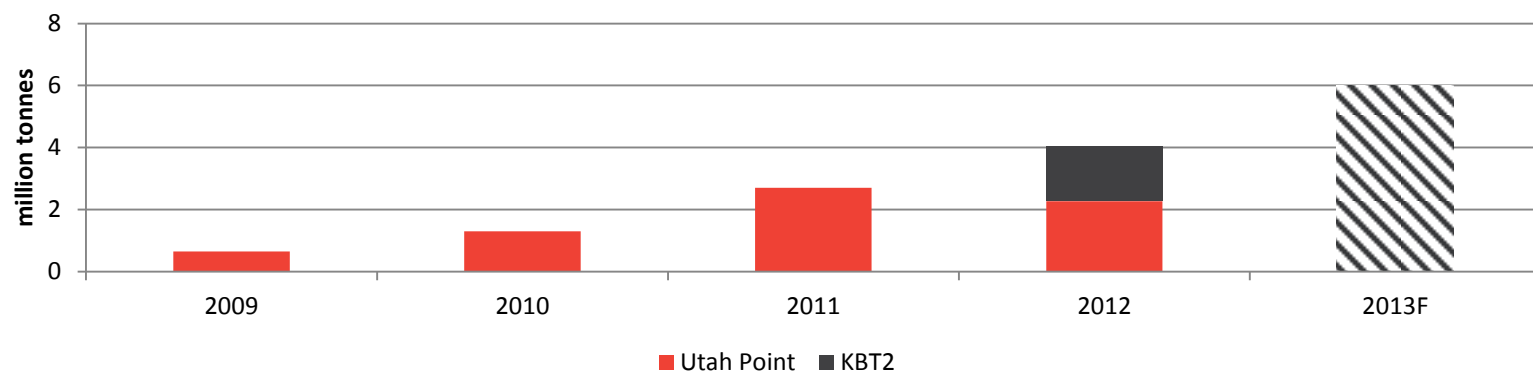
Corporate & Operational Highlights

- Mining services business
 - Installed BOO crushing capacity 130 MTPA
 - Christmas Creek 2 construction complete, ramp-up in progress
 - PIHA business strong, emerging de-watering business
 - 3 new BOO crushing contracts in operation, additional 2 under construction
 - EPC opportunities in negotiation for crushing services and camp accommodation
- Commodity business
 - First iron ore produced at Phil's Creek
 - Carina iron ore product gains recognition for quality by Chinese customers
 - Poondano iron ore and quarry activities developed
 - Fe prices recovered strongly from first half levels
 - Volume expansion programme to parallel improved pricing
 - Manganese market improving remains challenging

Financial Highlights

- Record first half year EBITDA of \$145 million
- Strong annual NPAT skewed to second half
- Fully franked interim dividend of 16.0 cents declared, supporting full year expectations
- DRP available for interim dividend
- \$608 million syndicated debt and guarantee package in place
- Debt to equity position remains conservative at 35%
- NTA per share increased to 462 cents from 385 cents
- CAPEX programme in line with expectations, record spend in half \$238 million establishing new business

Export Volume Growth



'000 tonnes	2009	2010	2011	2012	H1 2013	Jan 13
Iron Ore						
. Utah Point	375	875	2,259	2,004	1,015	114
. KBT2	-	-	-	1,759	1,528	367
. Total	375	875	2,259	3,763	2,543	481
Manganese	275	428	449	269	117	32
TOTAL	650	1,303	2,708	4,032	2,660	513



