Annual Report 2011

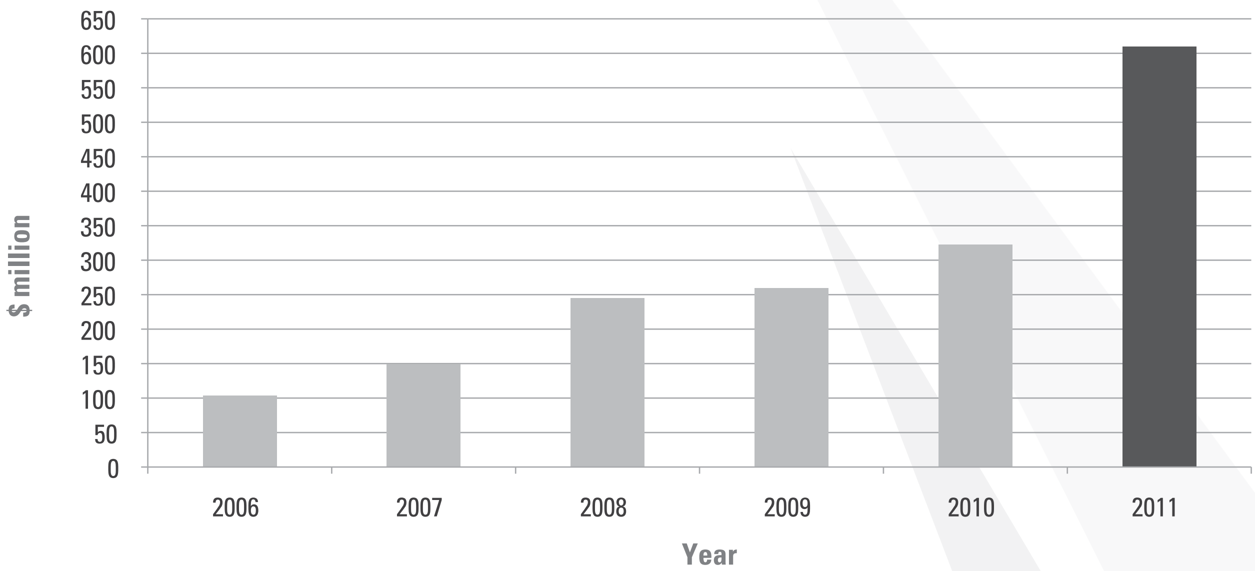
CONTENTS

FINANCIAL SUMMARY

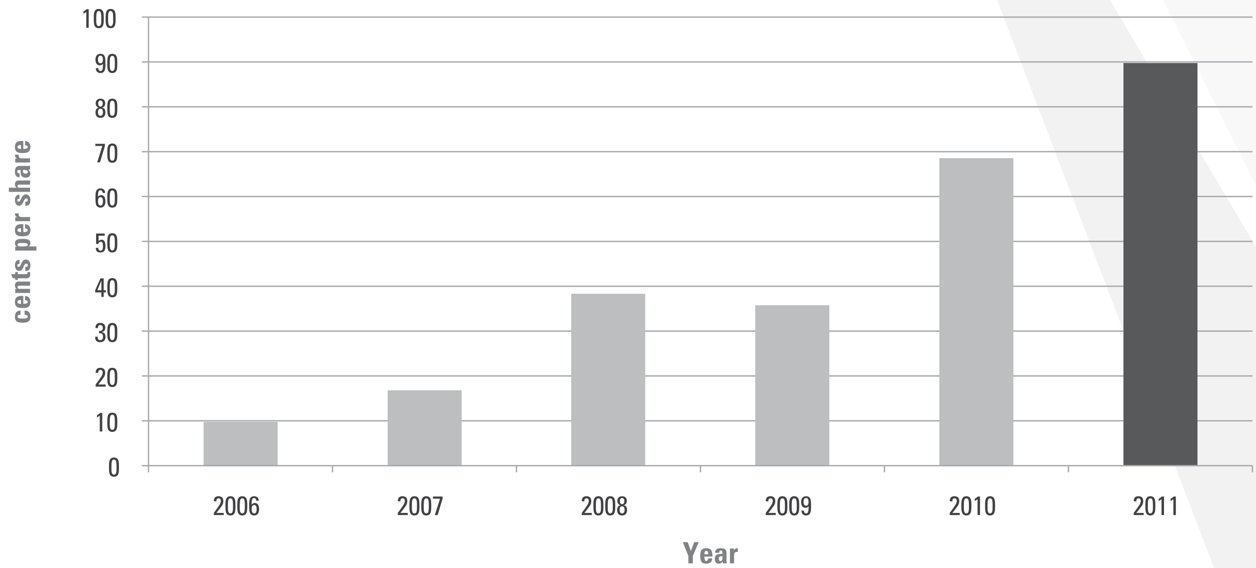
Group Financial Performance

	2006	2007	2008	2009	2010	2011
Revenue	103,368	148,846	244,975	259,559	322,477	609,518
NPAT	10,327	20,167	47,095	44,308	97,185	150,493
NPAT Margin (Normalised)	10.0%	13.5%	19.2%	19.1%	19.4%	24.7%
ROE	23.7%	26.7%	40.6%	34.2%	20.0%	24.0%
EPS (cps)	9.8	16.8	38.3	35.7	68.5	89.7
Dividend (cps)	1.20	8.30	19.35	19.35	20.00	42.00

Revenue



Earnings Per Share (cps)



CHAIRMAN'S LETTER

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www.mineralresources.com.au

MINERAL RESOURCES

Dear Shareholder,

2011 has been another outstanding year for Mineral Resources producing a record financial result in addition to making substantial progress in project development and contract awards that will sustain growth over the coming years.

The record profit of $150 million, achieved from a record revenue for the year of $609 million, represents a 141% increase on the 2010 result (normalised) and is a result of continuing successful profitability flowing from all parts of the business. Record commodity exports and contracting volumes, increased pipeline construction and ongoing, repeat polyethylene fittings manufacture contracts means that the financial outcomes for the period are disbursed across all of the businesses with each also making major advances towards future sustainable growth targets.

The Directors have recommended a fully franked final dividend of 27 cent per share, bringing the annual dividend rate to 42 cents per share. This dividend is in accordance with the company policy of distributing 50% of our profits as dividends and was recommended in the clear knowledge that our significant growth targets, established taking due cognisance of our current contracting and commodity capital requirements, can be achieved in addition to maintaining a generous dividend policy into the future.

The underlying economic conditions have and will continue to be challenging and the Board and management are mindful that this business environment presents both attractive business opportunities and challenges. The Board will continue to monitor economic conditions and believes the strategy in place is robust and flexible enough to achieve the desired outcomes set out for the medium term development of the business and to accommodate the global macro-economic issues that we are seeing.

Operationally, the company has established a significant growth path with the decision to develop its own iron ore resource along with entering into significant contracting opportunities with our resources based customers. 2011 has been a year of development to establish long term sustainable commodity operations in both iron ore and manganese and concurrently expand our crushing and processing contract operations to maintain the annuity based contract arm of our company. 2012 will be the continuation of the substantial implementation phase for key components along this growth path.

Development of the Carina iron ore mine in the Yilgarn region of Western Australia, which will be our first significant mine based iron ore operation, is progressing to plan with the first iron ore currently being processed and construction activities are on target to ensure the first iron ore is available for shipping in November 2011. The staged execution of this project will ensure that the new infrastructure is capable of achieving immediate production targets, allow for expansion of the Carina tonnage as freight and port infrastructure capacity becomes available and also provide a model for development of further production sites in the region.

Commissioning of the first Christmas Creek plant under our build, own and operate contract with Fortescue Metals was completed on time and on budget and production from this plant has developed in line with management's expectations. The plant was built to achieve a 19mtpa tonnage throughput but with the expansion capacity to 25mtpa to be implemented in early 2012. Award of the second Christmas Creek build, own and operate contract for a further 25mtpa of production capacity was granted in June, 2011 and is a recognition by the client of Mineral Resources' capabilities and is also a demonstration of the significant role Mineral Resources can play in assisting customers to expand at a pace not possible if they were to undertake a traditional development path. Other contract wins in the crushing and processing area reinforce this approach and reflects a substantial increase in customer recognition of our value adding capability.

Supplementing the organic growth activities in contracting and commodity production is the level of M&A activity undertaken by the company. During the year, the Mesa Minerals Ltd acquisition was completed with Mineral Resources securing 64% of the company. This was reinforced by the acquisition of Auvex Resources Limited, the joint venture partner in the Mesa Joint venture, providing Mineral Resources with management control of the Ant Hill and Sunday Hill manganese tenements.

The Board has also had the benefit of an additional non-executive director during the year. I would like to take the opportunity to express our appreciation to the contribution of Ryan Welker who was appointed to the Board on 1 December 2010. Ryan resigned from the Board on 7 October 2011 due to his relocation overseas. During his tenure, Ryan provided a valuable contribution to the Board with his commercial experience and business contacts and we wish him well for the future.

Further, the Board has worked increasingly on the development of its corporate governance practices to both meet the growing demands of the investment community and reinforce the management practices that support a company on such a significant growth path. I would like to acknowledge the contributions of the Board and management in achieving what is an outstanding result for the period and also on the establishment of a strategic growth programme which will ensure the ongoing development of the business well into this century.

Finally, on behalf of the Board, I wish to thank our shareholders, customers and employees for their support. The Board considers stakeholder and community involvement as a key element of success and their valuable contribution is instrumental in achieving the commercial success of the business. I invite all shareholders to attend our annual general meeting in November where I will have the opportunity to further up-date you on the company's progress.

Peter Wade
Chairman

REVIEW OF OPERATIONS

OUR PERFORMANCE

The 2010/11 financial year has been a year of firsts for the Mineral Resources (MRL) group.

During the year, the company relocated its head office to Applecross in Western Australia from its original founding location at Bibra Lake. For the first time, the entire management and corporate operations teams have been brought together to provide management and support synergies across the Group. This has proven to be a successful strategy to facilitate the continued development of a committed team focus, supplemented by the use of shared common resources and facilities previously disbursed across the Perth metropolitan area. The centralisation has enabled MRL to merge its acquired Polaris and Mesa operations into the same office and facilitate the expansion of the MRL operating culture.

On 28 October, 2010, the Company's first shipment of product sailed from the new Utah Point berth in Port Hedland, Western Australia. The newly constructed Utah Point terminal, developed by the Port Hedland Port Authority as a common user facility for the export of manganese and iron ore, incorporates a state of the art Cavotec berthing system which can handle vessels up to mini-cape size (120,000DWT), which is much larger than the vessels MRL could previously utilise at the old No. 1 Berth at Port Hedland. The access to this berth provides the Company with an export allocation into the future to support its development plans for its operations in the Pilbara region of WA.

CSI brought into operation the world's largest build, own and operate crushing project at the Christmas Creek Iron Ore operation for Fortescue Metals (FMG). This project, providing the capacity to produce 19mtpa of iron ore for export for FMG, includes the first 'wet front ended' iron ore crushing circuit designed and built by the MRL Group, a technology we have spent many years developing. The quality and successful operation of this plant has been recognised by the subsequent award of the second Christmas Creek BOO project to CSI with an increased design throughput of 25mtpa and due to be completed in 2012/13.

The 2010/11 revenue, profitability, dividend and balance sheet strength have all achieved firsts being at record levels, with significant year on year growth, continuing the ongoing strengthening of our position in the areas of contracting and mining services as well as being a significant steel making bulk commodities producer and exporter.

OUR FOCUS

Our corporate target for 2010/11 was to maintain organic growth and development within current business areas whilst establishing a number of new significant contracting and mining operations which utilised our mining services to strengthen and facilitate the expansion of our commodity production operations. By focussing the expansion on our core businesses, we operated to our proven strengths in technical and process design, construction and project management, and proven operating, maintenance and production capability. The successful outcome of this defined corporate focus can be clearly measured from our operating and financial results over the year; we have achieved a 107% increase in commodity sales from the previous year, the award of a number of substantial additional contracting opportunities and the rollover and extension of a range of existing contracting operations.

The success of this business focus, in achieving superior execution of development projects whilst maintaining a high level of operational performance within the established business areas, provides the impetus for continued earnings growth in the already strong underlying business operations.

This operational and strategic development focus in 2010/11 provided a mixture of immediate enhancements to the company's financial performance as well as positioning it to meet its future development and growth objectives.

OUR CONTRACTING OPERATIONS

2010/11 has also been an exciting year with significant projects being awarded, constructed and commissioned across all parts of the group. These projects substantially contributed to the successful commercial outcomes for the company and increased our market based brand recognition and reputation throughout the resources and infrastructure sectors of the economy. They have also established a framework for the continued development of both our contracting and commodity businesses based upon proven track records of services provision, value adding and project delivery.

Christmas Creek BOO Contracts

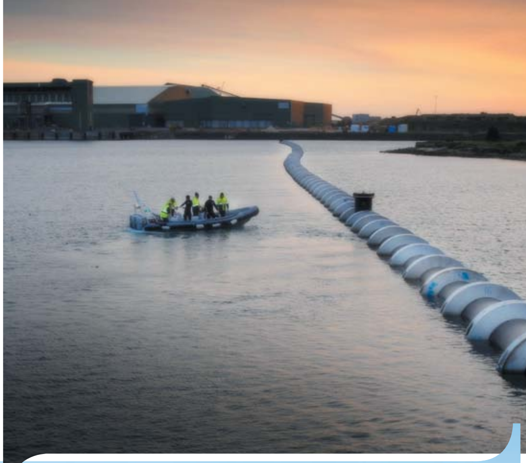
In March 2011, CSI completed construction of the 19-25 million tonne per annum crushing and processing plant at the Christmas Creek mine and commenced operations under the ten year build, own and operate contract with Fortescue Metals Group. This state of the art plant was completed on time and within budget and further illustrates Mineral Resources' capacity to bring complex processing plants into operation in a timely manner. On the basis of this success, the company has also been awarded the Christmas Creek Stage 2 development to build, own and operate an additional 25mtpa plant also for an initial period of ten years. Construction of the new plant is well advanced and due to commence operations in FY2012/13. These significant operational contracts will increase CSI contract crushing output by approximately 100% from its current capacity when both plants are in full production and further cements CSI's place as the largest and most successful build, own and operate crushing and processing company in Australia. The key element of the Christmas Creek plants is the incorporation of a 'wet front end' with large scrubbers installed to wash the primary crushed ore and facilitate an improved processing facility for wet, below water table ore. The design innovation and plant quality at Christmas Creek Stage 1 provides an ideal reference plant that showcases the design and construction capability of the CSI team.

