



Mineral Resources Limited (ASX:MIN)

Integrated Mining Services

2013 ANNUAL GENERAL MEETING Chairman & Managing Director's Address



CHAIRMAN'S ADDRESS

CHAIRMAN'S ADDRESS



SERVICES PROVIDER

MINERALS PRODUCER



PROCESS MINERALS

- Mineral Processing
- Logistics
- Ship Loading
- Commodity Marketing
- Camp Development
- Camp Management
- Manganese operations



CRUSHING SERVICES

- Crushing & Screening
- Mineral processing
- Mining & Haulage
- Construction
- Beneficiation



PIHA

- Services Infrastructure
- Pipeline Solutions
- Water Solutions
- Fittings Manufacture & Supply
- Equipment Hire



POLARIS METALS

- Iron Ore Exploration
- Fe Tenement Ownership
- Iron Ore Producer



MESA MINERALS *

- Manganese Technology
- Tenement Ownership
- *(56% Owned)

Company Profile

- Mineral Resources Limited (MRL) is a Perth based, integrated mining services business
- MRL's market capitalisation is over \$2 billion and is an ASX100 company
- The Total Shareholder Return since listing in July 2006 is 1370% (47% CAGR)
- The business was founded in 1993 by the current management team of Chris Ellison, Steve Wyatt and Bob Gavranich and the current Chairman, Peter Wade, joined the business in 1999
- Management and board ownership of approx. 22% of the issued capital
- The business employs in excess of 1,900 people (current at November 2013)

CHAIRMAN'S ADDRESS

Corporate Governance

BOARD STRUCTURE

Board changes to improve governance:

- Non-executive chairman position re-instated
- Chairman / Managing Director positions separated
- One existing independent non-executive director's to be nominated as lead independent director.
- Management strengthened at multiple levels to facilitate growth

Small board with right mix of skills

- Board members provide personal strengths and also head organisations that value-add MRL group
- Board independence is actively managed

Governance practices

- Committee structure used to manage key governance issues including remuneration, nomination, risk and audit

Board Structure



CHAIRMAN'S ADDRESS

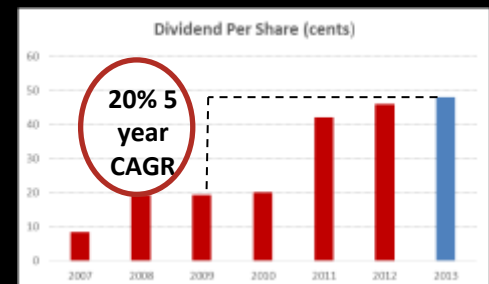
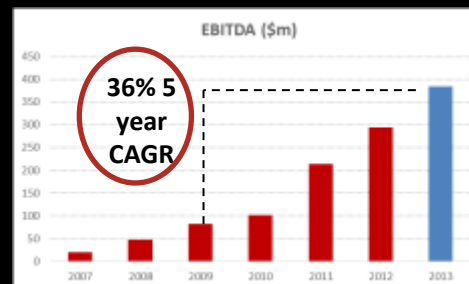
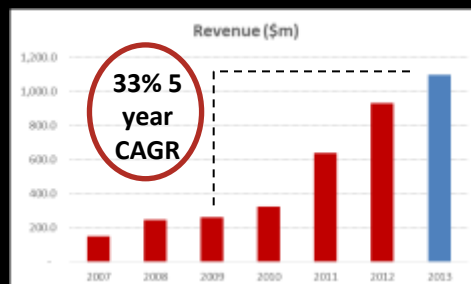
Financial Highlights

- Record full year EBITDA of \$385 million, up 31% on the previous correspond period
- NPAT skewed to second half as predicted
- Syndicated debt and guarantee package negotiated to provide funding headroom for growth
- Debt to equity position remains conservative at 36%
- Net tangible assets per share increased to \$5.08 from \$4.55
- Capital expenditure programme in line with expectations at approx. \$419m

(\$m)	2012	2013	% Change
Revenue	925.9	1,097.0	18%
EBITDA	294.3	385.0	31%
EBIT	230.6	256.1	11%
Profit before tax	224.2	250.5	12%
NPAT (adjusted for MRRT charge)	177.1	180.4	2%
Operating cashflow	291.3	367.9	26%
Earnings Per Share (cents)	96.7	97.5	1%
Dividends Per Share (cents)	46.0	48.0	4%
NTA (\$)	4.55	5.08	12%
Capex (including funded items)	427.6	418.9	
Net debt	110.8	310.3	
Net assets	916.7	1,017.7	
Return on equity	19.3%	17.8%	

