



Mineral Resources Limited (ASX:MIN)
Integrated Mining Services

MRL 2015 FULL-YEAR RESULTS PRESENTATION

August 2015



CORPORATE PROFILE



SERVICES PROVIDER



PROCESS MINERALS

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



CRUSHING SERVICES

- Crushing & Screening
- Mineral processing
- Construction
- Beneficiation



PIHA

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



MINERAL SERVICES

- External hire of diesel plant & equipment
- Management and maintenance of mobile and ancillary assets



POLARIS METALS

- Iron Ore Exploration
- Fe Tenement Ownership
- Iron Ore Producer
- Mining & Haulage



MESA MINERALS *

- Manganese Technology
- Tenement Ownership
- *(59% Owned)



CORPORATE GOVERNANCE

- Small, effective board with selected skill sets for performance and culture.
- Board members committed to represent all stakeholders
- Board independence and governance is actively managed,
- Successfully secured the services of James McClements as an Independent Director with outstanding commercial and financial skills and a strong network of contacts in the resources sector

MRL Board Structure

Peter Wade	Non-Executive Chairman
Chris Ellison	Managing Director
Joe Ricciardo	Non-Executive Director
Kelvin Flynn	Non-Executive Director
James McClements	Non-Executive Director
Unfilled	Non-Executive Director
Bruce Goulds	Company Secretary

***MRL considers all Non-Executive Directors to be independent**

2015 HIGHLIGHTS

- Underlying net profit of \$109m – 7% above consensus estimates
- Core mining services business meets all performance targets
- Major EPC work completed and sets new contracting benchmarks
- Record commodity exports achieved
- Significant cost reductions and productivity enhancements achieved across the company
- Mining operations continuing profitability
- Fully franked final dividend of 15 cps- total 2015 dividend of 22.5 cps
- Improved, strong cash position
- Balance sheet further strengthened





OPERATIONAL HIGHLIGHTS

Safety

- 12 month TRIFR down 23% from 7.1 in FY 14 to 5.5 in FY 15

Mining Services

- 25mtpa Nammuldi Below Water Table process plant EPC project completed on to achieve all client metrics
- Significant new work secured as a result of outstanding EPC performance
- Crushing volume enhancement program completed for major clients – strong contract retention/renewal
- Improved contribution from PIHA and PMI Site Services

Commodities Business

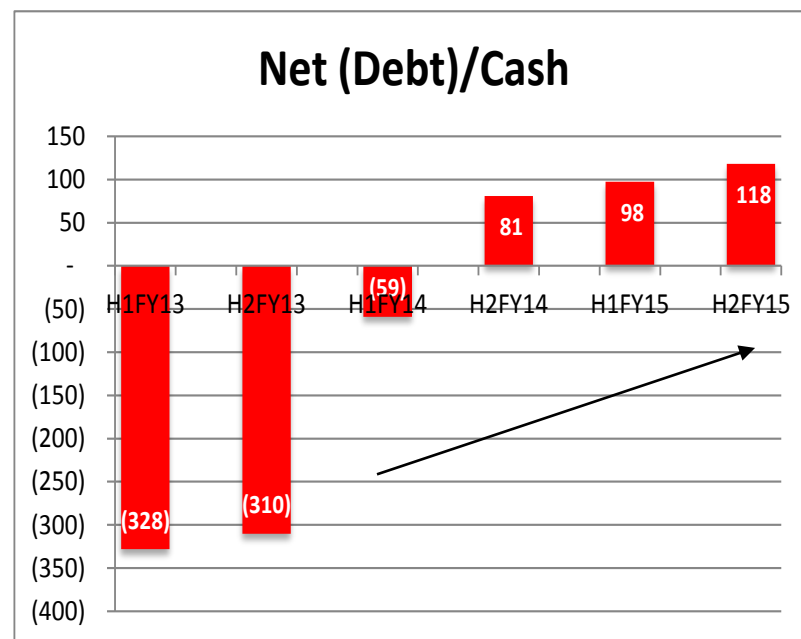
- Record annual iron ore/manganese exports of 10.6 mt
- Pilbara 1 mine strategy optimises performance
- Iron Valley project delivered on time and under budget
- Mining cash costs reduced by 23% over the year
- Mining operations continuing to achieve cash and accounting profitability