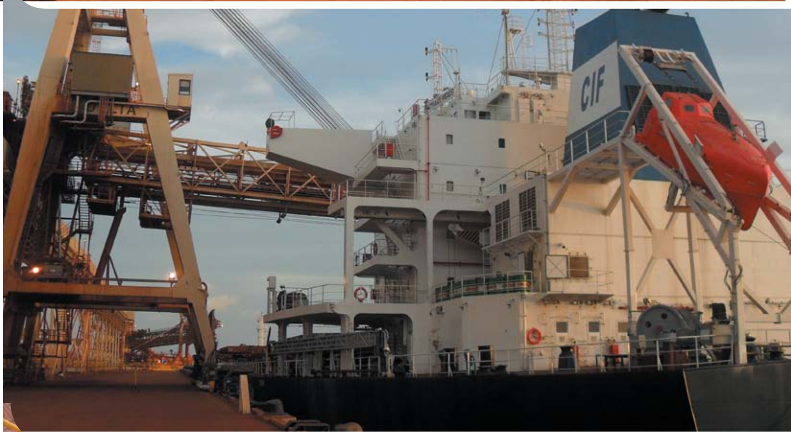
Nicholas Downs Manganese

The Company's manganese operation, in conjunction with Hancock Prospecting, at Nicholas Downs completed its ramp-up and commenced full operations in the period with initial export shipments commencing in December 2010. This greenfields project progressed from commitment through to operation in less than six months which is an outstanding project delivery achievement and reflects the successful partnership between Hancock Prospecting and MRL. The commissioning ramp-up to a production capacity of 720,000 tonnes per annum was achieved within three months of construction completion and reflects the effectiveness of the design and construction works undertaken by the Process Minerals International team. The mine is capable of producing to plan in both grades and tonnages although the short term sales plan reflects the current softness in the manganese market price. In addition, Hancock Prospecting became a significant shareholder in the Company having now exercised all 15 million of its options over MRL shares.

Mt Marion Lithium

During the year mining approval was granted for the Mt Marion Lithium Project, a joint endeavour with Reed Resources Limited (ASX:RDR). This project is focused on the development of Lithium based deposits in the Goldfields region of Western Australia. Lithium and its associated by-products represent an emerging market with relatively few players and an expanding profile in the lithium ion battery market; and specifically the electric car segment. Development of this operation has the capability of taking advantage of the anticipated world growth in this energy efficient battery sector using the lithium oxide (spodumene) concentrate from the operation as the feed for lithium carbonate production operations located overseas or to be subsequently developed to accept the Mount Marion product. The company has designed the process circuit to also treat the by-products of the spodumene recovery plant, which includes mica and tantalum, and is developing with its partner the programme and processing arrangements to establish the most effective production profile and timing for the commencement of operations at the site.

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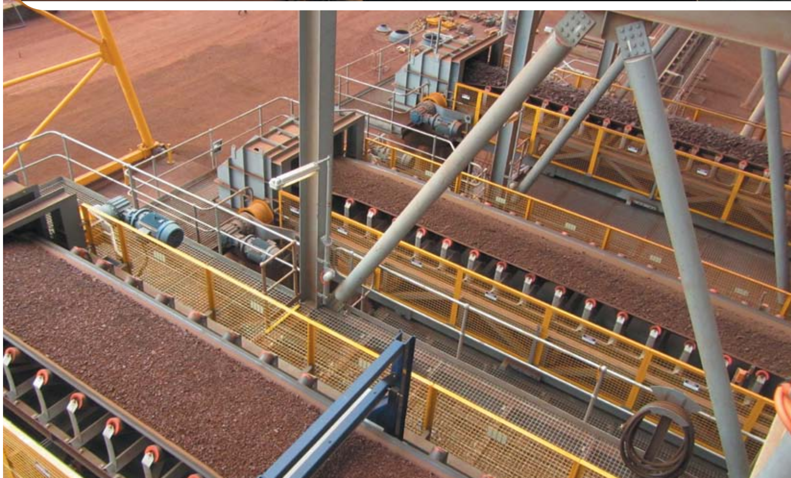

Piping and Pipelining

PIHA continued to execute on its extensive order book and acquire significant repeat business, providing earnings clarity for the foreseeable future. The business mix in PIHA is balanced between on-site projects and workshop based activities which allows for a superior workshop utilisation to provide support for both independent manufacturing to client specification and to add value to our on-site project work. In addition, PIHA continues to undertake significant research and development to create innovative solutions for client's pipeline and infrastructure needs. During the year, PIHA also expanded its offering into the Coal Seam Gas (CSG) sector where polyethylene has the potential to be a superior pipeline and lining solution. Significant opportunities exist in both support activities to the CSG main production processing facilities and the distribution network.

Wodgina Tantalum and Iron Ore

CSI has maintained an operation at Wodgina since 2002. The initial plant configuration was provided to process tantalum for Global Advanced Metals and its antecedents. That operation was established as a partnering arrangement where both parties worked together to optimise the outcome from a volatile tantalum market. As a result of a downturn in the market in 2008, the existing plant was underutilised and the adjacent Wodgina Iron Ore mine , being developed by Atlas Iron, became a co-user of the plant. Development of this iron ore mine has provided the company an opportunity to expand the facility for both tantalum and iron ore processing. The current upsurge in the pricing of tantalum, and industry consolidation, now provides a strong base for expansive future growth in the production and sale of that product. Accordingly, the existing plant can no longer meet the full requirements of both customers. CSI is upgrading the existing plant for iron ore and constructing an additional crushing plant for tantalum which provides a win-win scenario for all of our companies.

2010/11 has been an exciting year with significant projects being awarded, constructed and commissioned across the MRL group.

OUR COMMODITY OPERATIONS

Iron Ore sales

Iron ore sales continued in accordance with our production and export budgets and over the year market prices have shown a high level of resilience and strength. In the 2010/11 year, 2.259 million tonnes of iron ore were exported from the Port Hedland region, representing a 158% increase on the previous period. These tonnes were delivered from the existing iron ore stockpile located at Port Hedland which will be finalised during this current year. Future tonnages through Port Hedland will be supplied from our Poondano tenement and a range of other iron ore tenements MRL has established through farm ins and commercial arrangements with small exploration and tenement owners. During the period, the new Utah Point terminal in Port Hedland opened as a common user facility and all MRL product subsequently has been shipped from that berth. Shipping from Utah Point at Port Hedland has enabled port users to achieve improved loading rates in comparison with the older export facilities previously used by MRL. The new terminal's increased conveying and shiploader capacity, allows larger sized vessels to be utilised thus facilitating lower transport costs (per tonne) for our business. Recent shipping costs continue to reflect the considerable global shipping capacity available in the market.

The Poondano iron ore deposit was acquired by the company as part of the Polaris acquisition. Its proximity to Port Hedland makes it an attractive supplementary source of iron ore. Operations have recently commenced at Poondano and we expect this resource to be a key contributor to the overall iron ore mining operations of the group.

In addition, when the Carina iron ore operation is completed and Kwinana Berth Terminal 2 is on stream, iron ore sales through Kwinana shall also commence in addition to the Port Hedland exports. We are targeting total tonnage (from the Port Hedland and Kwinana ports) in excess of 4mtpa of iron ore in the 2011/12 year with the initial Kwinana shipment programmed for November, 2011.

All of the MRL iron ore product is marketed and sold utilising our skilled and experienced in-house team. We have strong expectations the current strong iron ore price and demand will continue for the next few years as Chinese demand for steel remains at high levels for both domestic and export consumption.

Manganese sales

Manganese selling prices have remained soft during the period and sales volumes have been restricted accordingly. A total of 449,000 tonnes of manganese was exported in the period comprising a range of grades and product size from the Woodie Woodie site and the Nicholas Downs operation. We envisage export of production tonnage will remain at the same quantity as last year's levels, although our production capacity is significantly enhanced by the opening of the Nicholas Downs plant and with available ore reserves supported by further manganese assets acquired during the year. We have built up product stockpiles and maintained plants in operation (albeit at lower production tonnages) to ensure output can be rapidly expanded once commodity prices improve. It is management's view that prices will improve in the coming year.

OUR MINING OPERATIONS

Carina Iron Ore Operation

Construction of the Carina iron ore mine and related infrastructure in the Yilgarn region of Western Australia continued in accordance with the project schedule with all relevant statutory approvals to construct and operate the mine successfully resolved and formalised. The mine construction activities are at an advanced stage with mining fleet established on site, overburden removal well advanced and the ROM ore being progressively delivered to the ROM pad for crushing and delivery to the stockpile storage area. The facility has been designed and constructed with a front end crushing capacity of 8mtpa and downstream screening capability of 5mtpa that can be readily increased by incorporating an additional screen to achieve a minimum of 8mtpa throughput. The plant will commence operations with an initial throughput of 2.3mtpa ramping up to 4.4mtpa being the approved export allocation available at the KBBT facility in Kwinana. Plant upgrade for future production increases above 8mtpa capacity will be programmed with the availability of additional export capacity from southern ports. The mine site incorporates a 50 kilometre haul road from the mine pit to the crushing circuit and stockyard immediately adjacent to the rail loop and automatic train loadout facility that connects to the main East-West rail line to transport the product to Kwinana. First iron ore on train will be available at the end of October, 2011 with first shipping to be effected in November, 2011. Full project ramp up to its allocated 4.4mtpa export capacity is projected for early 2012 as port capacity becomes available.

Kwinana Bulk Terminal 2

As part of development of the company's Carina iron ore project, Fremantle Port Authority (FPA) allocated MRL rights to export up to 4.4 million tonnes per annum of iron ore through Kwinana Berth 2 as port capacity becomes available. MRL, in conjunction with the FPA, is undertaking a major upgrade of the port facilities to bring the berth back to its previous name plate capacity after years of under utilisation. This infrastructure enhancement project comprises modification to the existing rail receival facility, construction of an upgraded stockyard to handle both iron ore and coal (from a separate port common user) and modification and upgrade of the outloading circuit and shiploader. These works are being completed in conjunction with the mine development and are programmed for completion to export the first shipments of Carina iron ore in November, 2011.

OUR CORPORATE ACTIVITIES

Windimurra Vanadium Project

During the period, the company completed its exit from the Windimurra Vanadium project with the sale of its assets and shareholding in the operation. Exit from this project allowed the company to focus on core business activities after placing the Windimurra project in the best possible position for success for its new owner by ensuring that the project had been developed with a state of the art crushing and beneficiation plant. The exit enabled MRL to monetise its plant capital expenditure and shareholding and achieve a sound commercial return

Mesa Minerals / Auvex

The off-market take-over bid for Mesa Minerals Limited (ASX:MAS) was concluded during the year, with Mineral Resources attaining acceptances for 64.23% of Mesa's shares. The acquisition of a majority stake in Mesa gives the company access to both significant manganese tenements and also patents and technology for the processing of low grade / waste manganese for use in agribusiness applications.

In addition, the company consolidated its position over the Ant Hill and Sunday Hill tenements by entering into an agreement to purchase Auvex Resources Limited, the 50% partner in the Mesa manganese joint venture, in exchange for 4.5 million Mineral Resources shares.

Completion of both of these acquisitions expands the company's foundation in manganese in the Pilbara region and provides the certainty necessary to develop both locations once manganese markets have returned to normal levels.

OUR FINANCIAL POSITION

The company continues to maintain a solid balance sheet with a net cash positive position and significant ongoing cash flow. This enables the business to continue to fund the record growth expected in the next few years from internal cash flow and also maintain the potential to distribute an attractive dividend stream to shareholders.

Operational cashflow has continued to be strong, reflecting the continued solid performance of the business notwithstanding a substantial escalation in capital expenditure on plant and equipment for projects under development. It is these projects under development that will underpin the future growth in revenue and profitability of the business with the capital expenditure being the driver of long term operational and financial success. Although the company maintains a net debt free balance sheet and has sufficient funds to meet announced, medium term development goals, we are cognisant that our targeted future growth may require additional funding and a structured gearing of the balance sheet may be needed in the short term.

The strong Australian dollar has had an impact on commodity revenue. Although a degree of recovery in the situation has been noted in the months after the end of the financial year, macro economic factors will continue to be the driver of the currency. Improved iron ore prices and the level of shipping costs have assisted to limit the overall impact on profits. The company also employs a currency hedging policy, implemented against defined export commitments, to minimise the effects of the strong Australian dollar and utilises the ore pricing in USD as a natural hedge against shipping costs.

...people are our company's most valuable asset, their safety is our core focus...

HEATH, SAFETY, ENVIRONMENT AND COMMUNITY

A key aspect of the MRL business is an unwavering commitment to people, health and safety, the environment and the community. Dedication to high industry standards in these areas is considered to be the cornerstone of our business culture and in the best interest of the business, employees, clients, shareholders, the overall community, and all other stakeholders.

A common constraint experienced in the WA resources sector is the availability of skilled labour. MRL is an attractive employer in the WA resources industry and its ability to secure and retain suitable staff numbers is supported by the range and scope of our business and the strength and recognition of our 'brands' and their ability to provide interesting work and a long term future for our people.

The MRL team now numbers in excess of 900 people and each member is imperative to the success of the business. Professional employees, to support the proven management team, have an unparalleled breadth of industry experience and are committed to achieving results and adding value for all stakeholders. Their knowledge and dedication has driven the business success so far and will continue to do so well into the future. Accordingly, a key aspect of our business is selecting and retaining high calibre people to ensure the company maintains its skill base and the continued growth and development.

As people are the company's most valuable asset, their safety is the core focus and Zero Harm is the number one aspiration. Our policy, technically sound plants and equipment, systems and procedures, as well as safety initiatives are all continuously reviewed to ensure Mineral Resources is at the forefront of Occupational Health and Safety best practise. We have proven this safety focus is successful with world class, low Lost Time Injuries in comparison to the general resources industry record.