Dividend Policy

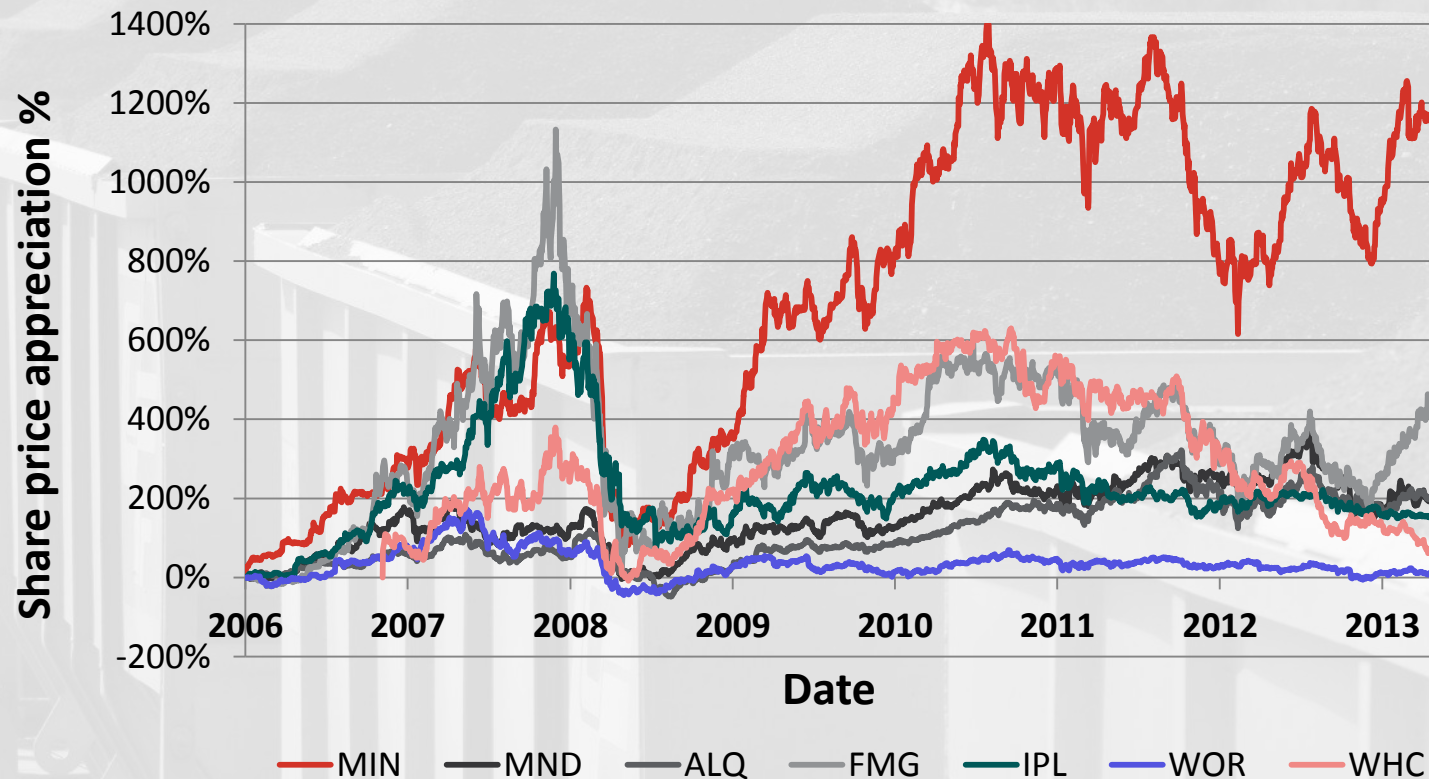
The Board maintained 50% dividend payout and declared a fully franked final dividend of 32.0 cents. 5 year CAGR of 20%.



CHAIRMAN'S ADDRESS

Comparative Corporate Performance

Share Price returns since July 2006



Outlook & Financial Guidance

MRL endorses the current market consensus forecast for 2014. This represents an NPAT result of between \$247.8m (IRESS) and \$252.8m (Bloomberg), a growth of 37% to 39% over 2013.

