

Mineral Resources Limited (ASX:MIN)

QUARTERLY REPORT ON MINING AND EXPLORATION ACTIVITIES QUARTER ENDING 30 JUNE 2013

HIGHLIGHTS

- **Phil's Creek Iron Ore Mine**
 - Continued ramp up of operations in parallel with haul road construction
- **Carina Iron Ore Mine**
 - Record production achieved
 - Supply chain delivering greater than 4 Mtpa rate
- **Exploration**
 - J4 and Chameleon infill drilling completed
 - Significant mineralisation confirmed by assays at Weelumurra

Phil's Creek Iron Ore Mine

The process plant production ramped up during the quarter with the commencement of 24/7 crusher operation. 547,516 wmt were produced during the quarter.

The mining operations are progressing as planned on day shift only and the night shift will be added to coincide with the completion of the northern haul road.

The northern haul road is under construction and planned to be operational during the September quarter, which will allow a further increase in the haulage rate. Haulage along an alternative southern route was impacted by unseasonal rain. 373,272 wmt of Phil's Creek Ore was shipped during the quarter. A total of 464,000 wmt has now been shipped from the project.

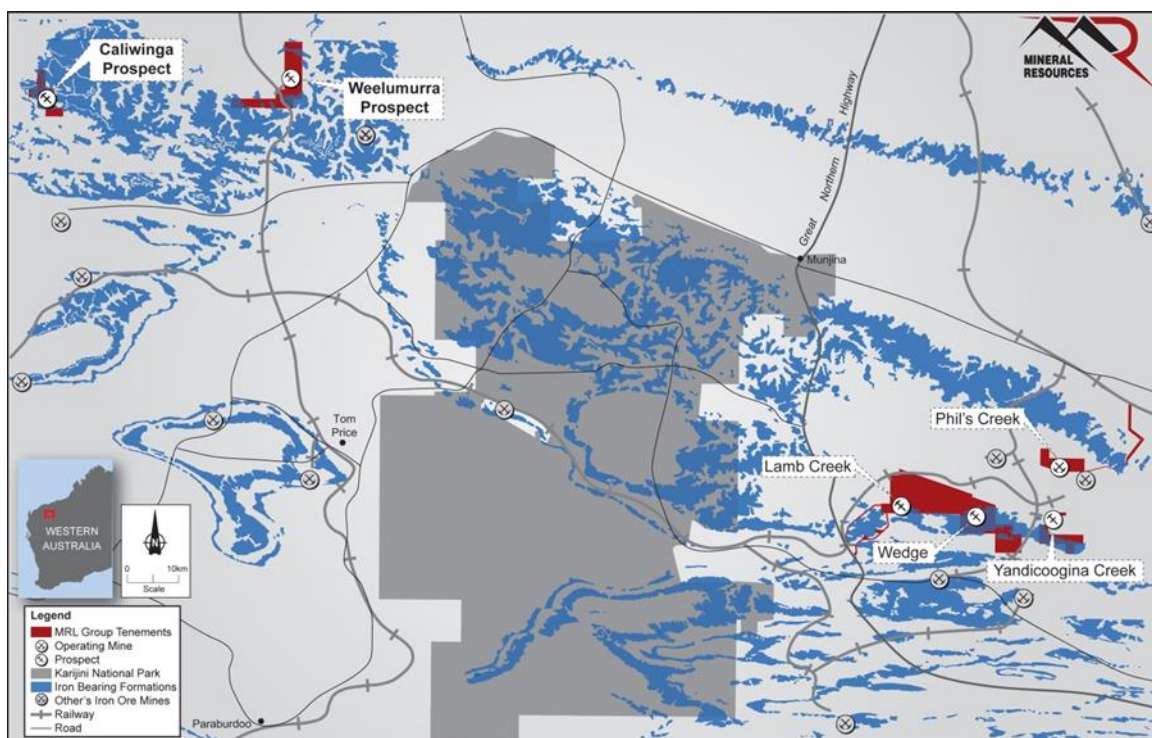


Figure 1 – Pilbara Deposit Locations including the Phil's Creek Iron Ore Mine



Photo – Phil's Creek Mining



Photo – Phil's Creek ROM Pad

Carina Iron Ore Mine

Iron Ore shipped for the June quarter was a record 1,054,333 wmt (a 9.6% increase on the previous quarter) with 22 vessels being loaded at Kwinana Berth.