Mineral Resources also continues to be committed to making a positive difference in the communities in which we operate and is dedicated to bringing long term benefits to these communities through direct and indirect partnering in employment, training and the provision of local community infrastructure.

A key component of the Mineral Resources business is also to protect, maintain and enhance the environmental resources on our sites. We achieve this through wise environmental stewardship and diligently applying innovative management controls. Each business unit undertakes extensive environmental planning before beginning any project and develops detailed Environmental Programmes to mitigate or control potential impacts.

Our people, their health and safety, the environment and the community are all essential to our success as a leading resources business and we seek to continually improve our performance in these areas.

...the foundation for development and growth unprecedented amongst its peers.

GROWTH OPPORTUNITIES

The current business environment provides the company with a wide range of growth opportunities and in the medium term, directors will continue to undertake value creating expansion in the same orderly fashion as has been the past practice. Utilisation of the company's significant financial, operational and human assets to provide a stable and manageable growth path for the future is the paramount concern for directors and continuation of this current strategy is expected to continue to provide an the opportunity to deliver substantial shareholder value.

OUTLOOK

The outlook for the company's activities and markets is immensely positive. The successful implementation of our targeted growth strategy, regional economic strength and a commitment to superior products and services combine to give MRL not only a competitive edge but also the foundation for development and growth unprecedented amongst its peers. The company has continued to follow the un-erring path highlighted to shareholders in the very early stages of life as a listed company and will continue to pursue this strategy with vigour. This performance, combined with relative strength of the group's markets and customers, indicates that we can continue to develop at the planned pace for the foreseeable future. Shareholders have had the benefit of previous record growth in the business and now have the opportunity to participate in the inherent growth flowing from the staged implementation of opportunities in its various business areas and unrivalled possibilities for the future.

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2011

CONTENTS

CALENDAR

Final dividend:	
- Record date	22 September 2011
- Payment date	20 October 2011
Annual General Meeting	17 November 2011

The directors present their report together with the financial statements of Mineral Resources Limited and of the consolidated entity, being the company and its controlled entities for the period 1 July 2010 to 30 June 2011 and the independent audit thereon.

DIRECTORS

The directors of the company at any time during or since the end of the financial year are:

Peter Wade
Executive chairman and managing director
Date of Appointment: 27 February 2006

Mr Peter Wade has over 39 years experience in engineering, construction, project management and mining and infrastructure services.

Peter started his career with the NSW Public Service managing the construction of significant infrastructure projects in NSW including the Port Kembla coal loader and the grain terminals at Newcastle and Wollongong. Mr Wade was also the Deputy Director for the Darling Harbour Redevelopment construction project.

Following his period of employment with the NSW Public Service, Peter joined the executive team of the Transfield Group. Throughout the 1980s and 1990s he was General Manager of Sabemo Pty Ltd, Transfield Construction Pty Ltd, Transfield Power Technologies and subsequently became Transfield Chief Operations Officer (Southern). During this period Peter was responsible for significant build, own, operate projects including the Melbourne City Link, the Airport Link, the Northside Storage Tunnel and the Collinsville and Smithfield Power Plants.

Peter became Managing Director of Crushing Services International Pty Ltd and PIHA Pty Ltd in 1999, and subsequently Process Minerals International Pty Ltd in 2002 (now the wholly owned subsidiary companies of Mineral Resources Limited) and he managed the companies through a sustained period of growth and development prior to the formation and listing of Mineral Resources Limited in 2006 at which time he was appointed Managing Director of the Group and subsequently in 2008 the Executive Chairman.

Joe Ricciardo
Independent non-executive director
Appointed 26 June 2006

Joe Ricciardo has over 34 years experience in feasibility studies, design, construction, maintenance and operation of mineral processing facilities and associated infrastructure.

In January 1986, he became the founding member and managing director of J R Engineering Services Pty Ltd until its acquisition by the Downer EDI/Roche Group in 2001. Joe continued to lead the company, Roche Mining (JR) Pty Ltd in the capacity of general manager and director up to April 2006.

During his 20 year stewardship of JR, the company consistently grew to become a successful and major engineering services provider to the resources and mineral processing industry. Joe's experience covers the commodities of gold, nickel, copper, lead, zinc, iron ore, coal, mineral sands, tantalum and talc for both major and junior mining companies.

Joe is currently the Managing Director of GR Engineering Services Limited (ASX:GNG), a company that he founded in October 2006 and which is a highly recognised Perth based engineering design and construction contractor servicing the local and international mineral processing industry.

Chris Ellison
Executive director
Appointed 27 February 2006

Mr Chris Ellison is the founding shareholder of each of the three original subsidiary companies of Mineral Resources Limited (Crushing Services International Pty Ltd, PIHA Pty Ltd and Process Minerals International Pty Ltd) and has over 30 years' experience in the mining contracting, engineering and resource processing industries.

In 1979 Chris founded Karratha Rigging and was Managing Director until its acquisition by Walter Wright Industries in 1982. Chris was subsequently appointed as the General Manager, Walter Wright Industries for the Western Australia and Northern Territory regions.

In 1986 Chris founded Genco Ltd and following two years of considerable growth, Genco Ltd merged with the Monadelphous Group in 1988.

In September 1988 Receivers and Managers were appointed to the Monadelphous Group. At this time, Chris was appointed the Managing Director and under his careful management, the group successfully traded out of its financial difficulties and eventually relisted on the ASX in late 1989.

In 1992 Chris founded PIHA Pty Ltd in which the company focused on the provision of specialised pipe lining and general infrastructure to the resources sector. Over the next three years through his work with PIHA Pty Ltd, Chris identified a real opportunity within the mining industry to satisfy the need for specialised contract crushing services which led to the founding of Crushing Services International Pty Ltd. Subsequently, Chris and his business partners within PIHA and CSI founded the mineral processing arm of Mineral Resources Limited, Process Minerals International Pty Ltd.

Mark Dutton
Independent non-executive director
Appointed 8 November 2007

Mark has 16 years' experience acting as a non-executive director of a range of growth businesses across Europe, Asia and Australia. He started his career at Price Waterhouse in England in 1991 where he qualified as a chartered accountant, subsequently working in Moscow in their Corporate Finance division.

Mark has worked in the private equity industry since the mid 1990s. He started with BancBoston Capital in the UK before being appointed Managing Director Asia-Pacific.

In 2003, he joined Foundation Capital in Perth to manage their later-stage investment fund. He is presently a director of Banksia Capital a private equity manager focussed on Western Australia.

Kelvin Flynn
Independent non-executive director
Appointed 22 March 2010

Kelvin has 20 years of corporate experience in leadership positions in Australia and Asia having held the position of Executive Director / Vice President with Goldman Sachs and Managing Director of Alvarez & Marsal in Asia. Kelvin is a qualified Chartered Accountant with experience in merchant banking and corporate advisory including private equity and special situations investments into the mining & resources sector. He has also worked in complex financial workouts, turnaround advisory and interim management.

Kelvin is a director of privately held Global Advanced Metals Pty Ltd (formerly Talison Tantalum Pty Ltd), owner of the Wodgina mine and the world's largest primary deposit of tantalum.

Kelvin is the founder and currently managing director of merchant bank and advisory firm Sirona Capital.

Ryan Welker
Independent non-executive director
Appointed 1 December 2010 - Resigned 7 October 2011

Ryan is a graduate of Regent's Business School London with a BA (Hons) in International Finance and Accounting. He has worked for Standard Bank and Rio Tinto as well as a broad range of mining finance groups, mining companies and other mining industry service companies as a consultant. Ryan specialises in developing commercial development strategies, resource acquisitions/ divestures, joint ventures and project debt finance for projects and companies throughout the world.

Ryan is currently associated with Hancock Prospecting Pty Ltd which holds an 8.26% interest in Mineral Resources at the date of this report.

SECRETARY

Bruce Goulds
Appointed Company Secretary on 27 February 2006.

Bruce Goulds has over 28 years of finance and commercial experience in various listed and unlisted corporations. His experience includes senior corporate management positions in Australian and overseas companies in the mining services, engineering, mining equipment industries servicing the Australasian mining and mineral processing sector.

Bruce is a Fellow CPA, a Fellow of the Institute of Chartered Secretaries and a Member of the Australian Institute of Company Directors. He holds a Bachelor of Business, Bachelor of Laws (Hons) and Graduate Diploma in Management.

DIRECTORS' MEETINGS

The number of directors' meetings (including meetings of committees of directors) and the number of meetings attended by each of the directors of the company during the financial year were:

Director	Directors' Meetings		Audit Committee Meetings	
	Held	Attended	Held	Attended
P Wade	12	12	2	2
J Ricciardo	12	11	2	2
M Dutton	12	12	2	2
C Ellison	12	10	*	*
K Flynn	12	11	2	1
R Welker	7	7	*	*

* - Not a member of the relevant committee

Other committees are convened as required no other committee meetings were held other than those disclosed above.

PRINCIPAL ACTIVITIES

The principal activity of the consolidated entity is as an integrated supplier of goods and services to the resources sector.

OPERATING RESULTS AND REVIEW OF OPERATIONS FOR THE YEAR

The corporate focus for the period under review was to maintain growth and development within current business areas whilst establishing a number of new, significant contracting and mining operations.

In March 2011, the group completed construction of a 19 million tonne per annum crushing and processing plant at the Christmas Creek mine and commenced operations under the ten year build, own and operate contract with Fortescue Metals Group. In addition, Mineral Resources has been awarded the Christmas Creek Stage 2 development to build, own and operate an additional 25 million tonne per annum plant.

PIHA continued to execute on its extensive order book and further acquire significant repeat business, providing earnings support for the foreseeable future.

Iron ore totalling 2.259 million tonnes was exported, representing a 158% increase on the previous period, along with exports of 0.449 million tonnes of manganese.

The effect of the strong Australian dollar has had an impact on commodity revenue. Improved iron ore prices and reduced shipping costs in conjunction with the group's hedging strategy, have assisted to limit the overall impact.

Construction of the Carina iron ore mine operation continued in accordance with the project schedule with all relevant approvals in place to operate the mine. In May, Fremantle Port Authority awarded the company a dedicated export allocation of up to 4.4 million tonnes.

The off-market take-over bid for Mesa Minerals Limited (ASX:MAS) was concluded during the year, with Mineral Resources attaining acceptances for 64.23% of Mesa's shares. In addition, the Company entered into an agreement to purchase Auvex Resources Limited, the 50% partner in the Mesa manganese joint venture, to purchase the company.

The company continues to maintain a solid balance sheet. This will enable the business to continue to fund growth expected in the next few years and also maintain the potential to distribute an attractive dividend stream to shareholders.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the consolidated entity during the past financial year other than as disclosed in the financial statements.

DIVIDENDS PAID OR RECOMMENDED

Dividends paid or declared for payment in the year are as follows:

- Final Ordinary Dividend for 2009/10 of 13.60 cents per share, franked at a tax rate of 30%, paid on 18 November 2010 amounting to $22,813,400;
- Interim Ordinary Dividend for 2010/11 of 15.0 cents per share, franked at a tax rate of 30%, paid on 7 April 2011 amounting to $25,348,609; and
- Final Ordinary Dividend for 2010/11 of 27.0 cents per share, franked at a tax rate of 30%, has been recommended by Directors amounting to $49,618,715.

EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since the end of the financial year which significantly affects the operations of the consolidated entity other than disclosed in the Financial Report.

ENVIRONMENTAL ISSUES

The consolidated group's operations are subject to significant environmental regulation under the law of the Commonwealth and State. During the year the consolidated entity met all reporting requirements under relevant legislation. There were no incidents which required reporting.

LIKELY DEVELOPMENTS

Disclosure of information relating to the future developments in the operations of the consolidated entity which would not, in the opinion of the directors, be prejudicial to the consolidated entity's interests is contained in this Directors' Report.

NON-AUDIT SERVICES

During the year, RSM Bird Cameron Partners, the Company's auditor, performed certain other services in addition to their statutory duties. Details of the amounts paid to the auditors are disclosed in Note 27 of the financial statements.

The Board has considered the non-audit services provided during the year by the auditor and is satisfied the provision of those non-audit services during the year by the auditor is compatible with and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services were subject to the corporate governance procedures adopted by the Company and have been reviewed by the Audit Committee to ensure they do not impact the integrity and objectivity of the auditor; and
- The non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110: Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration as required under Section 307C of the Corporations Act 2001 has been included as part of the financial statements.

REMUNERATION REPORT – AUDITED

This remuneration report details the policy for determining the remuneration of directors and key management personnel and provides specific detail of their remuneration.

Remuneration of non-executive directors

The Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Remuneration Committee determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required.

Shareholder approval must be obtained in relation to the overall limit set for directors' fees (currently $500,000). The Remuneration Committee sets individual Board fees within the limit approved by shareholders. Shareholders must separately approve the framework for any equity based compensation schemes and if a recommendation is made for a director to participate in an equity scheme, that participation must be approved by the shareholders.

Remuneration of key management personnel

The Company's remuneration policy for executive directors and key management personnel is designed to promote superior performance and long term commitment to the Company. Key management personnel receive a base remuneration which is market related. Overall remuneration policies are subject to the discretion of the Board and can be changed to reflect competitive market and business conditions where it is in the interests of the Company and shareholders to do so. Executive remuneration and other terms of employment are reviewed annually by the Remuneration Committee having regard to performance, relevant comparative information and expert advice. The Committee's remuneration policy reflects its obligation to align executive's remuneration with shareholders' interests and to retain appropriately qualified executive talent for the benefit of the Company.

KEY MANAGEMENT PERSONNEL SERVICE AGREEMENTS – AUDITED

The company has service agreements with each executive that defines:

- The role and appointment date
- Executive duties
- Remuneration and benefits
- Leave entitlements
- Summary dismissal for misconduct and fraud
- Use of expenses
- Notice periods of between three and twelve months
- Confidential information
- Restraint provisions

Details of the key conditions of service agreements for key management personnel are as follows:

	Commencement Date	Notice Period	Base Salary (including super)	Termination Payments Provided*
Directors				
Non-executive Directors				
J Ricciardo	25 June 2006	n/a	98,100	none
M Dutton**	7 November 2007	n/a	98,100	none
K Flynn	22 March 2010	n/a	98,100	none
P R Welker***	1 December 2010	n/a	98,100	none
Executive Directors				
P Wade – Executive Chairman/Managing Director	1 July 2006	6 months	500,000	none
C Ellison – Executive Director - Business Development	1 July 2006	6 months	436,000	none
Executives				
S Wyatt - General Manager, CSI	1 July 2006	6 months	425,000	none
B Gavranich - General Manager, PIHA	1 July 2006	6 months	436,000	none
D Geraghty - Technical Director	1 July 2006	6 months	381,500	none
B Goulds - Chief Financial Officer/Company Secretary	1 July 2006	6 months	288,850	none

* other than statutory entitlements.