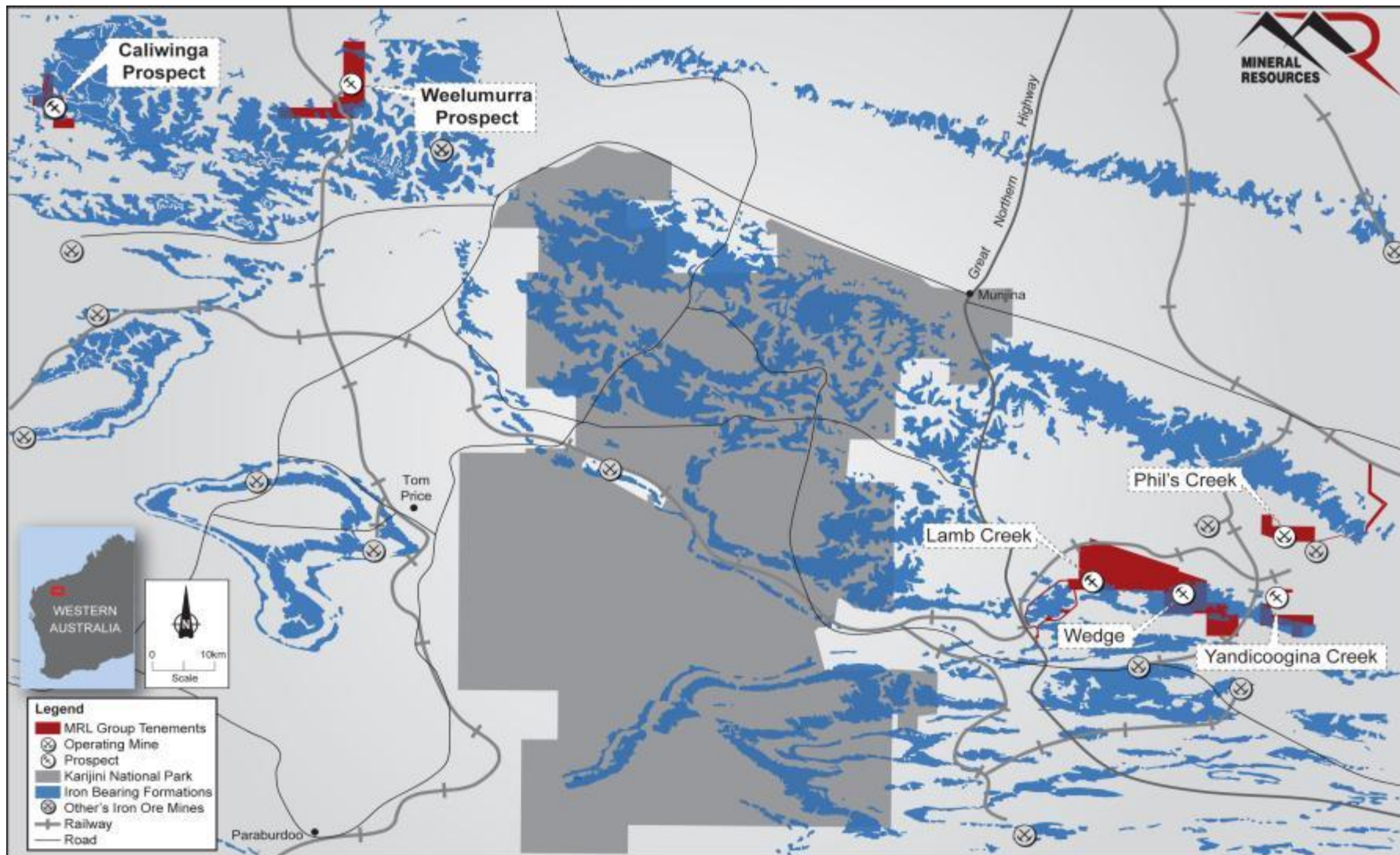
Phil's Creek Iron Ore Mine

- Construction and commissioning of mine & plant complete, first ore mined October 2012
- The overall Pilbara iron ore operations re-organised to facilitate introduction of Phil's Creek ore into the product offering.
- Mine infrastructure developed in 7 months.
- Building, upgrading and bitumising 100km of public / private road. Completion due end of April.
- Short-term export volume reductions from Utah Point in December allowed for advanced programme commencing in January coinciding with delivery of the first Phil's Creek ore.
- First ore on truck January 2013
- First shipment exported in February 2013

Phil's Creek Iron Ore Mine



Pilbara Deposits





Poondano Iron Ore Project

- Located 30km outside of Port Hedland in the Pilbara Region of WA, the Poondano Mine produces 1.5 million MTPA of the PMI Iron Ore Blend.
- Quarry operations located on tenement to service aggregate and fill demand in the region.
- Site approved for camp accommodation and support construction of Port Hedland village
- Future role:
 - Regional quarry,
 - Iron ore for export, blending with Phil's Creek production