Net Loading Rates at the Port were maintained at the target 2,000 tph rate and further improvements to this are planned with minor upgrades scheduled for Quarter 1 of 2014. Improvements to port scheduling are being developed to increase output rates. Rail had an excellent quarter with an 18.7% improvement in railed tonnes over the previous quarter.

Ore supply from the Carina Pit is steady. The supply chain has demonstrated the ability to operate at the desired production rate. Further improvements in the operations and logistics chain are planned on a progressive basis.

Yilgarn Exploration

During the quarter 20 RC holes for 2,934m were drilled at J4, completing the program for a total of 19,866m in 142 RC holes. Six diamond holes were completed for metallurgical studies for a total of 830m of PQ and HQ core.

At Chameleon 5 RC holes for 414m were drilled on the northern strike extension, and three PQ diamond core holes for 183m were drilled for metallurgical studies.

At the end of the June quarter, modelling of the J4 and Chameleon deposits were well advanced.

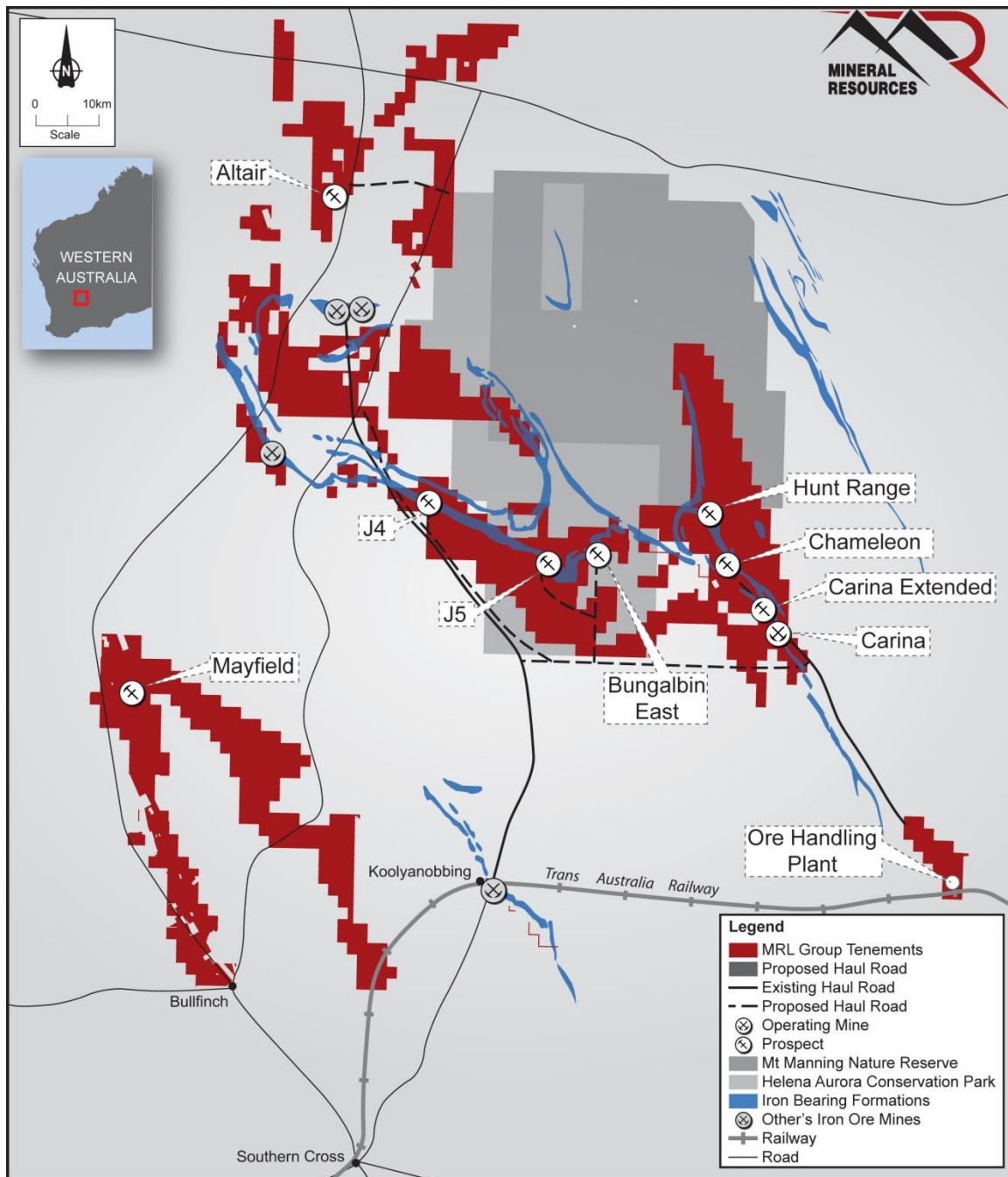