** an additional amount has been approved by shareholders, details are disclosed in Note 26 of the financial report.

*** resigned 7 October 2011

Base salaries quoted are as at 30 June 2011. They are reviewed annually by the remuneration committee.

DETAILS AND AMOUNTS OF REMUNERATION – AUDITED

2011	Short-term benefits		Post employment benefits	Long-term benefits		Total
	Cash, salary and commissions	Non-cash benefits	Superannuation	Share-based payments		
	$	$	$	Equity $	Options $	$
Directors						
P Wade	450,000	53,600	50,000	-	-	553,600
J Ricciardo	90,000	-	8,100	-	-	98,100
C.Ellison	400,000	64,136	36,000	-	-	500,136
M Dutton	190,000	-	17,100	-	-	207,100
K Flynn	94,327	-	-	-	-	94,327
P R Welker**	51,231	-	4,611	-	-	55,842
Total	**1,275,558**	**117,736**	**115,811**	**-**	**-**	**1,509,105**
Key management personnel						
B Gavranich	400,000	55,878	36,000	-	-	491,878
S Wyatt	400,000	64,136	25,000	-	-	489,136
D Geraghty	326,923	15,780	25,000	-	-	367,703
B Goulds	238,850	-	50,000	-	-	288,850
	1,365,773	**135,794**	**136,000**	**-**	**-**	**1,637,567**
Total	**2,641,331**	**253,530**	**251,811**	**-**	**-**	**3,146,672**

2010	Short-term benefits		Post employment benefits	Long-term benefits		Total
	Cash, salary and commissions	Non-cash benefits	Superannuation	Share-based payments		
	$	$	$	Equity $	Options $	$
Directors						
P Wade	403,846	52,855	50,000	-	-	506,701
J Ricciardo	90,000	-	8,100	-	-	98,100
C Ellison	353,846	27,025	31,846	-	-	412,717
M Dutton	190,000	-	8,100	1,009,824	-	1,207,924
K Flynn *	26,412	-	-	-	-	26,412
P R Welker**	-	-	-	-	-	-
Total	**1,064,104**	**79,880**	**98,046**	**1,009,824**	**-**	**2,251,854**
Key management personnel						
B Gavranich	353,846	30,665	31,846	-	-	416,357
S Wyatt	353,846	39,757	25,000	-	-	418,603
D Geraghty	250,058	17,376	25,000	-	173,600	466,034
B Goulds	189,288	-	49,997	-	-	239,285
	1,147,038	**87,798**	**131,843**	**-**	**173,600**	**1,540,279**
Total	**2,211,142**	**167,678**	**229,889**	**1,009,824**	**173,600**	**3,792,133**

* appointed 22 March 2010

** appointed 1 December 2010 - resigned 7 October 2011

PERFORMANCE CONDITIONS – AUDITED

No proportion of remuneration of directors or key management personnel is dependent on the satisfaction of a performance condition.

EQUITY AND OPTIONS GRANTED AS REMUNERATION – AUDITED

No equity or options were granted to directors or key management personnel in the financial period ended 30 June 2011.

OPTIONS

At 30 June 2011, the unissued ordinary shares of the Company under option are as follows:

Date of expiry	Exercise price	Number under option
6 Aug 2011	$6.05	10,000,000
31 Dec 2011	$4.31	137,500
31 Dec 2011	$6.31	202,500
15 Jan 2012	$1.90	391,500
15 Jan 2013	$2.00	662,750
		11,394,250

Option holders do not have any rights to participate in any issues of shares or other interests in the company or any other entity.

During the year ended 30 June 2011, the following ordinary shares of the company were issued on the exercise of options granted. No amounts are unpaid on any of the shares.

Date of expiry	Exercise price	Number of shares issued
15 Jan 2011	$1.80	386,900
15 Jan 2012	$1.90	373,500
15 Jan 2013	$2.00	452,250
31 Dec 2011	$3.00	50,000
15 Jan 2013	$3.93	30,000
31 Dec 2011	$4.31	165,000
31 Dec 2011	$4.50	100,000
6 Aug 2010	$6.05	5,000,000
31 Dec 2011	$6.31	180,000
31 Dec 2011	$6.50	300,000
		7,037,650

Since the end of the financial year, the following ordinary shares of the company were issued on the exercise of options granted

Date of expiry	Exercise price	Number of shares issued
6 Aug 2011	$6.05	10,000,000
31 Dec 2011	$4.31	30,000
31 Dec 2011	$6.31	50,000
15 Jan 2013	$2.00	25,000

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

DIRECTORS' RELEVANT INTERESTS

No director has or has had any interest in a contract entered into during the year or any contract or proposed contract with the Company or any controlled entity or any related entity other than as disclosed in the notes to the financial statements.

The relevant interest of each director in the capital of the company at the date of this report is as follows:

Director	Number of ordinary shares	Number of options over ordinary shares
P Wade	3,416,162	-
J Ricciardo	1,947,870	-
M Dutton	500,000	-
C Ellison	30,447,815	-
K Flynn	-	-
P R Welker	-	-

INDEMNIFYING OFFICERS OR AUDITOR

During or since the end of the financial year the Company has paid premiums to insure all directors and executives against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director or officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company. Otherwise, the Company has not given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums on behalf of directors, executives and auditors.

Neither the Company nor any related entity has indemnified or agreed to indemnify, paid or agreed to pay any insurance premium which would be prohibited under Section 199A or Section 199B of the Corporations Act 2001 during or since the financial period ended 30 June 2011.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court under section 237 of the Corporations Act 2001 to bring proceedings on behalf of the Company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

ROUNDING OF AMOUNTS

The company is an entity to which ASIC Class Order 98/100 applies and, accordingly, amounts in the financial statements and directors' report have been rounded to the nearest thousand dollars.

Signed on behalf of the Board in accordance with a resolution of the directors.

PETER WADE
Executive Chairman / Managing Director

Dated this 18 August 2011

RSM Bird Cameron Partners
Chartered Accountants

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Mineral Resources Limited for the year ended 30 June 2011, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Rsm Bird Cameron Partners

RSM BIRD CAMERON PARTNERS
Chartered Accountants

Perth, WA
Dated: 18 August 2011

TUTU PHONG
Partner

The Board considers it essential that directors and staff of the Company employ sound corporate governance practices in carrying out their duties and responsibilities. Accordingly, specific corporate governance policies have been issued to detail the expected behaviour required to ensure the company acts with integrity and objectivity.

The Company has posted all its corporate governance policies to the Corporate Governance section of its website: www.mineralresources.com.au.

The ASX Corporate Governance Council released the second edition of its "Good Corporate Governance Principles and Recommendations" ("Recommendations") in August 2007 and amended in 2010. The Board supports the thrust of the Recommendations and whilst the Recommendations are not prescriptive, the ASX Listing Rules require listed companies to identify those recommendations that have not been followed and the reasons for not following them.

PRINCIPLE 1 - LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Recommendation 1.1 - Delegation of authority

Board responsibility

The Board is responsible for guiding and monitoring the Company on behalf of shareholders.

Specific responsibilities of the Board include:

1. appointment, evaluation, rewarding and, if necessary, removal of the Managing Director and senior management;
2. in conjunction with management, development of corporate objectives, strategy and operations plans.
3. review and approval (as required) of plans, new investments, major capital and operating expenditures, capital management, acquisitions, divestitures and major funding activities;
4. establishing appropriate levels of delegation to the Managing Director to allow him to manage the business efficiently;
5. monitoring actual performance against planned performance expectations;
6. ensuring that the Company is appropriately positioned to manage significant business risks;
7. overseeing the management of safety, occupational health and environmental matters;
8. satisfying itself that the financial reporting of the Company fairly and accurately set out the financial position and financial performance of the Company;
9. satisfying itself that there are appropriate reporting systems and controls in place to assure the Board that proper operational, financial, compliance, and internal control processes are in place and functioning appropriately;
10. to ensure that appropriate internal and external audit arrangements are in place and operating effectively;
11. having a framework in place to help ensure that the Company acts legally and responsibly on all matters consistent with the code of conduct; and
12. reporting to shareholders.

Management responsibility

The responsibility for the day-to-day operation and administration of the Company is delegated by the Board to the Managing Director.

Whilst there is a clear division between the responsibilities of the Board and management, the Board is responsible for ensuring that management's objectives and activities are aligned with the expectations and risks identified by the Board. The Board has a number of mechanisms in place to ensure this is achieved.

Recommendation 1.2 – evaluation of performance of management

The Board has in place a process for evaluating the performance of the Managing Director and other senior executives.

Managing Director

The Board will annually review the performance of the Managing Director. The Board and the Managing Director will agree a set of specific performance measures to be used in the review of the forthcoming year.

This includes:

(a) financial measures of the Company's performance;
(b) the measure for determining achievement of key operational goals and strategic objectives;
(c) development of management and staff;
(d) compliance with legal and Company policy requirements; and
(e) achievement of other key performance indicators.

Senior executives

The Managing Director is responsible for assessing the performance of the key executives.

PRINCIPLE 2 – STRUCTURE THE BOARD TO ADD VALUE

Recommendation 2.1 - Majority of board should be independent directors

Messrs Ricciardo, Dutton, Flynn and Welker satisfy all the tests of the Recommendations and are considered independent. Each director's skills, experience and expertise relevant to position of director and period of office of each director in office at date of annual report is contained in the Directors' Report.

Recommendation 2.2 and 2.3 – independent chairman and managing director

The roles of Chairman and Managing Director are currently combined. The Chairman of the Company, Peter Wade, also holds the position of Managing Director and is considered not to be independent. This board structure was created after due consideration to the strategy of the Company and the Board considers Mr Wade the best person to lead the company from the combined position at this time.

Each director has the right to seek independent professional advice on matters relating to his position as a director of the Company at the Company's expense.

Recommendation 2.4 - nomination committee

The Board has established the functions of a nomination committee.

Composition

The Committee shall comprise at least three directors, the majority of whom must be non-executive directors, one of whom will be appointed the Committee Chairman. At present, due to the current size and composition of the Board, the full board operates as the nomination committee.

Recommendation 2.5 – board performance evaluation process

As part of the annual review of the performance of the Board, the appropriate size, composition and terms and conditions of appointment to and retirement from the Board are considered. The Board also reviews the appropriate criteria for board membership collectively.

The Board has established formal processes to review its own performance and the performance of individual directors (including the Managing Director) and the committees of the Board, annually.

The Board is required to meet annually with the specific purpose of reviewing the role of the Board, assessing its performance over the previous 12 months and examining ways in which the Board can better perform its duties.

The review will incorporate the performance of the Board.

The annual review includes consideration of the following measures:

(a) comparison of the performance of the Board against the requirements of the Board charter;
(b) assessment of the performance of the Board over the previous twelve months having regard to the corporate strategies, operating plans and the annual budget;
(c) review the Board's interaction with management;
(d) identification of any particular goals and objectives of the Board for the next year;
(e) review the type and timing of information provided to the directors; and
(f) identification of any necessary or desirable improvements to Board or committee charters.

Non-executive directors

The Chairman will have primary responsibility for conducting performance appraisals of non-executive directors in conjunction with them, having particular regard to:

(a) contribution to Board discussion and function;
(b) degree of independence including relevance of any conflicts of interest;
(c) availability for and attendance at board meetings and other relevant events;
(d) contribution to Company strategy;
(e) membership of and contribution to any board committees; and
(f) suitability to Board structure and composition.

Where the Chairman, following a performance appraisal, considers that action must be taken in relation to a director's performance, the Chairman must consult with the remainder of the Board regarding whether a director should be counselled to resign, not seek re-election, or in exceptional circumstances, whether a resolution for the removal of a director be put to shareholders.

PRINCIPLE 3 – PROMOTE ETHICAL AND RESPONSIBLE DECISION-MAKING

Recommendation 3.1 – code of conduct

The policies on this principle are disclosure on the Company's website.

Recommendation 3.2, 3.3, 3.4 - gender diversity

The Board has in place policies for the recruitment of the most suitable person for roles within the Company providing diversity of employment opportunities for, but not limited to, gender, age, ethnicity and cultural background for all Company roles. In respect of gender diversity, the Company has not determined a target proportion of appointments but relies on the requirement of "most suitable person for roles" as the overarching selection criteria for personnel.

As at the balance date, 11% of employees of the Company were females and two women function in senior executive positions. There are no women currently serving on the Company's board.

PRINCIPLE 4 – SAFEGUARD INTEGRITY IN FINANCIAL REPORTING

Recommendation 4.1 – audit committee

Scope

The Audit Committee is a committee of the Board with the specific powers delegated by the Board. A charter sets out the Audit Committee's function, composition, mode of operation, authority and responsibilities summarised on the website.

Recommendation 4.2, 4.3 – Audit Committee membership and composition

Disclosure of the names, qualifications and attendance at audit committee meetings is included in the Directors Report.

PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE

The policies on this principle are disclosure on the Company's website.

PRINCIPLE 6 – RESPECT THE RIGHTS OF SHAREHOLDERS

Recommendation 6.1 – shareholder communication

The Company recognises the value of providing current and relevant information to its shareholders.

The Managing Director and Company Secretary have the primary responsibility for communication with shareholders.

The Company is committed to the promotion of investor confidence by ensuring that trading in the Company's securities takes place in an efficient, competitive and informed market.

Electronic communication and web-site

The Company's web-site will be updated with material released to the ASX as soon as practicable after confirmation of release by the ASX.

All web-site information will be continuously reviewed and updated to ensure that information is current, or appropriately dated and archived.

The Company places the full text of notices of meeting and explanatory material on the web-site.

PRINCIPLE 7 – RECOGNISE AND MANAGE RISK

Recommendation 7.1 and 7.2 – risk management

The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. Management is required by the Board to report back on the efficiency and effectiveness of risk management. The Board discuss risk management issues with management on an ongoing basis.