- This view is dependent on a number of factors that may impact the result for the year, including:
 - Iron ore pricing changes in the period
 - USD conversion rates
 - MRL's iron ore export volumes
 - Weather events impacting the production or export capacity
 - Chinese economic demand
 - Operational variables



MANAGING DIRECTOR'S REPORT



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In Memory of Kurt Williams





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Operational Highlights

Mining Services

- Crushing services continues to grow strongly
- Installed BOO crushing capacity 130 mtpa
- New BOO crushing contracts in operation
- EPC opportunities commenced

PMI

- Site services offers growth in new core service offerings
- Jerriwah village EPC and operations contract awarded

PIHA

- Onshore oil and gas sector offering significant opportunities

Mining

- Record 5.5mt exported in FY2013
- Fe prices recovered strongly from first half levels
- AUD / USD conversion improved

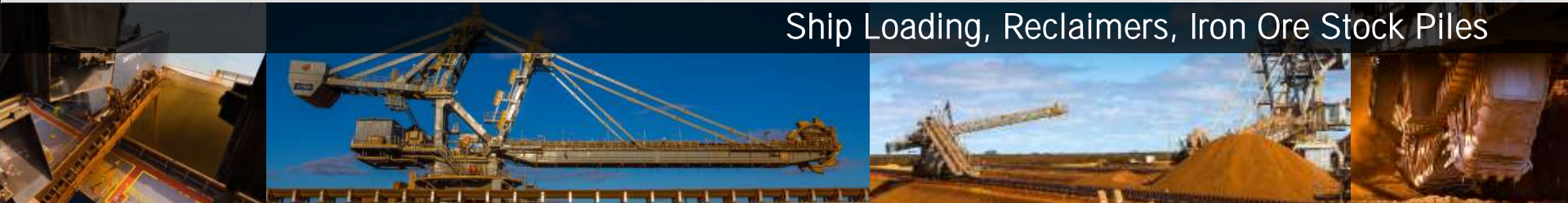
Pilbara iron ore

- First iron ore produced at Phil's Creek
- Agreements signed for Iron Valley and Spinifex Ridge

Yilgarn iron ore

- Carina iron ore production upgrade on target
- Logistics and volume expansion, opex cost initiatives a focus
- Manganese market improving but remains challenging

Ship Loading, Reclaimers, Iron Ore Stock Piles





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Commodities Market

IRON ORE MARKET

- Pricing:
 - remaining solid, no repeat of 2012 reduction
 - expect the prices to soften marginally during 2014
 - Australian and international costs increasing due to institutional factors (higher strip ratios; increasing Asian labour costs; deeper mines
 - USD will strengthen on an improving US economy and US Fed scaling back on stimulus. Expect AUD to remain below parity
- Demand:
 - Improving demand for MRL product. Yilgarn and Pilbara products have developed a reputation for consistently reliable quality. A number of term contracts are currently being negotiated with high end users and traders. Markets opened in China, Korea and potential for Japanese sales

EXPORT VOLUMES

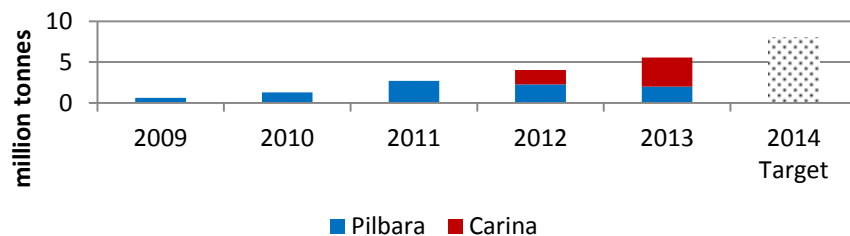
- Expectation to increase export volumes
- 8mtpa annualised rate with 15-20% improvement capability



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Mining Operations

EXPORT VOLUME GROWTH



'000 tonnes	2009	2010	2011	2012	2013	2014 Q1
Iron Ore						
. Phil's Creek					464	600
. Spinifex Ridge						249
. Other	375	875	2,259	2,004	1,401	150
. Total Pilbara	375	875	2,259	2,004	1,865	999
. Carina	-	-	-	1,759	3,544	1,094
. Total	375	875	2,259	3,763	5,409	2,093
Manganese	275	428	449	269	147	0
TOTAL	650	1,303	2,708	4,032	5,556	2,093