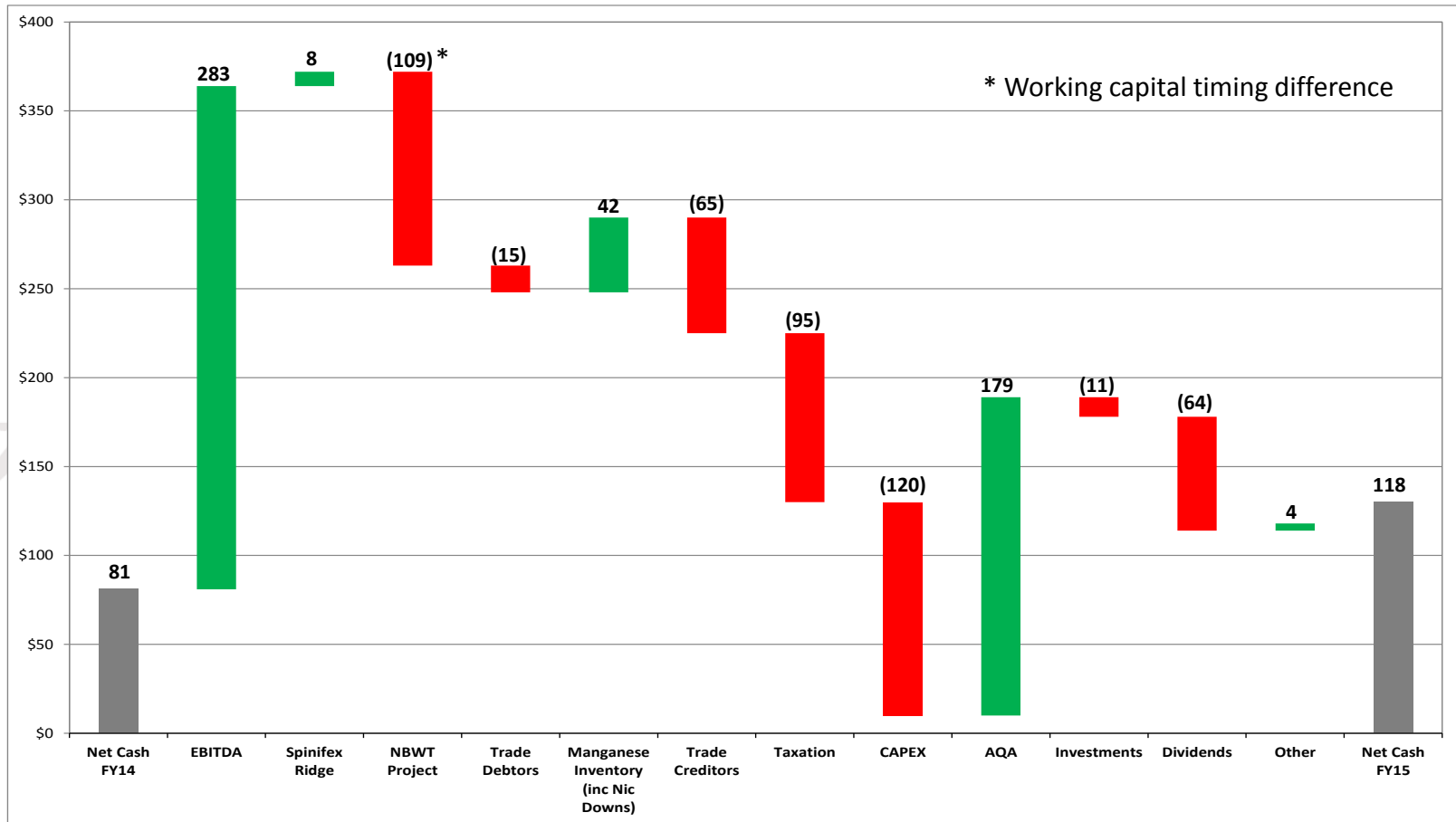


FINANCIAL HIGHLIGHTS

- Revenue \$1.3billion
- EBITDA - \$283m
- Underlying net profit - \$109m
- Balance sheet further strengthened
 - Debt reduced by \$34m
 - Cash on hand > \$200m
 - Net Cash - \$118m
 - Substantial undrawn debt facilities ~ \$400m
- Dividend payout ~50% of after-tax earnings (after impairment charges)
- 15 cents per share fully franked final dividend