Management is responsible for the ongoing management of risk with standing instructions to apprise the Board of changing circumstances within the Company and within the international business environment.

Recommendation 7.3 - Assurance from CEO and CFO

Management sign-off procedure

The Audit Committee will ensure that the Managing Director and Chief Financial Officer prepare a written statement to the Board certifying that the Company's annual financial report and half yearly financial report present a true and fair view, in all material respects, of the financial condition of the Company and its operational performance and are in accordance with relevant accounting standards.

The statement is to be presented to the Board prior to the approval and sign-off of the respective annual and half yearly financial reports. Assurance from the CEO / CFO is founded on a sound system of risk management and internal control and the system is considered to operate effectively in all material respects in relation to reporting financial risk.

PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY

Recommendation 8.1, 8.2, 8.3 – remuneration committee

The Board has established a remuneration committee. Composition of the Committee shall comprise at least three directors, the majority of whom must be non-executive directors, one of whom will be appointed the Committee Chairman.

The charter of the committee and its functions and responsibilities are posted on the Company's website.

The committee is currently chaired by Kelvin Flynn and members are Joe Ricciardo and Mark Dutton.

Non-executive remuneration

Non-executive directors are entitled to receive statutory superannuation benefits as well as accrued proportional leave benefits. No other post-employment benefits are provided to non-executive directors as at the date of this report.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011

	Note	Consolidated 2011 $'000	Consolidated 2010 $'000
Revenue from continuing operations	3	609,518	312,643
Other income	3	28,734	9,834
Changes in closing stock		5,708	4,403
Depreciation and amortisation		(26,275)	(19,296)
Employee benefit expenses			
. Share based payments		(135)	(2,884)
. Other employee benefits		(82,624)	(48,553)
Equipment costs		(17,238)	(18,804)
Finance costs		(5,638)	(5,113)
Impairment losses		(1,038)	29
Raw materials and consumables		(97,443)	(58,317)
Subcontractors		(49,429)	(15,165)
Transport and freight		(123,747)	(62,547)
Other expenses	4	(31,478)	(14,571)
Profit before income tax		**208,915**	**81,659**
Income tax (expense)/benefit	5	(58,422)	15,526
Profit for the year		**150,493**	**97,185**
Other comprehensive income			
Net change in fair value of plant and equipment		(459)	930
Other comprehensive income for the year		**(459)**	**930**
Total comprehensive income for the year		**150,034**	**98,115**
Profit is attributable to:			
Members of Mineral Resources Limited		150,957	97,327
Non-controlling interest		(464)	(142)
		150,493	**97,185**
Total comprehensive income is attributable to:			
Members of Mineral Resources Limited		150,498	98,257
Non-controlling interest		(464)	(142)
		150,034	**98,115**
Basic earnings per share (cents per share)		89.7	68.5
Diluted earnings per share (cents per share)		86.5	66.9

The accompanying notes form an integral part of the statement of comprehensive income.

	Note	Consolidated 2011 $'000	Consolidated 2010 $'000
ASSETS - Current			
Cash and cash equivalents	6	180,456	174,470
Trade and other receivables	7	107,002	56,778
Inventories	8	19,400	30,379
Financial assets	11	4,044	-
Other assets	9	2,013	776
Total current assets		**312,915**	**262,403**
ASSETS – Non current			
Trade and other receivables	7	3,385	10
Exploration and evaluation	10	262,924	257,898
Investments accounted using the equity method	12	190	189
Financial assets	11	2,739	4,350
Plant and equipment	13	319,494	214,739
Intangible assets	14	44,024	42,497
Deferred tax assets	15	24,386	62,730
Total non current assets		**657,142**	**582,413**
Total assets		**970,057**	**844,816**
LIABILITIES - Current			
Trade and other payables	16	91,690	142,828
Borrowings	17	64,378	27,737
Income tax payable		26,275	4,335
Provisions	18	9,304	5,684
Total current liabilities		**191,647**	**180,584**
LIABILITIES – Non current			
Trade and other payables	16	-	15
Borrowings	17	37,659	59,525
Deferred tax liabilities	15	102,503	108,028
Provisions	18	10,742	10,985
Total non current liabilities		**150,904**	**178,553**
Total liabilities		**342,551**	**359,137**
Net assets		**627,506**	**485,679**
EQUITY			
Issued capital	19	359,619	315,526
Reserves	20	4,927	5,386
Retained earnings		242,104	139,309
Parent interest		**606,650**	**460,221**
Non-controlling interest		20,856	25,458
Total equity		**627,506**	**485,679**

The accompanying notes form an integral part of the statement of financial position.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011

Consolidated	Contributed equity	Reserves	Retained earnings	Total	Non-controlling interest	Total
Balance at 1 July 2009	72,782	4,456	67,527	144,765	-	144,765
Total comprehensive income for the year	-	930	97,327	98,257	(142)	98,115
Transactions with owners in their capacity as owners:						
Share issue from exercise of options	6,368	-	-	6,368	-	6,368
Net proceeds of share issues from share placement	51,212	-	-	51,212	-	51,212
Share based payments	2,885	-	-	2,885	-	2,885
Employee share trust take-up	3,131	-		3,131	-	3,131
Shares issued in part consideration for acceptances of the off-market takeover bid for Polaris Metals NL	144,711	-	-	144,711	-	144,711
Shares issued in part consideration for acceptances of the off market takeover bid for Mesa Minerals Limited	34,437	-	-	34,437	-	34,437
Non-controlling interest in acquisition of subsidiary (Mesa Minerals Limited)	-	-	-	-	25,600	25,600
Dividends paid	-	-	(25,545)	(25,545)	-	(25,545)
Balance at 30 June 2010	**315,526**	**5,386**	**139,309**	**460,221**	**25,458**	**485,679**
Balance at 1 July 2010	315,526	5,386	139,309	460,221	25,458	485,679
Total comprehensive income for the year	-	(459)	150,957	150,498	(464)	150,034
Transactions with owners in their capacity as owners:						
Share issue from exercise of options	37,467	-	-	37,467	-	37,467
Net proceeds from share issues	1,278	-	-	1,278	-	1,278
Share based payments	135	-	-	135	-	135
Employee share trust contributions	1,075	-	-	1,075	-	1,075
Shares issued in part consideration for acceptances of the off market takeover bid for Mesa Minerals Limited	4,138	-	-	4,138	(4,138)	-
Dividends paid	-	-	(48,162)	(48,162)	-	(48,162)
Balance at 30 June 2011	**359,619**	**4,927**	**242,104**	**606,650**	**20,856**	**627,506**

The accompanying notes form an integral part of the statement of changes in equity.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011

	Note	Consolidated	
		2011 $'000	2010 $'000
Cash flows from operating activities			
Cash receipts from customers		630,919	364,026
Cash payments to suppliers and employees		(438,076)	(193,295)
Interest received		5,122	2,404
Interest and other costs of finance paid		(5,638)	(5,113)
Income taxes paid		(1,631)	(17,033)
		190,696	**150,989**
Payments relating to the construction of a processing plant previously recovered from customer		(73,940)	-
Net cash flows from operating activities	**21(b)**	**116,756**	**150,989**
Cash flows from investing activities			
Payments for property, plant and equipment		(161,030)	(66,005)
Proceeds from the sale of fixed assets		63,929	17,431
Proceeds from the sale of investments		19,581	-
Payments for exploration and evaluation		(5,026)	(2,308)
Investment in listed company shares		(94)	-
Payments for intangibles		(1,527)	-
Payments for acquisition of subsidiary, net of cash acquired		-	(10,343)
Net cash flows from investing activities		**(84,167)**	**(61,225)**
Cash flows from financing activities			
Proceeds from share issue		-	58,680
Proceeds from exercise of share options		37,479	-
Share issue costs		(11)	(1,100)
Proceeds from borrowings		-	14,100
Repayment of borrowings		(15,817)	(16,309)
Loan to other entity		(1,370)	-
Dividends paid		(46,884)	(25,545)
Net cash flows from financing activities		**(26,603)**	**29,826**
Net increase in cash and cash equivalents		**5,986**	**119,590**
Cash and cash equivalents at the beginning of the financial period		174,470	54,880
Cash and cash equivalents at the end of the financial period	**21(a)**	**180,456**	**174,470**

The accompanying notes form an integral part of the statement of cash flows.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

This financial report of Mineral Resources Limited ('the Company') for the year ended 30 June 2011 comprises of the company and its controlled entities (collectively referred to as 'the consolidated entity' or 'group'). The separate financial statements of the parent entity, Mineral Resources Limited, have not been presented within this financial report as permitted by the Corporations Act 2001.

The Company is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The financial report was authorised for issue in accordance with a resolution of directors dated 18 August 2011.

(i) Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

In accordance with the relief available under ASIC Class Order 98/100, the financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars ($1,000) unless otherwise stated.

Adoption of new and revised accounting standards

In the current year, the consolidated entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. The adoption of these new and revised Standards and Interpretations has not resulted in a significant or material change to the consolidated entity's accounting policies.

New standards issued but not yet effective

At the date of this financial report the following standards, which may impact the entity in the period of initial application, have been issued but are not yet effective:

Reference	Title	Summary	Application date (financial years beginning)	Expected impact
AASB 9	*Financial Instruments*	Replaces the requirements of AASB 139 for the classification and measurement of financial assets. This is the result of the first part of Phase 1 of the IASB's project to replace IAS 39.	1 January 2013	No expected impact on the entity
AASB 124	*Related Party Disclosures*	Revised standard. The definition of a related party is simplified to clarify its intended meaning and eliminate inconsistencies from the application of the definition	1 January 2011	Disclosure only

The consolidated entity has decided against early adoption of these standards.

(ii) Basis of consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Mineral Resources Limited at the end of the reporting period. A controlled entity is any entity over which Mineral Resources Limited has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(ii) Basis of consolidation (Cont.)

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are shown separately within the equity section of the consolidated statement of financial position and statement of comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of its assets and liabilities.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (ie parent entity). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity. At this date, the parent shall recognise, in the consolidated accounts, and subject to certain limited exceptions, the fair value of the identifiable assets acquired and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition may result in the recognition of goodwill or a gain from a bargain purchase. The method adopted for the measurement of goodwill will impact on the measurement of any non-controlling interest to be recognised in the acquiree where less than 100% ownership interest is held in the acquiree.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements. Consideration may comprise the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the equity interests issued by the acquirer.

Fair value uplifts in the value of pre-existing equity holdings are taken to the statement of comprehensive income. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

Included in the measurement of consideration transferred is any asset or liability resulting from a contingent consideration arrangement. Any obligation incurred relating to contingent consideration is classified as either a financial liability or equity instrument, depending upon the nature of the arrangement. Rights to refunds of consideration previously paid are recognised as a receivable. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or a liability is remeasured each reporting period to fair value through the statement of comprehensive income unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of comprehensive income.

Employee Share Trust

The group has in place a trust to administer the group's employee share scheme. This trust is consolidated, as the substance of the relationship is that the trust is controlled by the group.

Shares held by the Mineral Resources Employee Share Trust are disclosed as treasury shares and deducted from contributed equity.

(iii) Income tax

The income tax expense for the year comprises current income tax expense and deferred tax expense.

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities are therefore measured at the amounts expected to be paid to the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(iii) Income tax (Cont.)

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Tax consolidation

Mineral Resources Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under tax consolidation legislation. Each entity in the Group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the 'stand-alone taxpayer' approach to allocation. Current tax liabilities (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity. The tax consolidated group has a tax funding agreement in place whereby each company in the Group contributes to the income tax payable by the Group in proportion to their contribution to the Group's taxable income. Differences between the amounts of net tax assets and liabilities derecognised and the net amounts recognised pursuant to the funding arrangement are recognised as either a contribution by, or distribution to the head entity.

(iv) Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. Cost is assigned on a standard cost basis with the exception of contract specific requirements to use an average cost basis.

Construction work in progress

Construction work in progress is valued at cost, plus profit recognised to date less any provision for anticipated future losses. Cost includes both variable and fixed costs relating to specific contracts, and those costs that are attributable to the contract activity in general and that can be allocated on a reasonable basis.

Construction profits are recognised on the stage of completion basis and measured using the proportion of costs incurred to date as compared to expected actual costs. Where losses are anticipated they are provided for in full.

Construction revenue has been recognised on the basis of the terms of the contract adjusted for any variations or claims allowable under the contract.

(v) Intangibles

Goodwill

Goodwill and goodwill on consolidation are initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net assets at date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Patents

Patents acquired as part of a business combination are recognised separately from goodwill. The patents are carried at their fair value at the date of acquisition less accumulated amortisation and impairment losses. Amortisation is calculated using the straight line method to allocate the cost of patents over their estimated useful lives.

Port access rights

Port access rights acquired as part of a business combination are recognised separately from goodwill. The rights are carried at their fair value at the date of acquisition less accumulated amortisation and impairment losses. Amortisation is calculated based on the timing of projected cash flows of the access rights over their estimated useful lives.

Operating lease

Operating leases acquired as part of a business combination are recognised separately from goodwill. The leases are carried at their fair value at the date of acquisition less accumulated amortisation and impairment losses. Amortisation is calculated based on the timing of projected cash flows of the access rights over their estimated useful lives.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(vi) Revenue recognition

Goods sold

Revenue from sale of goods is recognised in the statement of comprehensive income when the significant risks and rewards of ownership have been transferred to the buyer.

Revenue from bulk products exported from Australia, ownership in the goods transfers to the buyer after a clean bill of lading has been issued for the shipment, the preliminary payment is received and in accordance with any other specific terms of the contract of sale.

Services rendered

Revenue from services rendered is recognised in the statement of comprehensive income in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to work performed.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or if the costs incurred or to be incurred cannot be measured reliably.

Construction contracts

Contract revenue and expenses are generally recognised on an individual contract basis using percentage of completion method when the stage or contract completion can be reliably determined, costs to date can be clearly identified, and total contract revenue and costs to complete can be reliably estimated. Two or more contracts are treated as a single contract where the contracts are negotiated as a single package, are closely interrelated and are performed concurrently or in a continuous sequence.

Profit recognition for lump sum fixed price contracts does not commence until cost to completion can be reliably measured.