Figure 2 – Yilgarn Deposit Locations

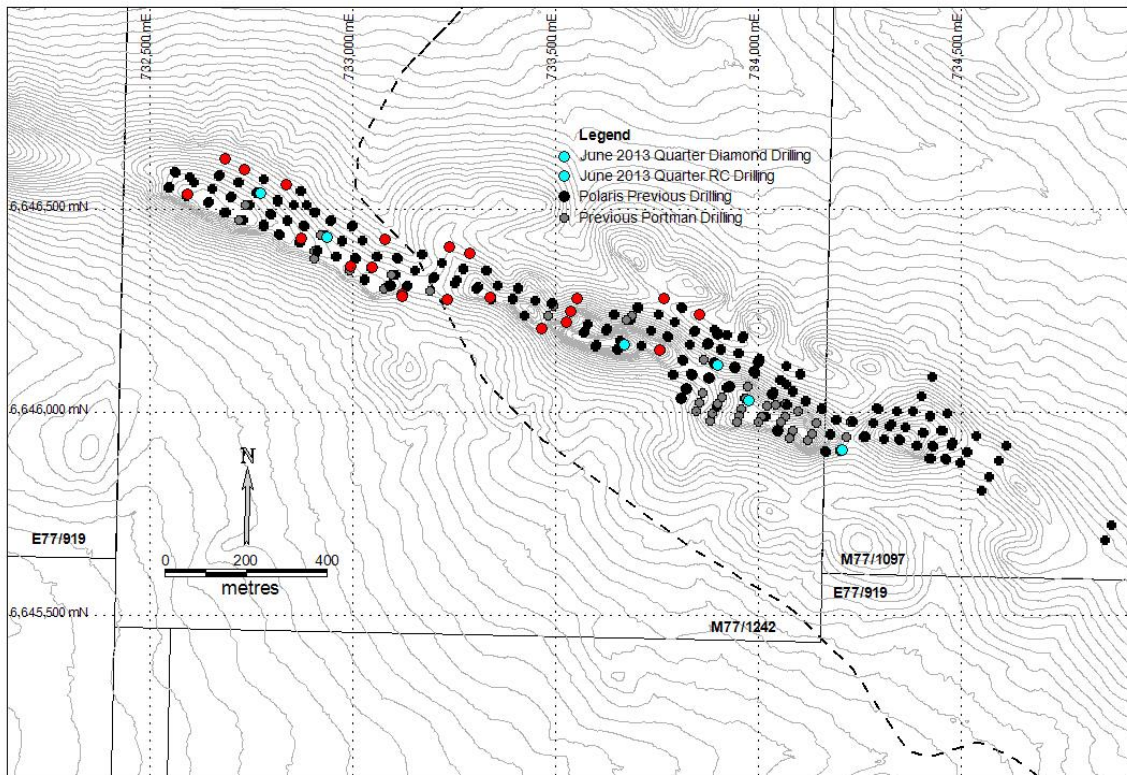


Figure 3 – Drilling at J4 during the June 2013 quarter

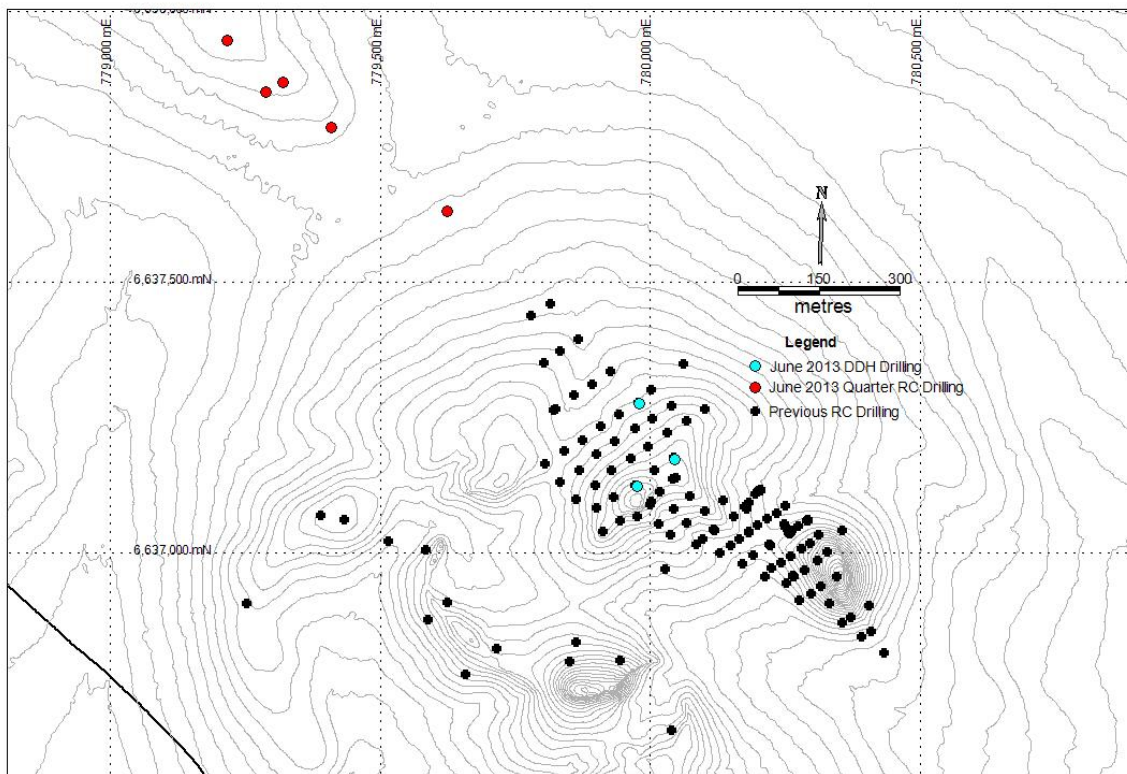


Figure 4 – Drilling at Chameleon during the June 2013 quarter

Pilbara Exploration

69 holes for 2955m were drilled at Weelumurra and all assays have now been received. Iron Mineralisation was identified along 5km of paleochannels as shown in figure 5.

Planning is underway for infill drilling at the Wedge prospect and Iron Valley deposit in anticipation of the commencement of operations.