NET CASH MOVEMENT FY14 to FY15



MRL SAFETY PERFORMANCE

The Journey – Our Way of Working:

- Roll out of 'Crossroads' Safety Intervention Program - program outlines business strategy to improve Safety, Performance and Culture across the wider group which is shared with all employees
- OHM Management System overhaul: Improved to align with industry best practice
- New OHM Operating model transfers Accountability and responsibility of OHM function to line management
- Development of Safe Production Program - comprehensive 19 day program designed to provide line management with skills and qualifications to manage safety function
- Development of 'Visible' leadership model: Designed to promote leader's engagement with the workforce at the coal face
- One MRL Model: Development of business values and behaviours that support safety culture





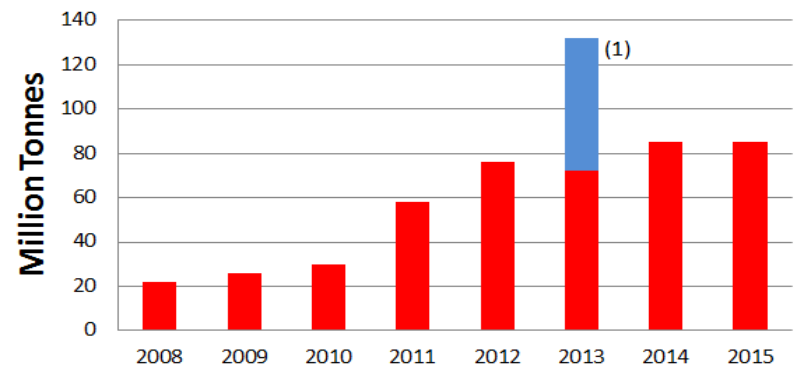
MINING SERVICES BUSINESS



CSI /CONSTRUCTION

- Current economic cycle has resulted in:
 - Continuing focus on costs and productivity
 - Weakening of some of MRL's competition
- MRL's EPC (fixed lump sum) model and off balance sheet BOO \$/tonne solution well suited to this stage of business cycle
- Pursuing design and construct opportunities – outstanding performance on NBWT EPC project setting new contracting benchmarks
- Continuing proven business approach with major focus on relationships, reducing costs and maximising efficiencies
- Working with a range of blue chip clients – expect a number of opportunities to materialise (mainly BOO)
- MRL has the largest inventory of crushing/processing equipment in the Southern Hemisphere, acquired over many years
- Business opportunity exists to:
 - Proactively sell used and refurbished plant and spare parts into the mineral processing industry
 - Improve asset utilisation within the group
 - Continue to minimise capital spend

Equivalent Crushing Capacity



Note: 1 is the Christmas Creek BOO transfer

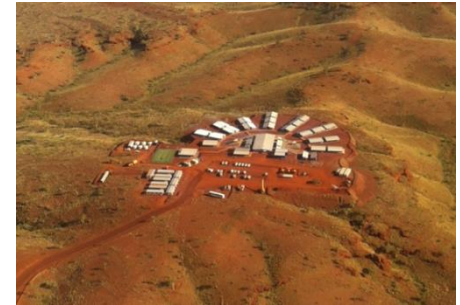
PIHA

- PIHA's traditional business continues to make a solid contribution to earnings
- PIHA progressively moving to extend integrated manufacturing in the areas of:
 - Steel piles and heavy wall pipe
 - Valves and fittings
 - HDPE Fittings
- Vent Master and Spiral Pipe acquisitions expands product suite to cater for oil and gas sector and infrastructure projects
- Able to provide:
 - Competitively priced products and installation services to meet customer requirements
 - Full service options for clients (e.g. dewatering)



PMI (Supply Chain Logistics)