Stage of contract completion is generally measured by reference to physical completion. An assessment of total labour hours and other costs incurred to date as a percentage of estimated total costs for each contract is used if it is an appropriate proxy for physical completion. Task-lists, milestones, etc are also used to calculate or confirm the percentage of completion if appropriate.

Where the outcome of a contract cannot be reliably estimated, contract costs are expensed as incurred. Where it is probable that the costs will be recovered, revenue is recognised to the extent of costs incurred. An expected loss is recognised immediately as an expense.

Interest revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(vii) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with an original maturity of three months or less.

Bank overdrafts that are repayable on demand and form an integral part of the consolidated entity's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(viii) Plant and equipment

Owned assets

Items of plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of self constructed assets includes the cost of materials, direct labour and an appropriate portion of production overheads. The cost of self constructed and acquired assets includes (i) the initial estimate at the time of installation and during the period of use, when relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and (ii) changes in the measurement of existing liabilities recognised for these costs resulting from changes in the timing or outflow of resources required to settle the obligation or from changes in the discount rate.

Where parts of an item of plant and equipment have different useful lives, they are accounted for as separate items of plant and equipment.

Leased assets

Leases in terms of which the consolidated entity assumes substantially all of the risks and rewards of ownership are classified as finance leases. Finance leases are stated at an amount equal to the lower of fair value and the present value of minimum lease payment at inception of the lease, less accumulated depreciation and impairment losses.

Sale of non-current assets

The net gain or loss on disposal is included in the statement of comprehensive income at the date control of the asset passes to the buyer, usually when an unconditional contract for sale is signed.

The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental costs).

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(viii) Plant and equipment (Cont.)

Subsequent costs

The consolidated entity recognises in the carrying amount of an item of plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the consolidated entity and the cost of the item can be measured reliably. All other costs are recognised in the statement of comprehensive income as an expense as incurred.

Revaluation

Increases in the carrying amount arising on the revaluation of plant and equipment are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of comprehensive income.

Depreciation

The depreciable amount of plant and equipment is depreciated over their useful lives on a straight line basis commencing from the time the asset is ready for use. Mobile crushing plant and certain associated plant and equipment are depreciated on the usage method of depreciation.

Class	Life
Plant and equipment - other	3-20 years or the term of the lease
Beneficiation plant	Usage basis
Tracked plant and equipment	Usage basis

(ix) Exploration and evaluation expenditure

Exploration and evaluation expenditure related to an area of interest are carried forward as an asset in the statement of financial position where the rights of tenure of an area are current and it is considered probable that the expenditure will be recouped through successful development and exploitation of the area of interest, or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Otherwise, exploration and evaluation expenditure is written off as incurred.

Capitalised expenditure includes expenditure directly related to exploration and evaluation activities in the relevant area of interest including the generation of mining information. General and administrative costs are allocated to an exploration or evaluation asset only to the extent that those costs can be related directly to operational activities in the relevant area of interest.

Capitalised exploration and evaluation expenditure is written off where the above conditions are no longer satisfied.

Identifiable exploration assets acquired are recognised as assets at their fair value, as determined by the requirements of AASB 3 Business Combinations. Exploration and evaluation expenditure incurred subsequent to the acquisition of an exploration asset in a business combination is accounted for in accordance with this policy.

All capitalised exploration and evaluation expenditure is assessed for impairment if facts and circumstances indicate that impairment may exist. Exploration and evaluation assets are also tested for impairment once commercial reserves are found, before the assets are transferred to development properties.

(x) Development expenditure

Development expenditure incurred by or on behalf of the consolidated entity is accumulated separately for each area of interest in which economically recoverable resources have been identified. Such expenditure comprises cost directly attributable to the construction of a mine and the related infrastructure.

Once a development decision has been taken, the carrying amount of the exploration and evaluation expenditure in respect of the area of interest is aggregated with the development expenditure and classified under non-current assets as development properties.

A development property is reclassified as a mining property at the end of the commissioning phase, when the mine is capable of operating in the manner intended by management.

No depreciation is recognised in respect of development properties.

Development properties are tested for impairment in accordance with the policy on impairment of assets.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(xi) Mining properties

When further development expenditure is incurred in respect of a mining property after the commencement of production, such expenditure is carried forward as part of the mining property when it is probable that additional future economic benefits associated with the expenditure will flow to the consolidated entity. Otherwise such expenditure is classified as a cost of production.

Depreciation is charged using the units-of-production method, with separate calculations being made for each area of interest. The units-of-production basis results in a depreciation charge proportional to the depletion of proved, probable and estimated reserves.

Mining properties are tested for impairment in accordance with the policy on impairment of assets.

(xii) Impairment

Financial instruments

At each reporting date, the consolidated entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Other assets

At each reporting date, the consolidated entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(xiii) Investments

Investments in controlled entities are carried at cost. Cost includes the purchase price of the entity as well as directly attributable costs associated with the acquisition. Directly attributable costs are capitalised only once there is written agreement to acquire the entity.

(xiv) Interests in Joint Ventures

The consolidated entity's share of the assets, liabilities, revenue and expenses of jointly controlled assets has been included in the appropriate line items of the consolidated financial statements.

The consolidated entity's interests in joint venture entities are brought to account using the interests in joint venture operation are brought to account using the proportionate consolidation method.

Where the consolidated entity contributes assets to the joint venture or if the consolidated entity purchases assets from the joint venture, only the portion of the gain or loss that is not attributable to the consolidated entity's share of the joint venture shall be recognised. The consolidated entity however will recognise the full amount of any loss when the contribution results in a reduction in the net realisable value of current assets or an impairment loss.

(xv) Financial instruments

Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the consolidated entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity is no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(xv) Financial instruments (Cont.)

Classification and subsequent measurement

Financial assets at fair value through profit or loss

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the consolidated entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Derivative instruments

Derivative instruments are measured at fair value. Gains and losses arising from changes in fair value are taken to the statement of comprehensive income unless they are designated as hedges. Assessments are made by the consolidated entity both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of comprehensive income, together with any changes in the fair value of hedged assets or liabilities that are attributable to the hedged risk.

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is deferred to a hedge reserve in equity. The gain or loss relating to the ineffective portion is recognised immediately in the statement of comprehensive income. Amounts accumulated in the hedge reserve in equity are transferred to the statement of comprehensive income in the periods when the hedged item will affect profit or loss.

Fair value

Fair value is determined based on current bid prices for all quoted investments.

Impairment

At each reporting date, the consolidated entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Trade and other receivables

Trade receivables and other receivables are stated at cost less impairment losses.

Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods or services received. Trade accounts payable are normally settled within 60 days.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(xv) Financial instruments (Cont.)

Interest bearing loans and borrowings

Interest bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the statement of comprehensive income over the period of the borrowing on an effective interest basis.

Finance costs

Finance costs comprise interest payable on borrowings calculated using the effective interest rate method, foreign exchange gains or losses and gains or losses on hedging instruments that are recognised in the statement of comprehensive income. The interest expense component of finance lease payments is recognised in the statement of comprehensive income using the effective interest method.

Foreign currency transactions

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined. Exchange differences arising on the translation of monetary items are recognised in the statement of comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge. Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of comprehensive income.

(xvi) Lease payments

Operating lease payments

Payments made under operating leases are recognised in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the statement of comprehensive income as an integral part of the total lease expense and spread over the lease term.

Finance lease payments

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(xvii) Employee benefits

Provision has been made for benefits accruing to employees in relation to annual leave, long service leave, workers' compensation and vested sick leave. No provision is made for non-vesting sick leave.

All on-costs, including payroll tax, workers' compensation premiums, superannuation and fringe benefits tax are included in the determination of provisions. Vested sick leave, and the current portion of annual leave, long service leave and workers' compensation provisions are measured at the amount of the expected payment to the employee.

The portions of annual leave, long service leave and workers' compensation provisions expected to be settled later than one year, are discounted using interest rates on national government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Obligations for contributions to defined contribution pension plans are recognised as an expense in the statement of comprehensive income as incurred.

(xviii) Share based payments

Certain employees may be entitled to participate in option ownership schemes. The fair value of options granted is recognised as an expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the vesting period being the period during which the employees become unconditionally entitled to the options. The fair value of options granted is measured using a recognised valuation model, taking into account the terms and conditions upon which the options were granted. The amount recognised in expense is adjusted to reflect the actual number of share options that vest except where forfeiture is only due to share prices not achieving the threshold for vesting.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(xix) Provisions

Provisions are recognised when the consolidated entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Warranties

Provision is made in respect of the consolidated entity's estimated liability on all products and services under warranty at the reporting date. The provision is measured as the present value of future cash flows estimated to be required to settle the warranty obligation. The future cash flows have been estimated by reference to the consolidated entity's history of warranty claims.

Project closure

At the completion of some projects the consolidated entity has a liability for redundancy and the cost of relocating crushing and other mobile plant. An assessment is undertaken on the probability that such expenses will be incurred in the normal business of contracting services and is provided for in the financial statements.

Rehabilitation

In accordance with the consolidated entity's legal requirements, provision is made for the anticipated costs of future restoration and rehabilitation of areas from which natural resources have been extracted. The provision includes costs associated with dismantling of assets, reclamation, plant closure, waste site closure, monitoring, demolition and decontamination. The provision is based upon current costs and has been determined on a discounted basis with reference to current legal requirements and current technology.

Each period the impact of unwinding of the discount is recognised in the statement of comprehensive income as a financing cost. Any change in the restoration provision is recorded against the carrying value of the provision and the related asset, only to the extent that it is probable that future economic benefits associated with the restoration expenditure will flow to the entity, with the effect being recognised in the statement of comprehensive income on a prospective basis over the remaining life of the relevant operation. The restoration provision is separated into current (estimated costs arising within 12 months) and non-current components based on the expected timing of these cash flows.

Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the consolidated entity from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

(xx) Earnings per share

Basic earnings per share

Basic earnings per share is determined by dividing net profit after income tax attributable to ordinary shareholders of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(xxi) Australian goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(xxii) Share capital

Dividends are not provided for as a liability in the period in which they are declared.

Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax benefit.

(xxiii) Comparatives

Where required by Australian Accounting Standards, comparative information has been adjusted to conform with changes in presentation for the current financial year.

(xxiv) Critical accounting estimates and judgements

Provisions

Refer to note 1 (xix) and note 18.

Impairment of goodwill and intangibles with indefinite useful lives

The consolidated entity assesses goodwill and intangibles with indefinite useful lives for impairment at least annually. These calculations involve an estimation of the recoverable amount of the cash-generating units to which the goodwill and intangibles with indefinite useful lives are allocated.

Useful lives of plant and equipment

The consolidated entity assesses the useful life of plant and equipment assets annually. The useful life is assessed with reference to the assets operational activity and commitments and adjustments made to reflect the duty expected of the plant and equipment. Adjustments to depreciation rates of plant and equipment where the expected useful life is deemed to have changed is reflected in the notes to this financial report.

The financial effect of this change in estimates on future financial years can not be disclosed as the future estimated life of the assets involved cannot be reliably estimated.

Impairment of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the consolidated entity decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors which could impact the future recoverability include the level of proved, probable and inferred mineral resources, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent that it is determined in the future that this capitalised expenditure should be written off, this will reduce profits and net assets in the period in which this determination is made.

NOTE 2: STATEMENT OF OPERATIONS BY SEGMENTS

Business segments

Mineral Resources Limited has identified its operating segments based on internal management reports that are reviewed by the executive committee in assessing performance and in determining the allocation of resources.

The measurement of segment results is in line with the basis of information presented to management for internal management reporting purposes and the performance of each segment is measure based on underlying EBIT contribution.

The accounting policies applied for internal reporting purposes are consistent with those applied in the preparation of the financial statements.

	Mining Services & Processing		Mining		Consolidated	
	Jun-11 $'000	Jun-10 $'000	Jun-11 $'000	Jun-10 $'000	Jun-11 $'000	Jun-10 $'000
Segment Revenue						
External revenue	609,518	312,643	-	-	609,518	312,643
Revenue between segments	-	-	-	-	-	-
Interest income	5,025	2,237	241	167	5,266	2,404
Interest expense	(5,609)	(5,113)	(29)	-	(5,638)	(5,113)
Depreciation & amortisation	(26,216)	(19,252)	(59)	(44)	(26,275)	(19,296)
Reportable segment profit before income tax	**206,792**	**82,310**	**2,123**	**(651)**	**208,915**	**81,659**
Income tax expense	(59,945)	(38,073)	1,523	53,599	(58,422)	15,526
Profit for the year	**146,847**	**44,237**	**3,646**	**52,948**	**150,493**	**97,185**
Reportable segment assets	681,148	568,887	288,909	275,929	970,057	844,816
Exploration assets	36,379	36,468	226,545	221,430	262,924	257,898
Reportable segment liabilities	272,470	300,360	70,081	58,777	342,551	359,137
Segment capital expenditure	191,163	68,284	729	-	191,892	68,284

Other segment information

i. Segment revenue

Revenues from external customers can be separated into the following categories; contract and operational revenue, the sale of goods and equipment and equipment rental. A breakdown of these revenues per class of product and service is detailed in Note 3.

ii. Revenue by geographical region

Revenue attributable to external customers is disclosed below, based on the location of the external customer:

	30 June 2011 $000	30 June 2010 $000
Australia	462,437	235,346
China	147,081	77,297
Total revenue	**609,518**	**312,643**

iii. Assets by geographical region

All assets used in the operations of the company are located in Australia.

NOTE 2: STATEMENT OF OPERATIONS BY SEGMENTS (CONT.)

iv. Major customers

Revenue from services provided and mining product sold was comprised of the following clients and buyers who each on a proportionate basis equated to greater than 10% of total sales for the period.