Poondano Iron Ore Project

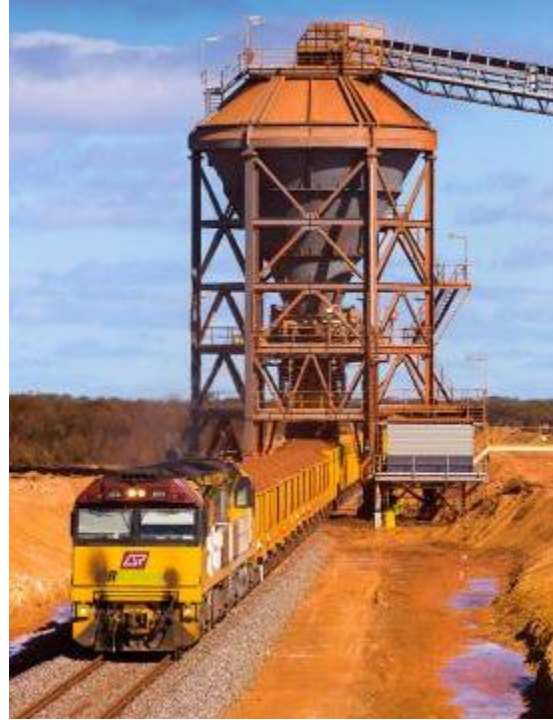




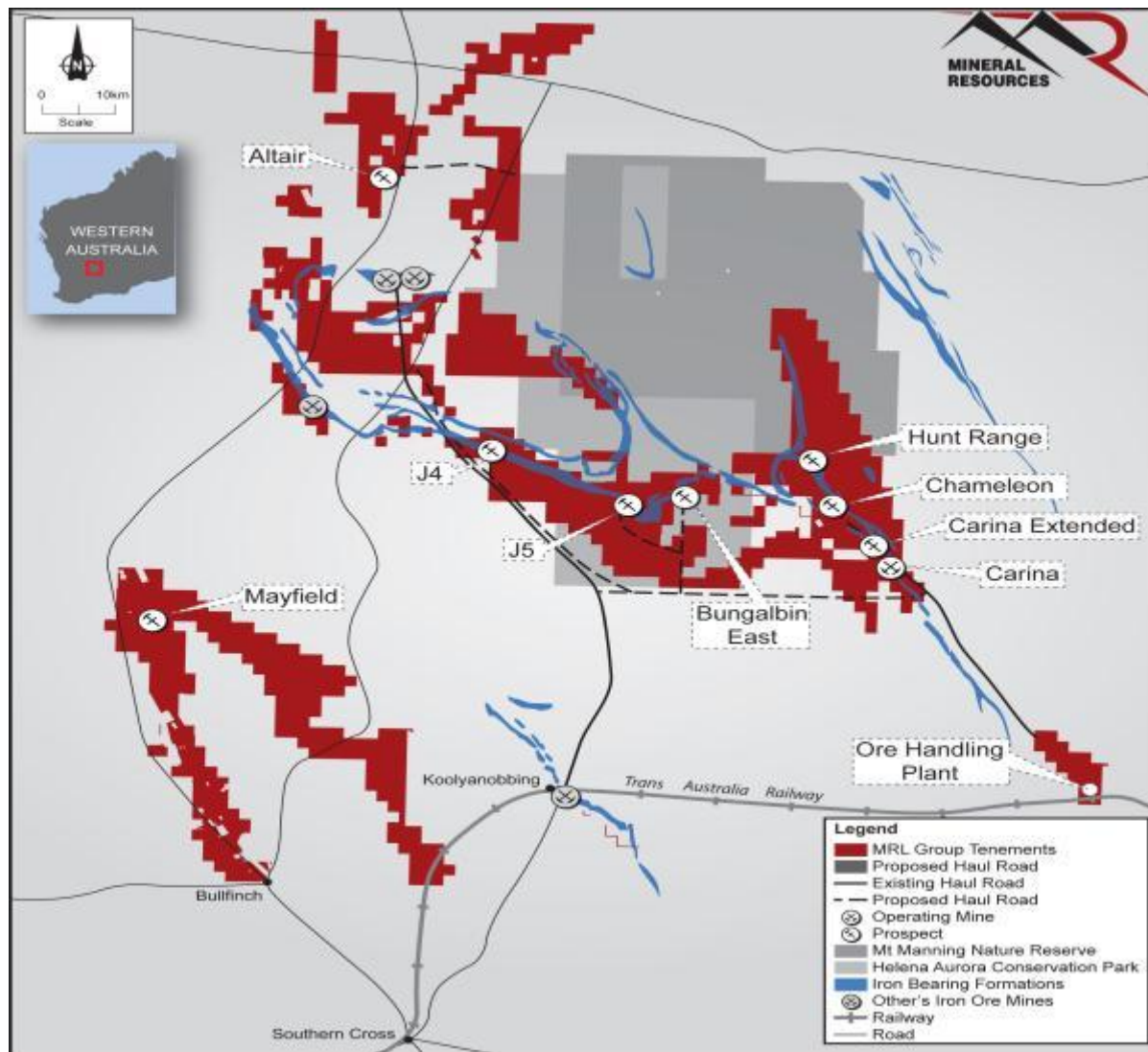
Carina Iron Ore Mine

- 3.7 million tonnes exported from the project since commencement of project in November 2011.
- Mine development well advanced and ore supply and mine presents consistent ore grades.
- Product gains recognition for quality by Chinese steel producers.
- Movement of iron ore throughout the Carina supply chain (mining, road haulage, processing and rail) continues to be streamlined and the operation is well placed to increase shipped volumes in accordance with plan.
- Port operations and debottlenecking improves access to shipping through Fremantle Port.