- Camps – Continue to leverage accommodation facilities at our own operations to provide services for external customers
- Design/Construct – Focus remains on smaller specialty process and beneficiation plants
- Supply chain management supports
 - Carina locomotives and rolling stock in the Yilgarn region
 - Iron Valley logistics chain in the Pilbara region
 - Port and ship loading management
- Directs the Group's manganese assets
- Growth in PMI business based on implementing select opportunities such as the Mt Marion Lithium project
- PMI remains the development centre for new mineral processing technology





MT MARION LITHIUM PROJECT

- MRL and Neo Metals have formal MOU with Jiangxi Ganfeng Lithium Co Ltd for:
 - Sale of 25% equity investment
 - Off-take Agreement for 100% of production at market price with floor
- MOU implementation subject to completion of due diligence and approvals
- 30% interest retained by MRL
- Mt Marion project fully permitted for mine development
- MRL progressing development plans
- MRL to build, own and operate project on commercial terms with take or pay
- First production targeted in 2016
- Annual production of 200k tonnes of high-value 6% product and 80 k tonnes of 4% product planned



Outcropping Spodumene Pegmatite immediately north of the planned Mt Marion mining pits.



COMMODITIES BUSINESS





COMMODITIES BUSINESS OVERVIEW

Commodity Export Sales

'000 WMT	H1 -14	H2-14	FY-14	H1-15	H2 -15	FY-15
Iron Valley	0	0	0	823	2,153	2,976
Phil's Creek	1,721	2,289	4,010	1,862	173	2,035
Spinifex Ridge	653	737	1,390	363	22	385
Poondano	319	161	480	2	0	2
Carina	2,376	2,177	4,553	2,435	2,472	4,907
Total Iron Ore	5,069	5,364	10,433	5,485	4,820	10,305
Manganese	0	0	0	315	0	315
Total Exports	5,069	5,364	10,433	5,800	4,820	10,620

Yilgarn

- Record exports of 4.9mt from the Carina mine
- Improved product delivery with purpose built rolling stock
- Product stockpile size increased by 130,000 tonnes at KBT2 facility
- Supply chain improvements - net ship loading rate at KBT2 improved by 25% since iron ore export start-up

Pilbara

- Implemented the Pilbara one mine strategy
- Iron Valley achieved first exports in H1 2015
- Majority of exports were lump which attracts a premium – some opportunistic sales of fines
- Balance of fines being stockpiled for future beneficiation

ACHIEVED PRICES vrs CASH COSTS

- Average of Platts price and achieved price during FY 2015
- Successful cost reduction and production enhancement programs at both sites
- Mining cash costs reduced by 23% lower or \$191m
- Operational efficiency gains from 1 large mine replacing 3 smaller mines in the Pilbara
- Optimising mining fleet equipment, mining and drilling processes and manning levels has driven costs down - cost of mining/crushing/loading Iron Valley ore onto road trains < \$10.00/WMT
- Supply chain improvements have reduced costs - Carina above rail costs are 50% lower with MRL owned rolling stock