Customer	2011 $'000	2011 % of total revenue
Customer #1	80,855	13.3
Customer #2	78,767	12.9

Customer	2010 $'000	2010 % of total revenue
Customer #1	53,449	17.1
Customer #2	49,397	15.8
Customer #3	34,171	10.9

	Consolidated	
	2011 $'000	2010 $'000
NOTE 3: REVENUE		
Revenue from continuing operations		
Contract and operational revenue	232,644	155,324
Sale of goods and equipment	376,128	153,555
Equipment rental	746	3,764
	609,518	**312,643**
Other income		
Interest income	5,266	2,404
Administration charges	-	654
Profit on sale of fixed assets	3,067	6,008
Gain on sale of financial assets	19,581	-
Other	820	768
	28,734	**9,834**
NOTE 4: PROFIT BEFORE INCOME TAX		
Profit before income tax includes the following specific expenses not disclosed separately on the face of the statement of comprehensive income and included within other expenses:		
Rental expenses relating to operating leases	3,862	2,335
Travel and accommodation	8,755	3,772
Bank fees and charges	1,862	1,204
Foreign exchange loss	1,700	-
Other	15,299	7,260
	31,478	**14,571**

	Consolidated	
	2011 $'000	**2010 $'000**

NOTE 5: INCOME TAX EXPENSE

The components of tax expense comprise:		
Current tax	26,274	15,283
Deferred tax	34,850	(31,249)
Under/(over) provision in respect of prior years	(2,702)	440
	58,422	**(15,526)**
The prima facie income tax expense on pre-tax accounting profit reconciles to the income tax expense in the financial statements as follows:		
Profit before income tax	208,915	81,659
Prima facie tax thereon at 30%	62,674	24,498
Other non allowable items	379	2,223
Research and development concessions	(1,109)	(5,470)
Investment allowance	-	(1,365)
Tax consolidation recognition of temporary differences	-	(24,580)
Employee share trust	(1,208)	(1,196)
Recognition of previously unrecognised tax losses and temporary differences of prior periods	-	(10,076)
Tax losses and temporary differences not recognised	388	-
Under/(over) provision in respect of prior years	(2,702)	450
Income tax expense/(benefit) attributable to profit	**58,422**	**(15,526)**

(a) Tax losses

Unused tax losses for which no deferred tax asset has been recognised	17,929	17,326
Potential tax benefit at 30%	**5,379**	**5,198**

All unused tax losses were incurred by Australian entities that are not part of the tax consolidated group.

NOTE 6: CASH AND CASH EQUIVALENTS

Cash at bank and on hand	94,141	57,598
Deposits at call	86,315	116,872
	180,456	**174,470**

Cash at bank and on hand is interest bearing at 4.75%.

Deposits at call are interest bearing at between 4.75% and 5.85%.

The consolidated entity's exposure to interest rate risk is discussed in Note 28.

NOTE 7: TRADE AND OTHER RECEIVABLES

	Consolidated 2011 $'000	Consolidated 2010 $'000
Current		
Trade and other debtors	107,980	57,690
Add		
Offset against provision for impairment	(978)	(912)
	107,002	**56,778**
Non current		
Amounts receivable from associated entities	-	10
Security deposits	3,385	-
	3,385	**10**
Movements in the provision for impairment of receivables are as follows:		
Opening balance	(912)	(986)
Provision movement during the year	(66)	74
Closing balance	**(978)**	**(912)**

Past due but not impaired

As of 30 June 2011, trade receivables of $6,172,000 (2010: $18,389,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	60 days $'000	90 days + $'000	Total past due $'000
Past due trade receivables	4,337	1,835	6,172

Foreign exchange and interest rate risk

Information about the Group's and the parent entity's exposure to foreign currency risk and interest rate risk in relation to trade and other receivables is provided in Note 28.

	Consolidated	
	2011 $'000	2010 $'000

NOTE 8: INVENTORIES

	2011 $'000	2010 $'000
Current		
Raw materials and stores	17,043	19,695
Amounts due from customers under construction contracts	2,357	8,273
Work in progress	-	2,411
	19,400	**30,379**
Construction contracts		
Contract costs incurred to date	55,547	73,247
Profit recognised to date	5,267	3,625
	60,814	**76,872**
Less: progress billings received and receivable	(60,310)	(136,847)
Net construction work in progress	**504**	**(59,975)**
Amounts due from customers	2,357	8,273
Amounts due to customers (Note 16)	(1,853)	(68,248)
	504	**(59,975)**

NOTE 9: OTHER ASSETS

	2011 $'000	2010 $'000
Current		
Prepayments	**2,013**	**776**

NOTE 10: EXPLORATION AND EVALUATION EXPENDITURE

	2011 $'000	2010 $'000
Opening balance	257,898	-
Acquisition through business combinations	-	256,294
Additions	5,299	2,307
Disposals	-	(463)
Write offs	(273)	(240)
	262,924	**257,898**

The recoverability of the carrying amount of these assets is dependent on the successful exploitation of the areas of interest.

NOTE 11: FINANCIAL ASSETS

	Consolidated 2011 $'000	Consolidated 2010 $'000
Current		
Financial assets at fair value through profit or loss	**4,044**	**-**
Non current		
Available-for-sale financial assets	**2,739**	**4,350**
(a) Financial assets at fair value through profit or loss		
Net gain recognised as a result of the fair valuation of foreign exchange contracts	**4,044**	**-**
Held for trading financial liabilities comprise		
Net loss recognised as a result of the fair valuation of foreign exchange contracts (Note 17)	**-**	**(993)**

The consolidated entity has entered into forward exchange contracts which are economic hedges but do not satisfy the requirements for hedge accounting. These contracts are accounted for as held for trading. Changes in the fair value of these contracts are recorded in the Statement of comprehensive income.

	Consolidated 2011 $'000	Consolidated 2010 $'000
(b) Available-for-sale financial assets		
Listed investments, at fair value		
Shares in listed corporations	1,377	1,950
Unlisted investments, at fair value		
Financial asset	1,362	2,400
Total available-for-sale investments at fair value	**2,739**	**4,350**

Fair value of shares in listed companies is determined by the closing price on the reporting date.

NOTE 12: INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Interests are held in the following unlisted associated companies

Name	Principal activities	Country of incorporation	Shares	Ownership interest		Carry amount of investment	
				2011 %	2010 %	2011 $000	2010 $000
Minprocess Group Inc.	Mineral processing	Philippines	Ord	40	40	66	66
Iron Processing Group Inc.	Mineral processing	Philippines	Ord	40	40	54	54
Process Minerals International Pty Ltd Inc.	Mineral processing	Philippines	Ord	40	40	70	69
						190	**189**

	Consolidated	
	2011 $'000	2010 $'000
Assets, Liabilities and Performance of Associates		
Current assets	27	27
Non-current assets	189	189
Total assets	**216**	**216**
Current liabilities	(19)	(19)
Non-current liabilities	(733)	(733)
Total liabilities	**(752)**	**(752)**
Net assets	**(536)**	**(536)**
Revenues	-	-
Profit after income tax of associates	-	(28)

Ownership interest in Minprocess Group Inc, Iron Processing Group Inc and Process Minerals International Pty Ltd Inc, at the company's balance date was 40% of ordinary shares. The reporting date of the associates is 30 June.

NOTE 13: PLANT AND EQUIPMENT

Consolidated	Plant & equipment financed	Plant & equipment	Beneficiation plant	Tracked plant & equipment	Total
	Cost $'000	Cost $'000	Cost $'000	Fair value $'000	$'000
At 1 July 2009					
Cost or fair value	90,782	61,891	57,000	4,801	214,474
Accumulated Depreciation	(44,254)	(10,924)	-	(2,263)	(57,441)
	46,528	**50,967**	**57,000**	**2,538**	**157,033**
Year ended 30 June 2010					
Opening	46,528	50,967	57,000	2,538	157,033
Addition	21,957	66,468	-	-	88,425
Transfers	(11,741)	11,741	-	-	-
Disposals	-	(11,423)	-	-	(11,423)
Depreciation charge	(9,208)	(10,088)	-(*)	-(*)	(19,296)
Closing	**47,536**	**107,665**	**57,000**	**2,538**	**214,739**
At 1 July 2010					
Cost or fair value	64,420	159,296	57,000	4,801	285,517
Accumulated Depreciation	(16,884)	(51,631)	-	(2,263)	(70,778)
	47,536	**107,665**	**57,000**	**2,538**	**214,739**
Year ended 30 June 2011					
Opening	47,536	107,665	57,000	2,538	214,739
Addition	30,862	161,030	-	-	191,892
Transfers	(17,816)	17,816	-	-	-
Disposals	-	(3,800)	(57,000)	(62)	(60,862)
Depreciation charge	(5,563)	(20,712)	-(*)	-(*)	(26,275)
Closing	**55,019**	**261,999**	**-**	**2,476**	**319,494**
At 30 June 2011					
Cost or fair value	65,173	345,182	-	3,758	414,113
Accumulated Depreciation	(10,154)	(83,183)	-	(1,282)	(94,619)
	55,019	**261,999**	**-**	**2,476**	**319,494**

Assets in the course of construction

The carrying amounts of the assets disclosed above includes $153,346,000 (2010: $31,050,580) recognised in relation to property, plant and equipment in the course of construction.

Notes: (*) In accordance with accounting policy, beneficiation plant and tracked plant and equipment are depreciated on a usage basis. No depreciation charge recognised as beneficiation plant and tracked plant and equipment assets not in use during the year.

NOTE 14: INTANGIBLE ASSETS

Consolidated	Goodwill	Patents	Port access	Operating lease	Total
	$'000	$'000	$'000	$'000	$'000
2010					
Cost	10,235	10,921	14,303	7,038	42,497
Accumulated amortisation and impairment	-	-	-	-	-
	10,235	**10,921**	**14,303**	**7,038**	**42,497**
Opening	10,235	-	-	-	10,235
Additions	-	10,921	14,303	7,038	32,262
Amortisation charge	-	-	-	-	-
Closing balance	**10,235**	**10,921**	**14,303**	**7,038**	**42,497**
2011					
Cost	10,235	10,984	15,767	7,038	44,024
Accumulated amortisation and impairment	-	-	-	-	-
	10,235	**10,984**	**15,767**	**7,038**	**44,024**
Opening	10,235	10,921	14,303	7,038	42,497
Additions	-	63	1,464	-	1,527
Amortisation charge	-	-	-	-	-
Closing balance	**10,235**	**10,984**	**15,767**	**7,038**	**44,024**

Impairment tests for cash generating units containing goodwill

The following cash generating units have significant carrying amounts of goodwill.

	2011 $'000	2010 $'000
PIHA Pty Ltd	8,817	8,817
Process Minerals International Pty Ltd	1,418	1,418
	10,235	**10,235**

The recoverable amount of the cash generating unit is based on value-in-use calculations. The calculations use cash flow projections based on the following year's budget and plan, extended over a period of five years. Cash flows into perpetuity are extrapolated using a growth factor relevant to the sector and business plan. A pre-tax discount rate is applied adjusted for the risk of the industry in which each unit operates.

Goodwill has an indefinite life.

Impairment Disclosures

The recoverable amount of each cash-generating unit above is determined based on value-in-use calculations. Value-in-use is calculated based on the present value of cash flow projections over a five-year period. The cash flows are discounted using the target weighted average cost of capital for the consolidated entity.

The following assumptions were used in the value-in-use calculations:

Discount rate – 11% (2010: 11%)
Growth rate of cash flows – nil (2010: nil)

Management has based the value-in-use calculations on budgets for each cash generating unit. These budgets use historical weighted average growth rates to project revenue. Costs are calculated taking into account historical gross margins as well as estimated weighted average inflation rates over the period which is consistent with inflation rates applicable to the locations in which the segments operate. Discount rates are pre-tax and are adjusted to incorporate risks associated with a particular cash generating unit.

NOTE 15: DEFERRED TAX ASSETS AND LIABILITIES

	Consolidated 2011 $'000	Consolidated 2010 $'000
Deferred tax assets		
Opening balance	62,730	10,127
Charged / (credited) to statement of comprehensive income	(39,419)	46,970
Charged / (credited) to equity	1,075	4,991
Acquisition of subsidiary	-	642
	24,386	**62,730**
Deferred tax assets represented by:		
- trade and other receivables	298	3,293
- financial assets	1,121	1,072
- plant and equipment	-	1,898
- provisions	5,987	5,001
- borrowings	16	69
- employee share trust	3,111	4,328
- tax losses	10,839	45,539
- other	3,014	1,530
	24,386	**62,730**
Deferred tax liabilities		
Opening balance	108,028	14,890
Charged / (credited) to statement of comprehensive income	(4,595)	17,577
Charged / (credited) to equity	(930)	(930)
Acquisition of subsidiary	-	76,491
	102,503	**108,028**
Deferred tax liabilities represented by:		
- trade and other receivables	3,364	1,895
- inventory	8	129
- financial assets	517	129
- plant and equipment	19,737	28,506
- exploration and evaluation	78,877	77,369
	102,503	**108,028**

NOTE 16: TRADE AND OTHER PAYABLES

	Consolidated 2011 $'000	Consolidated 2010 $'000
Current		
Unsecured liabilities		
- trade creditors and accruals	89,837	74,580
- amounts due to customers under construction contracts (Note 8)	1,853	68,248
	91,690	**142,828**
Non current		
Unsecured liabilities		
- trade creditors and accruals	**-**	**15**

NOTE 17: BORROWINGS

	Consolidated 2011 $'000	Consolidated 2010 $'000
Current		
Secured liabilities		
- bank loan	50,000	14,100
- finance lease liabilities	14,378	12,644
- held for trading (Note 11)	-	993
	64,378	**27,737**
Non current		
Secured liabilities		
- bank loans	8,596	45,000
- finance lease liabilities	29,063	14,525
	37,659	**59,525**

Details of the security held is as follows:

Bank facilities are secured by:

- Registered mortgage debentures over the whole of the assets and undertakings of each of the parent entity and its controlled entities;
- Negative pledges with respect to financial covenants; and
- Interlocking guarantees.

Finance lease liabilities are secured over individual assets financed in the normal operation of a finance lease agreement, in the first instance and then by the bank security described above.

Bank loans are in the form of a floating rate bill facility to be converted into an equipment loan. The floating rate bill rolls periodically and the company has the right to have it converted upon reaching certain criteria as set out in its banking contract into an equipment loan which will have a maturity date of 28 February 2015. Until the bill facility is converted into an equipment loan it is classified as a current liability.

Finance facilities

(a) The consolidated entity has access to the following lines of credit:

	2011 $'000	2010 $'000
Bank overdraft		
Limit	3,600	3,600
Amount utilised	-	-
Unused facility	**3,600**	**3,600**
Finance lease liabilities		
Limit	77,000	127,000
Amount utilised	(42,073)	(27,170)
Unused facility	**34,927**	**99,830**
Bank loans		
Limit	58,722	64,100
Amount utilised	(58,596)	(59,100)
Unused facility	**126**	**5,000**

NOTE 17: BORROWINGS (CONT.)