MRL Iron Ore Operations





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Mine Sites

CARINA

- Target iron ore export volume 4.5MT
- Enhanced rail strategy includes ownership of rolling stock
- Carina iron ore is highly regarded by Asian customers
- Mine production now at steady state
- Export logistics under review

Carina Pit Development, Locomotives, Rail Wagons





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Mine Sites

PHIL'S CREEK

- Mine developed in 7 months
- First ore mined October 2012
- First ore on truck January 2013
- First shipment exported in Feb 2013
- Haul road upgrade complete
- Over 1 million tonnes exported

Phil's Creek Mine Site





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Mine Sites

SPINIFEX RIDGE

- Agreement signed with Moly Mines
- Project operational 1 July 2013
- ~ 2.5MT resource available
- Mine production has been lifted to +1.5mtpa
- Utah Point port access assigned to MRL

Spinifex Ridge, Crushed Ore, Molly Haul Road





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Mine Sites

IRON VALLEY

- Agreement signed with Iron Ore Holdings
- Mining approvals in progress
- Mine development expected to be completed for first ore in early FY2015



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Contracting

CSI

- Operational Projects
 - Area C
 - Mount Whaleback
 - Jimblebar
 - Yarrie
 - Christmas Creek



Jimblebar, Yarrie

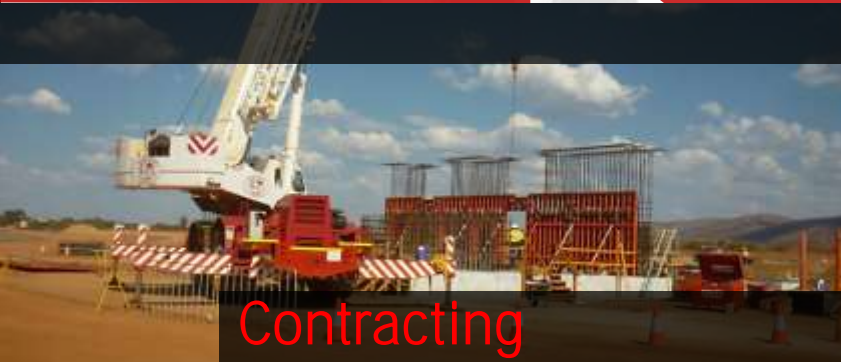


Christmas Creek, Area C, Mt Whaleback





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Contracting

CSI

- EPC Projects
 - Nammuldi Below Water Table Project
 - On target for completion in late 2014
 - Jerriwah Village
 - Construction advanced, operations contract awarded by Rio Tinto



Nammuldi Secondary Crusher & Amenities



Jerriwah Village Construction





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CSI Contracting Opportunities

- CSI Crushing volumes increased to 130mt in 2013
- BOO model suits the current business cycle
 - CSI invests the capital to establish a plant
 - CSI can design and build a fit for purpose plant to suit the clients needs
 - Crushing plant construction and commissioning in record time
 - BOO model provides a cost effective operating solution
 - BOO model can be used on brownfields sites or to establish greenfields operations

CURRENT OPPORTUNITIES

- EPC Construction
- Beneficiation
- Volume enhancement projects
- Mid range plant installations in the 5 – 20mtpa range
- Other support services to processing activities (ie.Haulage)



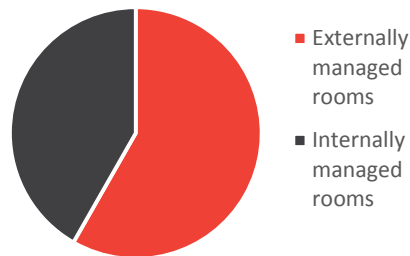
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Contracting

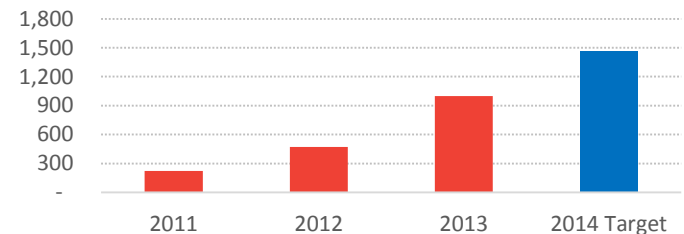
PMI SITE SERVICES

- 112% growth to 999 in room numbers
- Pipeline of opportunities potentially to double room inventory in 2 years
- Jerriwah village operations awarded – Nov 2013