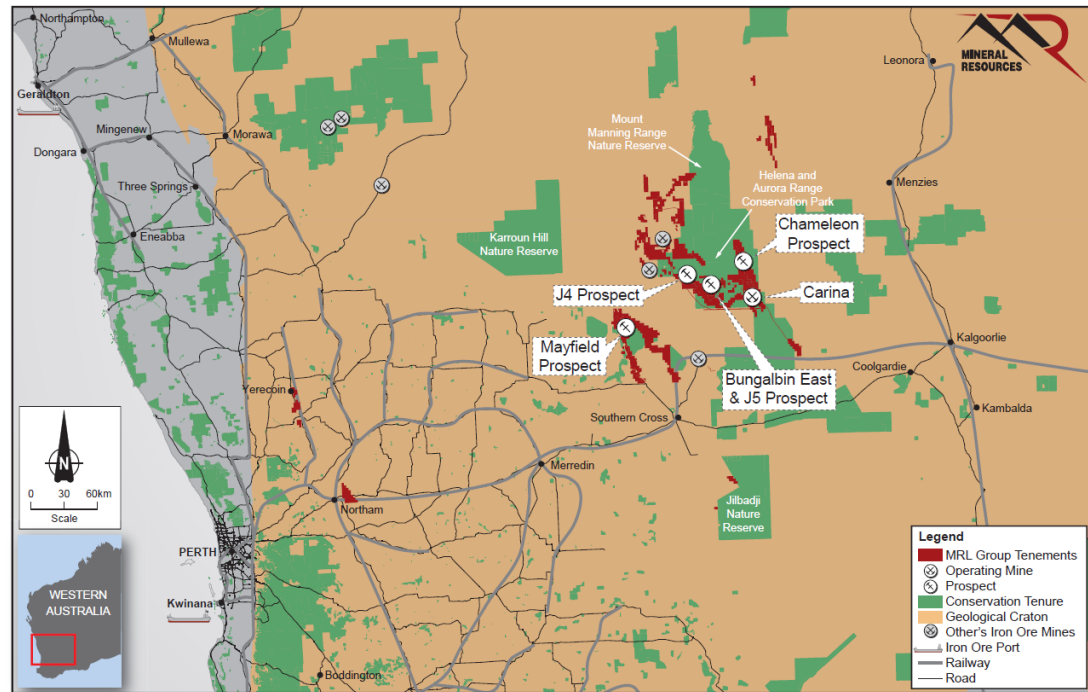
A\$/WMT	H1 FY13	H2 FY13	H1 FY14	H2 FY14	H1 FY15	H2 FY15
Platts 62% Fe Price (1)	102.1	127.4	137.3	114.3	87.6	74
MRL Achieved Price	91.1	117.2	124.6	98.0	76.5	70.4
MRL Cash Costs	83.4	83.5	88.6	87.7	72.9	63.1

Note: 1 Platts USD price converted to AUD equivalent using actual exchange rates and MRL moisture rates



YILGARN IRON ORE

- Satellite mines will leverage Carina central processing infrastructure hub
- J4 – construction of incremental site infrastructure underway
- First ore from J4 in Q3 FY 2016
- Mining applications for J5 and Bungalbin East subject to Public Environmental Review (PER)
 - PER scope being finalised with EPA
 - PER to be published in FY 2016
- KBT2 port facility continues to be high cost from high port charges and costs of using smaller ships
- Esperance Port is an attractive alternative in terms of port charges and access to Cape size vessels





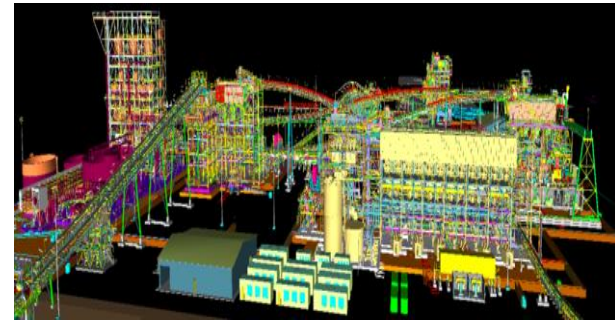
PILBARA IRON ORE

- Iron Valley mine site infrastructure finalised
- Existing operations currently able to produce ~ 6mtpa of exports
- Opportunities to increase output, improve fines product quality and improve the financial returns are being progressed.
- Test work has confirmed that the fines product responds well to a low cost beneficiation process and will provide a substantial uplift in grade to +60% Fe
- Timing of the investment in beneficiation and additional processing capacity is linked to the transport reduction costs being developed



MRL STRATEGIC FOCUS

- Strengthened mining services and infrastructure company with a focus on continuing a service culture that continues to provide long term value add to clients and sustainable 20 year long term revenues across all economic cycles
- Two key elements of this strategy are the proposed Bulk Ore Transportation System (BOTS) which is a low CAPEX, relocatable freight movement system that can be utilised to assist clients with bringing into operations otherwise stranded mineral deposits and the concurrent development of transshipping services in conjunction with CSL that provides low cost port handling and ship loading operations.
- Both are targeted to provide more efficient/cost effective alternatives to existing heavy haulage options and current small-scale materials handling and shipping facilities at government ports
- Ultimately MRL plans to own strategic infrastructure assets at both inland and port locations.
- MRL also plans to decrease the level of its ownership of bulk commodity assets as opportunities arise over the medium-term. Mining services to these divested operations will continue for life of mine