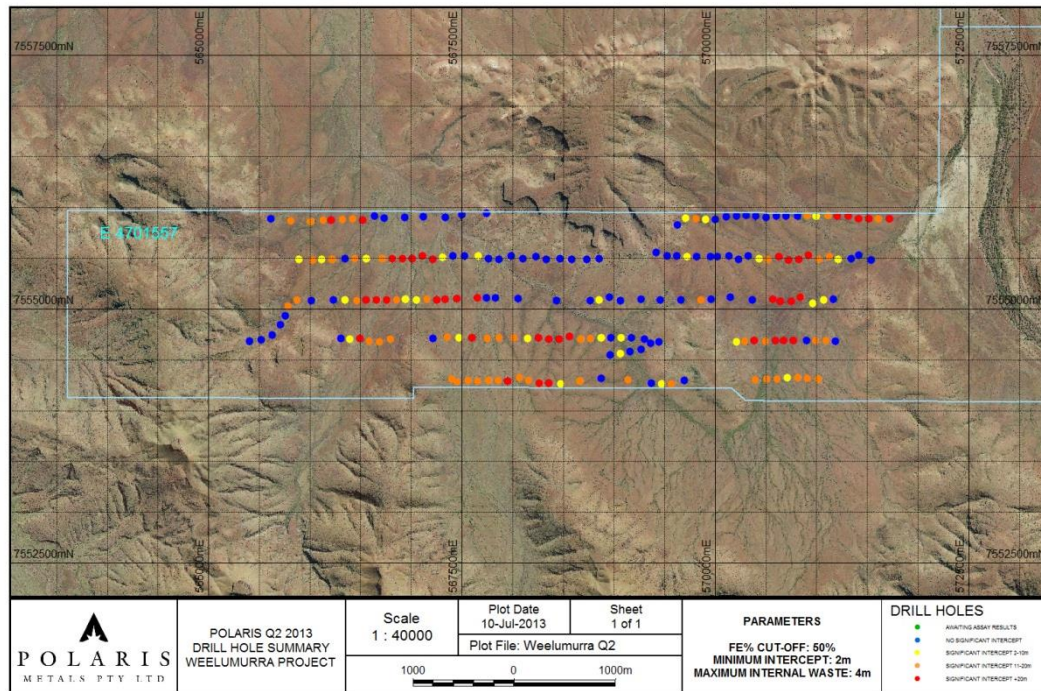


Figure 5 – Channel Iron Mineralisation identified at Weelumurra

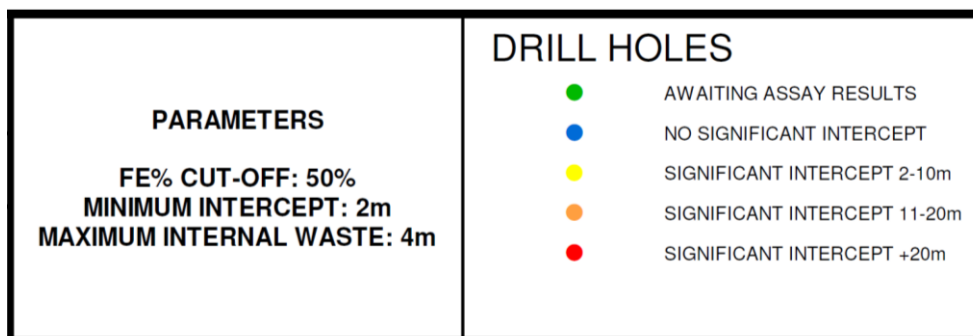


Figure 6 – Legend for Weelumurra figure 5

Tenements

Lease	Date	Managing Company
APPLICATIONS		
M77/1268-I	4/04/2013	Polaris Metals P/L
L45/330	5/04/2013	Polaris Metals P/L
GRANTS		
L15/340	5/04/2013	Polaris Metals P/L
P77/4181	30/05/2013	Southern Cross Goldfields Ltd
RELINQUISHED		
E77/1372	9/04/2013	Southern Cross Goldfields Ltd
E52/2845	11/04/2013	Process Minerals International P/L
E52/1518-I	12/04/2013	Desert Resources P/L
E77/1368	14/04/2013	Southern Cross Goldfields Ltd
M45/1234	24/04/2013	Process Minerals International P/L
M45/1235	24/04/2013	Process Minerals International P/L
M45/1236	24/04/2013	Process Minerals International P/L
M45/1237	24/04/2013	Process Minerals International P/L
M45/1238	24/04/2013	Process Minerals International P/L
M45/1239	24/04/2013	Process Minerals International P/L
L45/298	3/05/2013	Process Minerals International P/L
L45/299	3/05/2013	Process Minerals International P/L
L45/301	3/05/2013	Process Minerals International P/L
L45/304	3/05/2013	Polaris Metals P/L
L45/305	3/05/2013	Polaris Metals P/L
L45/306	3/05/2013	Polaris Metals P/L
L45/307	3/05/2013	Polaris Metals P/L
L45/308	3/05/2013	Polaris Metals P/L
L45/309	3/05/2013	Polaris Metals P/L
E77/1353-I	7/05/2013	Polaris Metals P/L
G77/111	10/05/2013	Polaris Metals P/L
L47/635	16/05/2013	Process Minerals International P/L
L47/636	16/05/2013	Process Minerals International P/L
M47/1357-I	16/05/2013	Process Minerals International P/L
M47/1358-I	16/05/2013	Process Minerals International P/L
E77/2013-I	18/05/2013	Southern Cross Goldfields Ltd
E77/2012-I	20/05/2013	Polaris Metals P/L
E45/2736-I	28/06/2013	Process Minerals International P/L
E45/3787-I	28/06/2013	Process Minerals International P/L
E45/3789-I	28/06/2013	Process Minerals International P/L

Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled by Sean Gregory who is a full time employee of MRL. Mr Gregory is a Member of The Australasian Institute of Mining and Metallurgy and 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 Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. The Competent Person consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.