Accommodation in WA



Number of rooms under management



PMI Site Services Camp, Aerodrome Management and Catering



MANAGING DIRECTOR'S REPORT

Contracting

PMI LOGISTICS

Haulage Management

- PMI provides the coordination of bulk haulage fleets for all MRL mining activities
- In 2013 haulage operations commenced from:
 - Phil's Creek
 - Spinifex Ridge
- Ongoing operations from:
 - Woodie Woodie
 - Poondano

Port Management

Management and coordination provided for stock yards, ship loading and shipment at Kwinana and Utah Point

Manganese Operations

- PMI is responsible for the manganese mining and processing activities for the MRL group



PMI Haulage



MANAGING DIRECTOR'S REPORT

Contracting

PIHA

- Services infrastructure supply & installation projects
 - Cape Lambert Port B
 - Homestead
 - Solomon
 - Nui Phao (Vietnam)
 - Western Turner Syncline
- Manufacture specialist HDPE fittings
 - Oil & Gas Market
 - Traditional Mining Market strength continues

Future Developments

- Turnkey dewatering systems
 - RTIO and BHPB
- Composite Piping Systems
 - Strategic alignment with preferred supplier
 - Preferred alternative for high pressure gas market with capability up to 3000psi



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Future Prospects & Opportunities

INFRASTRUCTURE DEVELOPMENT

- New projects of interest, currently under negotiation, have a 20-40 year horizon to support investments case
- New developments are sought with potential for multi user infrastructure assets including:
 - Haul roads
 - Port infrastructure
 - Logistics – including transhipping



Transhipment, Kwinana Port, Port Hedland Berth

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Sustainability

HEALTH & SAFETY

- MRL's number one priority is to maintain a safe and healthy working environment for all
- MRL recognises that managing safety is about the ability to prevent hazards and control risk
- Key initiatives in 2013 include:
 - “Pride in the Workplace” program implemented with a positive cultural shift towards hazard identification
 - “Targeting Zero” a Safety for Starlight, Wish Granting program implemented as an incentive for LTI incident free days
 - “Haulage Assistance” road patrol vehicles introduced
 - Appointment of Healthy Lifestyle Coordinator role





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Sustainability

ENVIRONMENT

- MRL recognises the importance of maintaining and developing robust environmental management systems and ensuring legislative compliance
- The Company is committed to appropriately resourcing teams for success
- MRL strives for continual improvement through research and development, engaging key stakeholders from government and community
- A highlight for 2013, was the successful recolonising of the Northern Quoll (PNQ) in previously mined areas





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Sustainability

COMMUNITY SUPPORT Sponsorships

- In 2013, MRL has partnered with a number of non-profit organisations in support of communities across WA
- Proposed for an initial 3 year period, MRL recognise a longer term commitment has a greater potential for a positive difference to be established in the community
- MRL also contribute to a number of other charitable causes
- This year, staff at MRL also participated in volunteer work on behalf of the Starlight Foundation



PMH Visit, Make A Wish Presentation, FIFO Families Presentation, Indigenous Community Program



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Sustainability

COMMUNITY SUPPORT

Indigenous Program

- In 2013 -2014, MRL is building upon the current Indigenous Engagement Program, to further strengthen the following key areas:
 - Employment Initiatives
 - Cultural Education
 - Community engagement
 - Traditional Owners (TO) Network