Carbon Fibre Products

- Innovation remains at the forefront of MRL's strategic focus
- A key initiative of MRL is the development of carbon fibre manufacturing for a range of mining industry components
- Prime, initial focus is the manufacture of a mining truck tray sub structure from carbon fibre to replace the existing steel structure
- Resulting weight savings are expected to deliver an extra 10% payload per mining truck - on a 150 tonne truck this represents an extra 15 tonnes of product per single truck movement.
- Manufacture and field testing of a prototype will be progressed and, subject to proving up the technology in MRL's operations, the business will be initiated
- In partnership with a specialist technology firm, carbon fibre filament winding capability has been developed to provide substantially larger production than is available from off the shelf winding technology



DEVELOPMENT OF BOTS

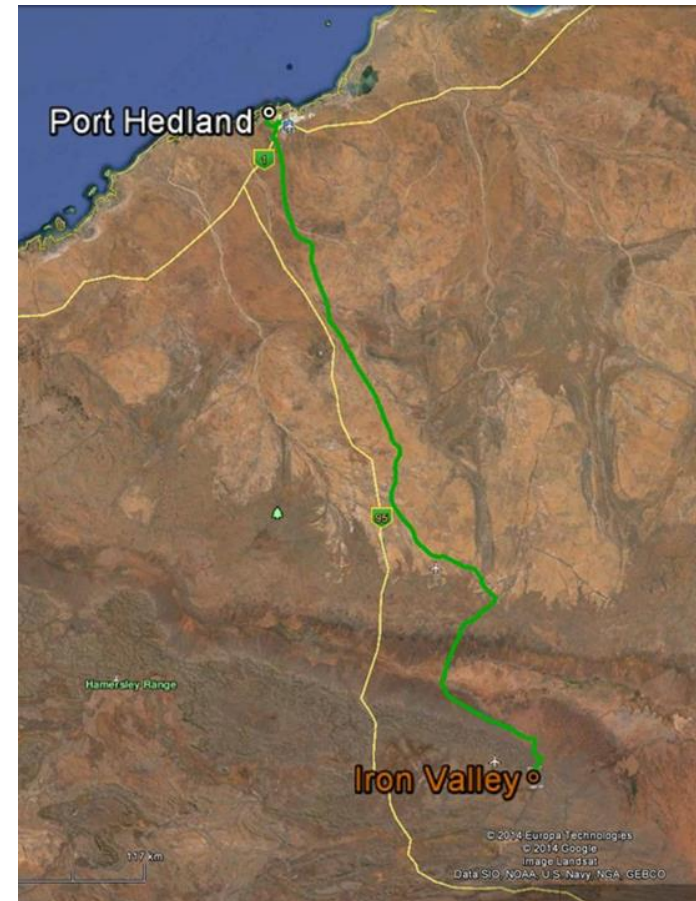
- Progressing as planned – comprehensive review of elevated track and rolling stock design completed.
- Review identified modifications to incorporate standard rail componentry that significantly reduces operational and approval risk. It reduce elevated track costs and improves rolling stock operational efficiencies with more than 60% of the rail relocated to a maximum 2 metre height above ground
- The revised design now incorporates a standard narrow gauge rail and has increased wagon load capability from 20T to 60T without CAPEX / OPEX increases
- Negotiations are underway with the mining companies, traditional owner groups and pastoralists along the 331km initial BOTS corridor
- Studies to facilitate environmental approvals are well advanced
- Final investment decision on BOTS is targeted for early 2016, subject to confirmation of project costs, formalisation of route approvals with 3rd parties and the iron ore market remaining stable