- Second quarter activities impacted by industrial action at the port, creating reduced vessel throughput and increased demurrage. Issues resolved and project is on-track.

Carina Iron Ore Mine



Yilgarn Deposits



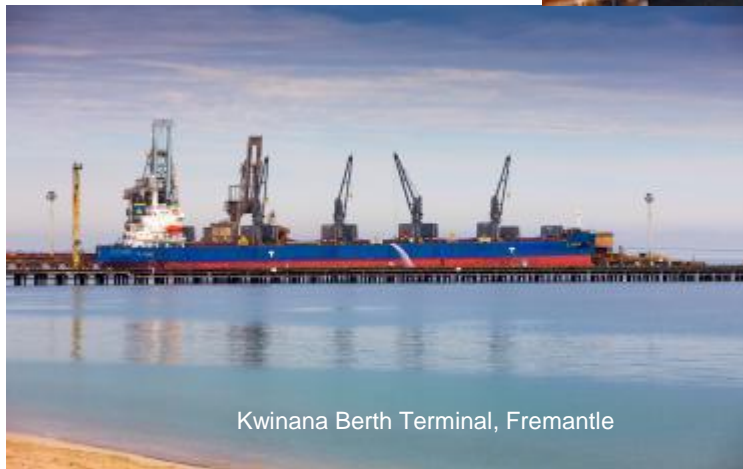
Ports



Kwinana
Berth
Terminal,
Fremantle



Utah Point, Port Hedland



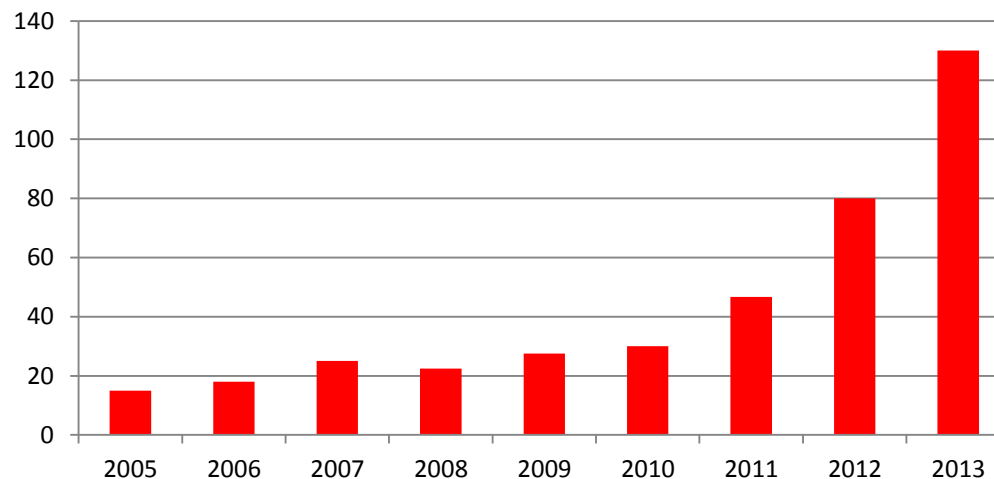
Kwinana Berth Terminal, Fremantle

- Recent government announcements regarding Esperance Port development a positive sign of progress

Contract Crushing Operations

- Installed crushing capacity increasing across all resource cycles
- 62% increase in capacity achieved in 2013

