



Mineral Resources Limited

An integrated supplier of goods and services to the Resources Sector

2009 INTERIM RESULTS

“A TIME OF
OPPORTUNITY”



Peter Wade, Managing Director

Bruce Goulds, Chief Financial Officer

February 2009

ABOUT MINERAL RESOURCES



PIHA

- ▶ Pipeline & site infrastructure specialist



Crushing Services International

- ▶ Australia's largest specialist crushing contractor



Process Mineral International

- ▶ Minerals processing & marketing

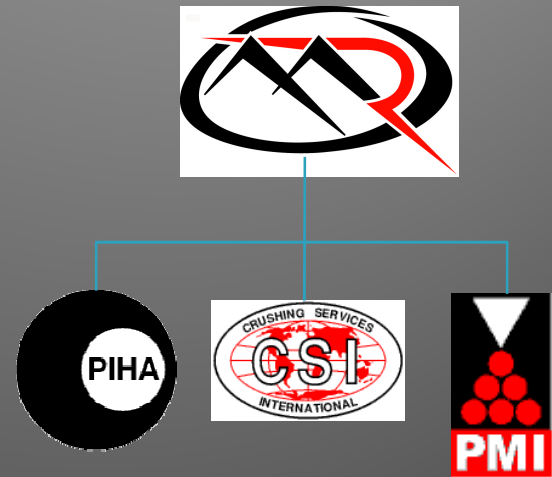
GROUP STRUCTURE

Board of Directors

- Peter Wade (Executive Chairman & Managing Director)
- Chris Ellison (Executive Director)
- Joe Ricciardo (Non-Executive Director)
- Mark Dutton (Non-Executive Director)

Senior Management

- Bob Gavranich (General Manager PIHA)
- Steve Wyatt (General Manager CSI)
- David Geraghty (Technical Director PMI)
- Bruce Goulds (CFO)



OPERATIONAL HIGHLIGHTS

- ▶ Strong business performance across operations
- ▶ Safety and performance record maintained
- ▶ Significant client recognition of value adding strength
- ▶ Stringent staff and cost management
- ▶ Crushing contracts maintain production targets
- ▶ New crushing operations on line
- ▶ Significant pipelining contracts awarded
- ▶ Record levels of work on hand for piping division
- ▶ 95,000 tonnes of manganese shipped
- ▶ 180,000 tonnes of iron ore shipped
- ▶ Peak Hill manganese production



FINANCIAL HIGHLIGHTS

- ▶ NPAT of \$23.364 million –an increase of 16.5% over Interim 2008 results
- ▶ 50% dividend payout policy confirmed – interim dividend of 7 cents per share
- ▶ Strong cash generation utilised for capital funding
- ▶ Interest cover 38 times
- ▶ Line of credit remains available for future anticipated capital requirements
- ▶ Balance sheet strength complements continued strong earnings growth



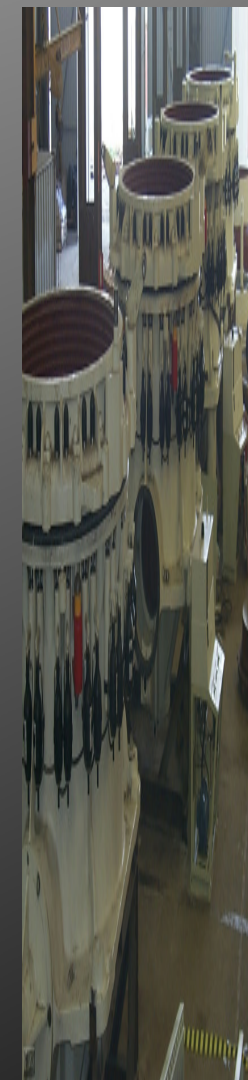
FINANCIAL COMPARISON

	Dec 2008 Actual	Dec 2007 Actual	Variance %
Revenue	142.9	118.9	20.2%
NPAT	23.36	20.06	16.5%
Dividend	7 cents	6 cents	16.5%



FINANCIAL PERFORMANCE

\$AUD millions	6 months to Dec08
Revenue	142.89
EBITDA	42.78
Depreciation	8.66
EBIT	35.08
Interest	0.90
PBT	34.18
Tax Expense	10.82
NPAT	23.364
NPAT / Revenue	16.4%
EPS (cents)	18.9



BALANCE SHEET STRENGTH

\$AUD millions	Dec 2008	June 2008	\$ Change	% Change
Total Assets	227.0	223.6	3.4	+2%
Total Liabilities	(97.0)	(107.6)	(10.6)	-10%
Net Assets	130.0	116.0	14.0	+12%

	Dec 2008
ROFE % [EBIT / Funds Employed]	54%
ROE % [NPAT / Total Equity]	36%
Interim fully franked dividend	7 cps
Debt : Equity	1%
Interest Cover (times) [EBIT / Interest]	38 times

CASH FLOW

\$AUD millions

6 months to
Dec 2008

SOURCES OF CASH

EBITDA	42.8
---------------	-------------

USES OF CASH

CAPEX	34.6
--------------	-------------

Net Interest Payments	0.0
------------------------------	------------

Income Taxes Paid	14.5
--------------------------	-------------

Working Capital and Other	1.0
----------------------------------	------------

Dividends Paid	16.5
-----------------------	-------------

Other Financing Cashflow	3.1
---------------------------------	------------

REDUCTION IN CASH BALANCE	26.9
----------------------------------	-------------



OPERATIONAL REVIEW

- Business model robust across changing economic environment
- General contract operations growing solidly in niche pipelining areas; expansion into oil and gas works
- Crushing operations maintain production performance
- Continued company growth against background of slowdown in resources demand and global pricing
- Expand manganese processing operations to meet projected future demand with reduced sales prices
- Project pipeline opportunities
- Shipping and forex pricing to offset lower mineral sales prices
- Strengthened balance sheet to support project opportunities



STRATEGIC FOCUS

- Take advantage of current market conditions to target future business – a time of opportunity.
- Enhance business through current cycle
- Manage the challenges of global economy
- Maintain commitment to a strong management and operating team
- Core business focused – cost and cash management
- Forging enduring partnership links with major mining houses – partnering with clients to add value for all stakeholders
- Geographic and commodity diversification comprising development of processing technology to expand core business



OPERATIONAL OUTLOOK

- Maintenance of world class safety performance
- Optimise profit focus by management of costs and product recovery
- Implementation of process upgrades to enhance product quality
- Expansion of pipelining and HDPE contracts
- Maintain status as low cost producer of manganese and iron ore to meet annual tonnage forecasts
- Secure access to additional resources within Australia
- Access to export wharf developments at Port Hedland to facilitate export expansion
- Support re-structure of Windimurra operation



MARKET OUTLOOK

- Global economy and liquidity to remain weak through 2009 but the long term strong global demand for steel making commodities to remain
- Port and transport capacity critical for product supply and cost
- AUD to remain volatile against USD (in range to 75 cents)
- Windimurra operation to be in production in 2009
- Balfour Downs project production to be initiated in 2009
- Mn and Fe stockpiles in China to return to normal inventory levels
- Opportunities to take stakes in distressed market operations



FUTURE TRENDS & OPPORTUNITIES

- China to take significant positions in Australian resource companies
- Distressed assets provide future corporate opportunities
- Gearing and debt levels critical measures of corporate performance
- Client/contractor partnerships demand value adding by both parties for success
- Port, transport and shipping availability to control export growth opportunities
- Outsourcing operations to gain momentum in the face of credit and cash restrictions
- Stimulus packages to promote infrastructure opportunities