BOTS - COMMERCIALISATION

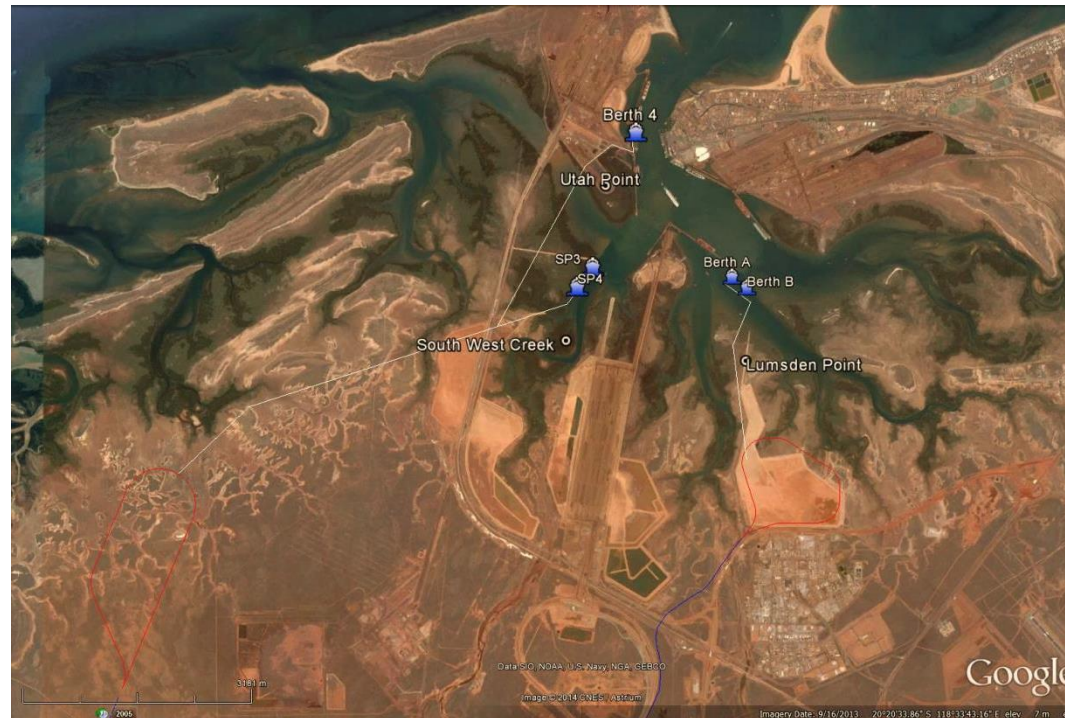
- The first application of BOTS is planned for the Iron Valley operation in the Pilbara
- Iron Valley is a viable mining operation in its own right with the capacity to grow and underwrite the BOTS technology
- MRL has control of the operation and provides an ideal opportunity to showcase the operation of BOTS
- BOTS has been developed to add value to clients' operations
- Well suited to opening up stranded deposits by providing a cost effective transport solution to existing mining/processing hubs in the Pilbara
- Unlike heavy haul rail, BOTS will be custom designed around individual ore bodies to suit product and tonnage requirements
- System is also portable and can be relocated at end of mine life, further improving mine development economics





TRANSHIPPING

- MRL pursuing a multi-user port/transshipping facility of 22 mtpa expandable to 50 mtpa within the Port Hedland harbour
- Exclusive, long term partnership with world leader in transshipping, Canadian Steamship Lines (CSL), to deliver bulk logistics and transshipping services
- Transshipping is commonly used world-wide
- Transshipping with CSL is a low CAPEX and OPEX, environmentally acceptable solution to port scale constraints
- Working with State Government, Port Authority and CSL to determine the most suitable facility location and secure the necessary approvals





GROWTH & OUTLOOK

- MRL's underlying strengths remain as a mining services provider of cost effective and highly efficient equipment, infrastructure and processes
- MRL is well placed to leverage this core expertise to deliver strategic infrastructure solutions which add value for clients
- Extended Infrastructure/service offerings will provide significant growth opportunities for MRL
- Balance sheet strength (cash positive) plus significant undrawn debt facilities and funding capacity to facilitate development opportunities is our strength
- MRL's objective is to own strategic infrastructure assets at both inland and port locations and to sell down its interest in bulk commodity assets over time
- Proposed BOTS project bankable as a stand alone operation





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