**Installed Crushing Capacity
(MTPA)**



3 new Build Own Operate (BOO) Crushing and Handling Contracts



CSI BOO plants



PIHA Contracting



Pipe Cutter Implement in the Field



Pipe Cutter Implement in the Field



Western Turner Syncline



Marandoo Agricultural Areas



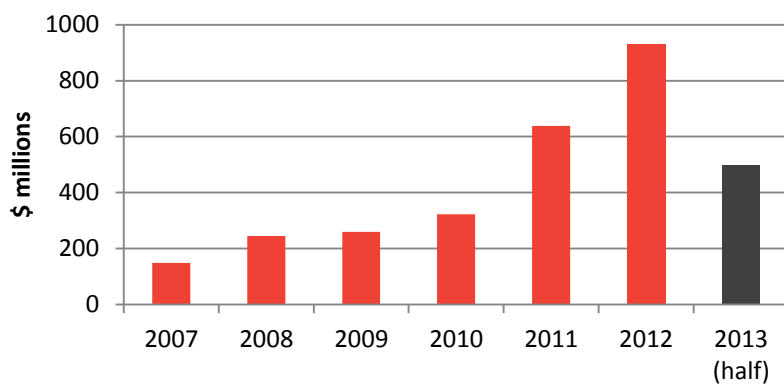
Western Turner Syncline



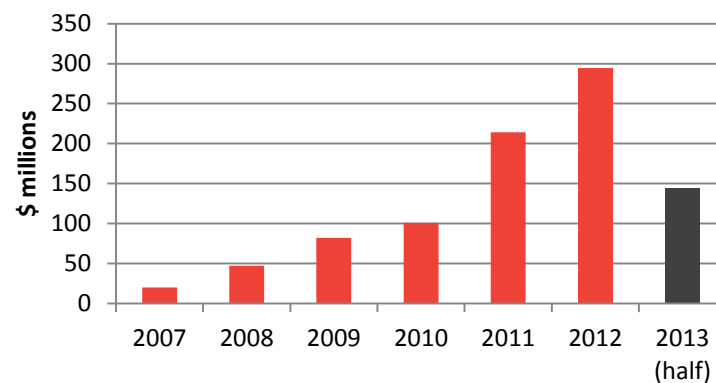
Brockman 4 Eastern Borefield 3

Financial History (Since Listing)

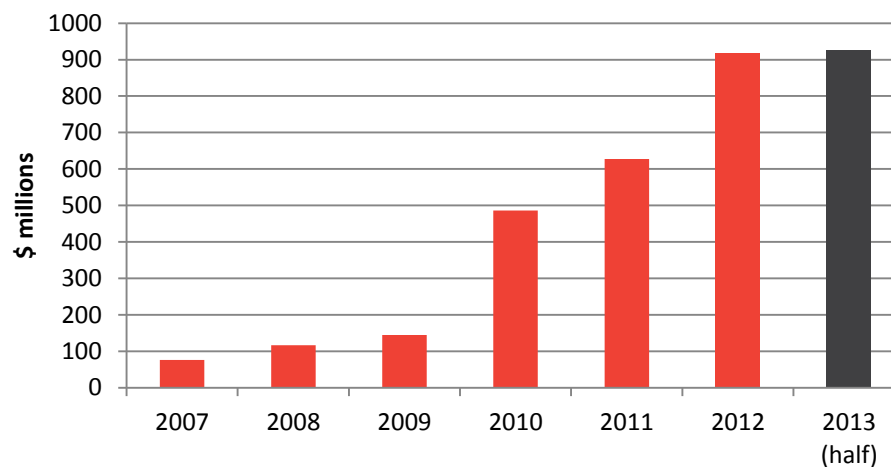
Revenue



EBITDA



Net Assets



Financial Performance

- Revenue \$500.3 million, up 22% on corresponding half
- Record half year EBITDA, up 1% on corresponding half
- NPAT substantially skewed to second half
- Balance sheet enhanced and continues to strengthen
- Record development CAPEX of \$238 million
- External funding package enhances growth capability
- 50% dividend distribution policy maintained
- DRP to be available in 2013 for interim dividend

\$AUD millions	HY Dec 12	HY Dec 11
Revenue	500.3	408.8
EBITDA	145.1	143.1
NPAT	63.0	80.5
EPS	34.1	44.4
\$AUD millions	Dec 12	Dec 11
Net Assets	926.9	780.1
Operational Cash flow	93.3	138.3

Operational Cash Flow

\$AUD millions	HY Dec 12	HY Dec 11
EBITDA	145.1	143.1
CAPEX (including funded items)	(238.0)	(183.5)
Net Interest Payments	(2.5)	0.8
Income Taxes Paid	(19.3)	(29.8)
Working Capital and Other	(30.0)	24.2
Net Operating and Investing cash flow	(144.7)	(45.2)
Dividends paid	(55.5)	(47.5)
Share options exercised	3.3	64.3
Proceeds from borrowings	145.2	(7.5)
Other financing cashflow	-	0.6
Total Increase in Cash	(51.7)	(35.3)

