

Form 603

Corporations Act 2001 Section 671B

Notice of initial substantial holder

To: Company Name/Scheme Aquila Resources Limited
ACN/ARSN 092 002 769

1. Details of substantial holder (1)

Name Mineral Resources Limited and each of its related bodies corporate listed in Annexure B.
ACN/ARSN (if applicable) 118 549 910

The holder became a substantial holder on 11/06/2014

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary	52,640,248	52,640,248	12.78%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Mineral Resources Limited	Section 608(1)	1,177,002 ordinary shares
Mineral Resources Limited	Section 608(2)	1,243,628 ordinary shares
Mineral Resources Limited	Section 608(8) – indirect power to control voting and disposal following a block trade executed on 11 June 2014 pursuant to an agreement with M&G Investment Management Limited (M&G Agreement). A copy of the M&G Agreement is provided at Annexure A.	50,219,618 ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Mineral Resources Limited	BBY Nominees Limited (as nominee)	Mineral Resources Limited	1,243,628 ordinary shares
Mineral Resources Limited	Mineral Resources Limited	Mineral Resources Limited	1,177,002 ordinary shares
Mineral Resources Limited	Vanguard Precious Metals and Mining Fund nominee	Mineral Resources Limited	24,000,000 ordinary shares
Mineral Resources Limited	M&G Global Basics Fund nominee	Mineral Resources Limited	26,219,618 ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)	Class and number of securities
Mineral Resources Limited	13 May 2014	\$3.42 per ordinary share	474,973 ordinary shares
Mineral Resources Limited	13 May 2014	\$3.42 per ordinary share	25,027 ordinary shares
Mineral Resources Limited	13 May 2014	\$3.43 per ordinary share	216,032 ordinary shares
Mineral Resources Limited	13 May 2014	\$3.48 per ordinary share	37,080 ordinary shares

Mineral Resources Limited	13 May 2014	\$3.43 per ordinary share	6,888 ordinary shares
Mineral Resources Limited	13 May 2014	\$3.46 per ordinary share	39,537 ordinary shares
Mineral Resources Limited	13 May 2014	\$3.45 per ordinary share	1,660 ordinary shares
Mineral Resources Limited	13 May 2014	\$3.45 per ordinary share	48,340 ordinary shares
Mineral Resources Limited	13 May 2014	\$3.46 per ordinary share	463 ordinary shares
Mineral Resources Limited	19 May 2014	\$3.45 per ordinary share	94,550 ordinary shares
Mineral Resources Limited	21 May 2014	\$3.44 per ordinary share	258,053 ordinary shares
Mineral Resources Limited	21 May 2014	\$3.45 per ordinary share	25,000 ordinary shares
Mineral Resources Limited	6 June 2014	\$3.45 per ordinary share	11,382 ordinary shares
Mineral Resources Limited	10 June 2014	\$3.45 per ordinary share	4,643 ordinary shares
Mineral Resources Limited	11 June 2014	\$3.72 per ordinary share	1,177,002 ordinary shares
Mineral Resources Limited	11 June 2014	\$3.75 per ordinary share	50,219,618 ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

7. Addresses

The addresses of the persons named in this form are as follows:

Name	Address
Mineral Resources Limited	1 Sleat Road, Applecross, WA 6153
M&G Investment Management Limited	Laurence Pountney Hill, London, EC4R 0HH, United Kingdom
Vanguard Precious Metals and Mining Fund	P.O. Box 2900, Valley Forge, PA 19482-2900
M&G Global Basics Fund	Laurence Pountney Hill, London, EC4R 0HH, United Kingdom
BBY Nominees Limited	Level 17, 60 Margaret Street, Sydney, NSW 2000
The controlled entities of Mineral Resources Limited as set out in Annexure B	The addresses set out in Annexure B

Signature

print name Bruce Goulds

capacity Company Secretary

sign here

date 12/06/2014



Mineral Resources Limited
ACN 118 549 910

This is Annexure "A" of 1 page referred to in Form 603 (Notice of initial substantial holder)

Signature:

A handwritten signature in black ink, appearing to read 'Bruce Goulds', written in a cursive style.

Name: Bruce Goulds

Capacity: Company Secretary

Date: 12 June 2014

Mineral Resources Limited
ACN 118 549 910

This is Annexure "B" of 1 page referred to in Form 603 (Notice of initial substantial holder)

Signature:



Name: Bruce Goulds

Capacity: Company Secretary

Date: 12 June 2014

Entity name	Company number	Address
Auvex Resources Pty Ltd	129 087 832	1 Sleat Road, Applecross WA 6153
Crushing Services International Pty Ltd	069 303 377	1 Sleat Road, Applecross WA 6153
Eclipse Minerals Pty Ltd	097 974 813	1 Sleat Road, Applecross WA 6153
HiTec Energy Pty Ltd	140 725 962	1 Sleat Road, Applecross WA 6153
Mesa Minerals Limited	009 113 160	1 Sleat Road, Applecross WA 6153
MRL (Equipment) Pty Ltd	159 228 298	Balcatta, WA 6021
PIHA (Water) Pty Ltd	162 627 358	1 Sleat Road, Applecross WA 6153
Polaris Metals Pty Ltd	085 223 570	1 Sleat Road, Applecross WA 6153
Process Minerals International Pty Ltd	063 988 894	1 Sleat Road, Applecross WA 6153
A.C.N. 169 516 296 Pty Ltd	169 516 296	1 Sleat Road, Applecross WA 6153



10 June 2014

M&G Investment Management Limited

Dear Sirs

Purchase of Aquila Resources Limited (AQA) shareholding

Mineral Resources Limited (MRL) offers to purchase 50,219,618 ordinary AQA shares from M&G Investment Management Limited (M&G) (which for the sake of clarity includes 24,000,000 ordinary AQA shares held by the Vanguard Precious Metals and Mining Fund, and 26,219,618 shares held by the M&G Global Basics Fund) for the consideration of AUD \$3.75 per ordinary AQA share (**offer**). The following additional terms attach to this offer:

1. M&G must procure the transfer of 50,219,618 AQA shares to MRL within two (2) business days of acceptance of this offer.
2. If, in the 6 calendar months from the date of this offer:
 - (a) Baosteel Resources Australia Pty Ltd and Aurizon Operations Limited increase their existing takeover bid offer to acquire 100% of the issued share capital of AQA (**Increased Baosteel/Aurizon Bid**); and
 - (b) MRL accepts the Increased Baosteel/Aurizon Bid in respect of the 50,219,618 AQA ordinary shares to be acquired from M&G under this offer,then for each AQA share that MRL acquires from M&G under this offer in respect of which MRL accepts the Baosteel/Aurizon Bid, MRL agrees to pay M&G 50% of the difference between AUD \$3.75 per ordinary share and the price per ordinary share received by MRL under the Increased Baosteel/Aurizon Bid.

In the circumstances set out above, the relevant account details will be agreed by the parties in due course.

This offer will remain open for acceptance by no later than 8pm (WST) on Tuesday 10 June 2014 and if not accepted in writing by that time it shall expire. Please sign below to confirm your acceptance of the terms outlined in this offer.

Yours sincerely

Mineral Resources Limited

Chris Ellison
Managing Director

Bruce Goulds
Company Secretary

I Gary Cotton, for and on behalf of M&G Investment Management Limited accept the terms of this offer and hereby agree to procure the sale of 50,219,618 ordinary AQA shares to MRL for the consideration of AUD \$3.75 per ordinary share on the terms set out in this offer.

Signed:

Name:

Gary Cotton

GARY COTTON

Martin Lewis

MARTIN LEWIS