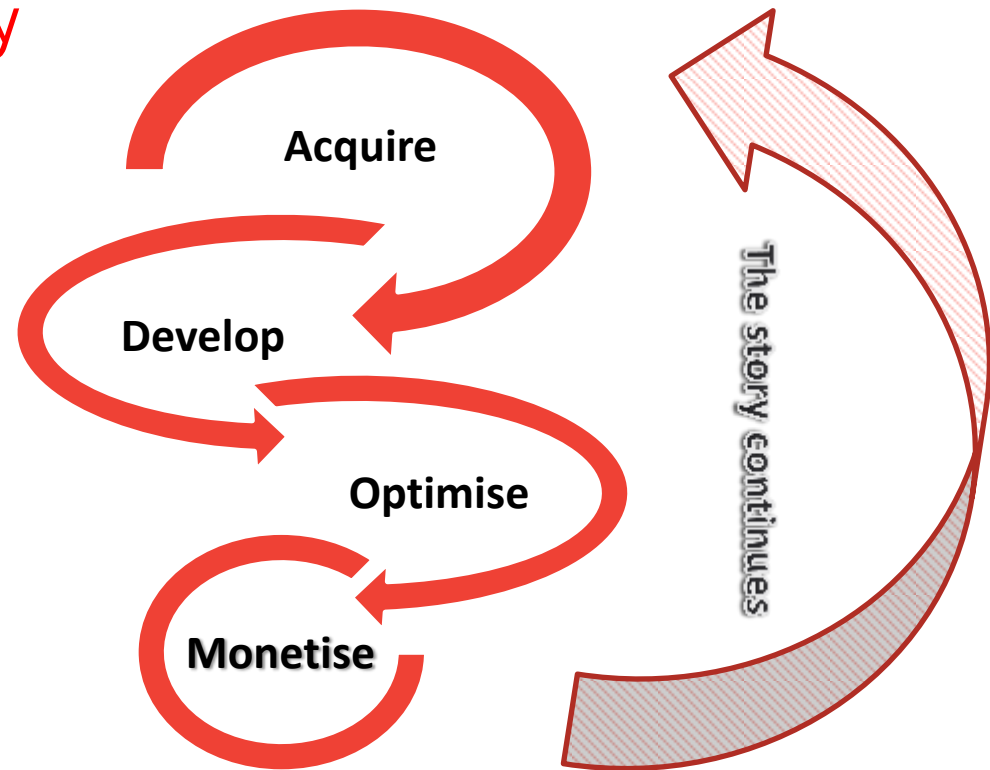
Mine Development Strategy

MRL's Core Competencies

- Project development
- Seamless execution
 - Construction
 - Start-up
- Operational optimisation
- Production expansion
- Monetisation

Portfolio stages of development

- Carina – steady state / growth upside
- Phil's Creek - ramp-up
- Iron Valley - approvals
- Lamb Creek, Yilgarn, Pilbara tenements – undeveloped

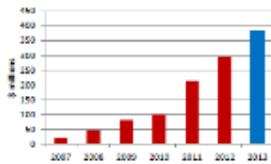




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Contract Development Strategy

SHAREHOLDER
RETURNS



LOGISTICS, SHIP LOADING
& EXPORT MARKETING



CRUSHING, SCREENING
& PROCESSING



SURFACE
MINING



EXPLORATION &
MINE DEVELOPMENT



SERVICES INFRASTRUCTURE,
PIPELINE & WATER



CAMP CONSTRUCTION
& MANAGEMENT



- Services offering built by product development diversification and experience
- Incorporate product offering and service delivery to maximise value add for clients
- Product lines (BOO, EPC, O&M)

Target to:

- Build a strong portfolio of contracts
- Extend contract life for Life of Mine (LOM)



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Exploration & Drilling Program