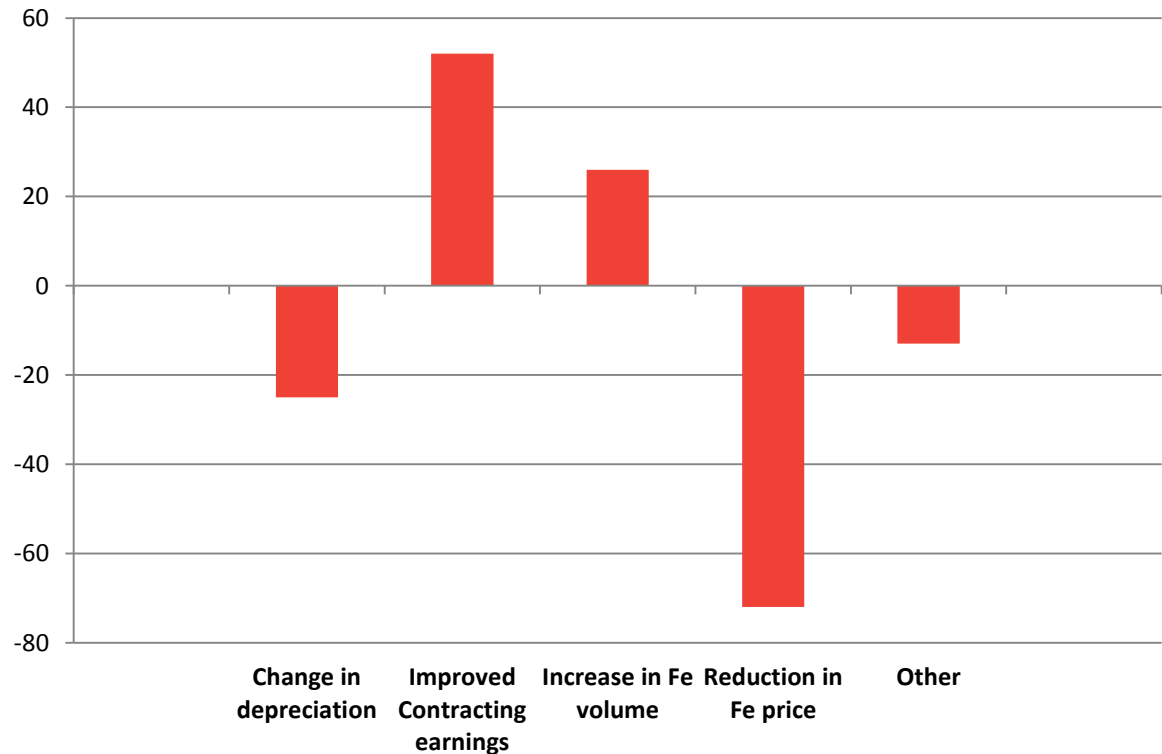
Movement in Profit before tax Dec half 2011 and Dec half 2012

Note:

Analysis demonstrates the change in profit before tax result from H1 2012 to H1 2013.

Events of note:

- New crushing contracts in addition to the expansion of existing work
- Carina mine developed
- Fe price slump in Q2 2012.





2013 performance skewed to second half

- Increased BOO contracting tonnes
- Increased Fe tonnage for export
- Increased port availability
- Improved PIHA work in hand
- Maintenance of strengthened iron ore pricing
- Leading to:
 - Substantial increase in EBITDA
 - Substantial increase in NPAT

Strategy & Basis for Future Growth

- Sustainable, developed processing, mining services and commodities business.
- Development of mine camp and accommodation business.
- Increase exploration and drilling programme to establish mine life.
- Broaden project delivery options – EPC, Turnkey, EPCOM.
- Future option to monetise commodity operations and establish replacement commodity developments.
- Target additional commodity inventory.
- Value add to customers by increasing production on brownfields sites
- Commercial partnering, JVs and M&A opportunities



Summary

- Half year result reflects global iron ore price slump
- Underlying contract business growing with new projects coming on stream
- Development projects on time and within budget
- Completion of major phase of development for Phil's Creek operations
- Exploration programme to continue
- Organic growth across all operations
- Abundant corporate opportunities
- Balance sheet and funding position in good shape
- Financial performance skewed to second half

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