Greenfields Exploration

- Yilgarn Precinct
- Weelumurra
- Tenement watch and pegging program implemented

Resource Definition

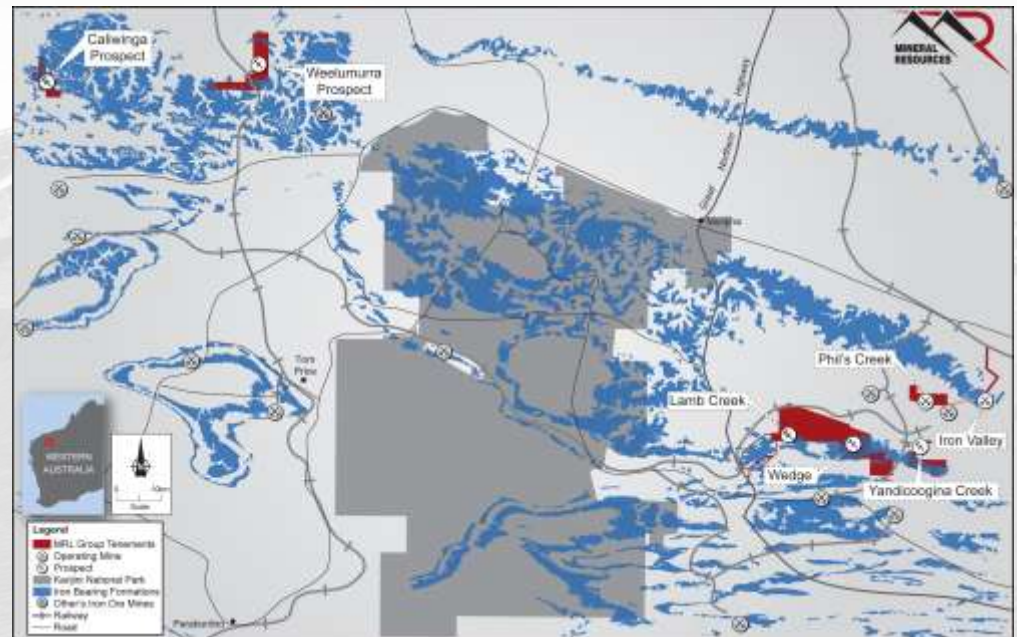
To facilitate mid-term mining activities

- Carina Extended / Chameleon
- Hunt Range
- J4
- Infill drilling at Iron Valley underway

Geotechnical & Metallurgical

Optimise future pit design to maximise ore production

- Carina
- Carina Extended / Chameleon
- J4

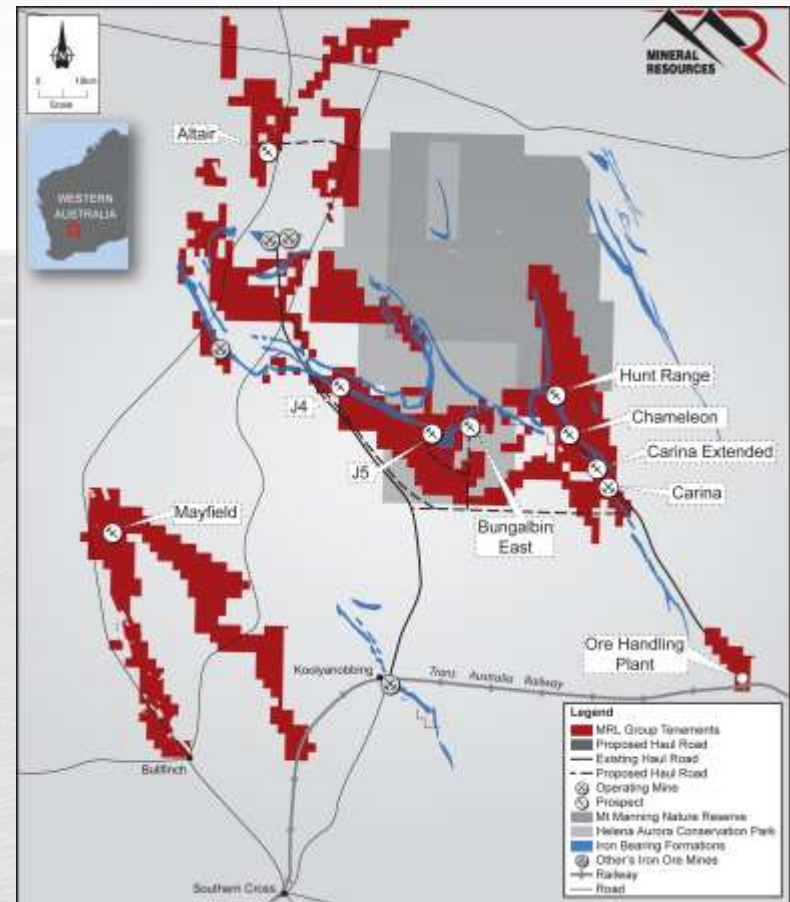


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Environmental Approvals

Yilgarn Region

- MRL confirms the need for co-existence of mining and environment
- State Government has affirmed support for fair and unbiased assessment of environmental permit applications
- Applications prepared for J5 and Bungalbin East are consistent with best practice environmental management standards
- MRL has confidence in the due process for fair assessment of environmental permit applications and believes there is a clear and unbiased assessment pathway ahead





QUESTIONS?

[END]