Facility use, expiry and interest rates:

Bank overdraft

This facility is an overdraft offset facility that can be drawn to a maximum of $3,600,000. The facility is renewable on an annual basis and is due for renewal on 31 December 2011. Interest is charged on this account at the National Australia Bank Indicator Rate plus a margin of 0.75%. At the balance date this rate was 10.51% per annum. This rate can vary.

Finance lease facilities

Finance lease contracts are utilised to finance the acquisition of plant and equipment. The consolidated group has a combination of a revolving limit and separately approved finance lease contracts. The contracts are negotiated on current interest rates and terms depend on the particular equipment purchased and the contract expires on completion of the payment schedule. Average interest rates and the unexpired terms of the contracts are disclosed in Note 28.

Bank loan

Bank loans are in the form of a floating rate bill facility.

Bill facility $50m
This floating rate bill rolls periodically and the company has the right to have it converted upon reaching certain criteria as set out in its banking contract into an equipment loan which will have a maturity date of 28 February 2015. Until the bill facility is converted into an equipment loan it is classified as a current liability. The interest rate of this facility is 5.86%.

Bill facility $8.596m
The floating rate bill has an expiry rate of 31 December 2013. The interest rate of this facility is 5.91%.

NOTE 18: PROVISIONS

Consolidated	Employee entitlements	Warranty	Project closure	Site rehabilitation	Total
	$'000	$'000	$'000	$'000	$'000
2011					
Opening balance	4,732	952	4,615	6,370	16,669
Additional provisions	6,903	693	1,031	-	8,627
Amounts used	(4,806)	(444)	-	-	(5,250)
Closing balance	**6,829**	**1,201**	**5,646**	**6,370**	**20,046**
Current	6,768	1,201	1,335	-	9,304
Non-current	61	-	4,311	6,370	10,742
	6,829	**1,201**	**5,646**	**6,370**	**20,046**
2010					
Opening balance	3,819	620	6,328	6,370	17,137
Additional provisions	4,881	375	-	-	5,256
Amounts used	(3,968)	(43)	(1,713)	-	(5,724)
Closing balance	**4,732**	**952**	**4,615**	**6,370**	**16,669**
Current	4,732	952	-	-	5,684
Non-current	-	-	4,615	6,370	10,985
	4,732	**952**	**4,615**	**6,370**	**16,669**

NOTE 18: PROVISIONS (CONT.)

Provision for Warranties

Provision is made in respect of the consolidated entity's estimated liability on all products and services under warranty at balance date. The provision is measured as the present value of future cash flows estimated to be required to settle the warranty obligation. The future cash flows have been estimated by reference to the consolidated entity's history of warranty claims.

Provision for Project Closure

At the completion of some projects the consolidated entity has a liability for redundancy and the cost of relocating crushing and other mobile plant. An assessment is undertaken on the probability that such expenses will be incurred in the normal business of contracting services and is provided for in the financial statements.

Provision for Site Rehabilitation

In accordance with the consolidated entity's legal requirements, provision is made for the anticipated costs of future restoration and rehabilitation of areas from which natural resources have been extracted. The provision includes costs associated with dismantling of assets, reclamation, plant closure, waste site closure, monitoring, demolition and decontamination. The provision is based upon current costs and has been determined on a discounted basis with reference to current legal requirements and current technology.

NOTE 19: SHARE CAPITAL

(a) Issued and paid up capital

Issued and paid up capital of the company is 169,168,017 ordinary shares (2010: 161,283,695) at 30 June 2011.

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings.

(b) Movements in share capital

	2011 Number	2010 Number	2011 $'000	2010 $'000
Opening balance	161,283,695	124,182,776	315,526	72,782
Shares issued and purchased by director	-	500,000	-	-
Shares issued for cash under on market placements	-	7,750,000	-	52,312
Share options exercised by directors	-	1,500,000	-	1,350
Employee share options exercised	1,342,650	2,362,490	2,820	5,018
Unlisted share options exercised by recipients of consideration for acquisition of Polaris Metals NL	795,000	-	4,397	-
Unlisted share options exercised by Hancock Prospecting Pty Ltd	5,000,000	-	30,250	-
Shares issued for acquisition of Polaris Metals NL	-	19,991,482	-	144,711
Shares issued for acquisition of Mesa Minerals Limited	634,390	4,996,947	4,138	34,437
Shares issued for dividend reinvestment	112,282	-	1,278	-
Employee share trust contributions	-	-	1,075	3,131
Share based payments	-	-	135	2,885
Share issue costs	-	-	-	(1,100)
Closing balance	**169,168,017**	**161,283,695**	**359,619**	**315,526**

NOTE 19: SHARE CAPITAL (CONT.)

(c) Options

For information relating to the Mineral Resources Limited employee share option plan, including details of options issued, exercised and lapsed during the financial year and the options outstanding at year end, refer to Note 26 Share based payments.

For information relating to share options issued to key management personnel during the financial year, refer to Note 26 Share based payments.

(d) Capital management

The consolidated entity manages its capital to ensure that entities in the group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the consolidated entity consists of debt, which includes the borrowings disclosed in Note 17, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued share capital, reserves and retained earnings. Management and the Board balances the capital structure through payment of dividends, issue of new shares, repayment of existing debt and the acquisition of new debt.

The consolidated entity's overall capital management strategy remains unchanged from 2010.

NOTE 20: RESERVES

Asset Revaluation Reserve

The asset revaluation reserve records the revaluations of tracked plant and equipment.

Movement in the asset revaluation reserve:

	Consolidated	
	2011 $'000	2010 $'000
Opening balance	5,386	4,456
Net change in fair value	(459)	930
Closing balance	**4,927**	**5,386**

NOTE 21: CASH FLOW INFORMATION

	Consolidated 2011 $'000	Consolidated 2010 $'000
(a) Reconciliation of cash		
Cash at bank and on hand	180,456	174,470
	180,456	**174,470**
(b) Cash flows from operations		
Profit after tax	150,493	97,185
Non-cash flows in profit:		
Depreciation and amortisation	26,275	19,296
Share based payments expense	135	2,884
Exploration written off	-	704
Net gain on disposal of plant and equipment	(3,067)	(6,008)
Net gain on disposal of investments	(19,581)	-
Impairment losses	1,038	1,172
Changes in assets and liabilities:		
Trade receivables	(52,230)	(18,090)
Inventories	10,979	(14,059)
Other current assets	(1,237)	51
Financial assets	(5,037)	188
Trade payables and accruals	(51,153)	99,700
Provisions	3,377	(468)
Financial liabilities	-	993
Deferred tax assets	39,419	(49,471)
Current tax liability	21,940	(665)
Deferred tax liability	(4,595)	17,577
Cash flows from operations	**116,756**	**150,989**

During the year, the consolidated group acquired plant and equipment with an aggregate value of $30,862,000 (2010: $21,957,000) by means of finance leases.

NOTE 22: OPERATING AND FINANCE LEASES

The operating leases have been entered into as a means of acquiring access to property. Rental payments are generally fixed.

Non cancellable operating leases contracted for but not capitalised:

	2011 $'000	2010 $'000
Payable:		
- not later than one year	4,586	1,744
- later than one year but not later than five years	5,230	1,426
- later than five years	-	-
	9,816	**3,170**

The property lease is a non-cancellable lease with a five-year term, with rent payable monthly in advance. Rental provisions within the lease agreement require that minimum lease payments shall be increased 3.5% per annum. An option exists to renew the lease at the end of the five-year term for an additional term of five years.

NOTE 22: OPERATING AND FINANCE LEASES (CONT.)

	Consolidated 2011 $'000	Consolidated 2010 $'000
Finance lease liabilities		
Payable:		
- not later than one year	17,130	14,184
- later than one year but not later than five years	30,709	15,804
- later than five years	-	-
Minimum finance lease payments	**47,839**	**29,988**
Less future finance charges	(4,398)	(2,819)
Total finance lease liabilities	**43,441**	**27,169**
Reconciled to:		
- Current liabilities	14,378	12,644
- Non current liabilities	29,063	14,525
	43,441	**27,169**

NOTE 23: COMMITMENTS

	Consolidated 2011 $'000	Consolidated 2010 $'000
Capital commitments		
Capital expenditure commitments contracted for:		
Plant and equipment purchases within one year	52,426	43,194
Mining expenditure commitments		
- not later than one year	1,800	1,800
- later than one year but not later than five years	-	-
- later than five years	-	-
	1,800	**1,800**

In order to maintain current rights to explore and mine the tenements held, the group is required to perform minimum exploration work to meet the expenditure requirements specified by the Department of Mines and Petroleum.

NOTE 24: CONTROLLED ENTITIES

(a) Controlled entities

The financial statements include the following controlled entities. The financial years of all controlled entities are the same as that of the Parent entity.

	Country of incorporation and operation	Class	Equity holding	
			2011 %	2010 %
Parent entity:				
Mineral Resources Limited	Australia			
Controlled entities:				
Crushing Services International Pty Ltd	Australia	Large Proprietary	100.00%	100.00%
Eclipse Minerals Pty Ltd	Australia	Small Proprietary	100.00%	100.00%
HiTec Energy Pty Ltd	Australia	Small Proprietary	64.23%	57.40%
Mesa Minerals Limited	Australia	Public Listed	64.23%	57.40%
PIHA Pty Ltd	Australia	Large Proprietary	100.00%	100.00%
Polaris Metals Pty Ltd (previously Polaris Metals NL)	Australia	Small Proprietary	100.00%	100.00%
Process Minerals International Pty Ltd	Australia	Large Proprietary	100.00%	100.00%

(b) Deed of cross guarantee

The parent entity has not entered into a deed of cross guarantee whereby the parent entity will provide that all parties to the deed will guarantee to each creditor payment in full of any debt of each company participating in the deed on winding up of that company.

NOTE 25: KEY MANAGEMENT PERSONNEL DISCLOSURES

The following were key management personnel of the consolidated entity at any time during the reporting period and unless otherwise indicated were key management personnel for the entire period:

Non executive directors:

- Mr J Ricciardo
- Mr M Dutton
- Mr K Flynn
- Mr P R Welker**

** appointed 1 December 2010 - resigned 7 October 2011

Executive directors:

- Mr P Wade (Chairman, Chief Executive Officer and Managing Director)
- Mr C Ellison (Executive Director, Business Development)

Executives:

- Mr B Gavranich (General Manager, PIHA)
- Mr S Wyatt (General Manager, CSI)
- Mr D Geraghty (Technical Director, PMI)
- Mr B Goulds (Chief Financial Officer)

NOTE 25: KEY MANAGEMENT PERSONNEL DISCLOSURES (CONT.)

Remuneration of key management personnel

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2011.

The totals of remuneration paid to KMP of the Group during the year are as follows:

	Consolidated	
	2011 $'000	2010 $'000
Short-term employee benefits	2,894,861	2,378,820
Post-employment benefits	251,811	229,889
Other long-term benefits	-	-
Share-based payments	-	1,183,424
	3,146,672	**3,792,133**

Loans to key management personnel and their related parties

A loan was made in a prior period to a director (Mark Dutton) for the purpose of acquiring 500,000 shares in the company. Details of the loan are disclosed in Note 26.

Equity instruments

No equity instruments were granted to directors or key management personnel during the year.

Exercise of options granted as remuneration

There were no amounts unpaid on the shares issued as a result of the exercise of options.

Key personnel option holdings

	Opening balance	Granted	Exercised	Closing balance	Vested	Unvested
D Geraghty	600,000	-	200,000	400,000	400,000	-

Equity holdings and transactions

The movement during the current year in the number of ordinary shares of Mineral Resources Limited held directly or indirectly by each key management person, including their related parties is as follows:

	Opening balance	Options exercised	Purchase on open market	Sales on open market	Closing balance
P Wade	4,416,162	-	-	(1,000,000)	3,416,162
J Ricciardo	2,055,750	-	-	(107,880)	1,947,870
C Ellison	35,804,065	-	-	(5,356,250)	30,447,815
M Dutton	500,000	-	-	-	500,000
S Wyatt	11,757,344	-	-	-	11,757,344
B Gavranich	9,604,595	-	-	(2,850,175)	6,754,420
D Geraghty	1,267,487	200,000	-	(27,688)	1,439,799
B Goulds	500,000	-	-	(200,000)	300,000

NOTE 26: SHARE BASED PAYMENTS

The following share based payment arrangements existed at 30 June 2011.

David Geraghty's options

As part of David Geraghty's engagement as Technical Director of Process Minerals, he has been allocated up to 600,000 Options exercisable at an average price of $1.90 and an expiry date of 3 years after the date of issue. The securities have been issued in 3 equal tranches on 15 January 2008, 15 January 2009 and 15 January 2010. A total of 400,000 options remain unexercised.

Mark Dutton's share loan

On 14 December 2009, the Company provided Mark Dutton (a Director), with an interest free loan of $3,345,000 to purchase 500,000 fully paid ordinary shares in the Company based on the Volume Weighted Average Price per share for the 5 trading days prior to issue of the shares ($6.69). The shares were issued under the MRL Senior Employee Share Purchase Plan and Loan Scheme. Provision of the loan and Mark's participation in the Senior Employee Share Purchase Plan and Loan Scheme, was approved by shareholders at the annual general meeting on 19 November 2009.

The Loan is for a fixed term of three years from the date of issue of the shares. Mark may choose to repay the loan in the following ways:

- pay the Company the balance owing at the end of the three year term, or
- hand back the shares to the Company in full satisfaction of the balance owing at the end of the three year term,

unless a Termination Event occurs, in which case the loan will be repayable in accordance with the Termination Event, or if Mark sells some or all of the shares prior to the end of the term he is required to pay the Company that part of the loan attributable to the shares sold within 21 days of the sale.

Termination Events

- Should Mr Dutton resign as a director of the Company, the balance owing is payable in full within 3 months of termination or he may hand back any shares he holds in full satisfaction of the balance;
- Should the Board of the Company terminate Mr Dutton's contract of service for misconduct or breach of his director's duties, the balance owing is payable in full within 3 months of the termination date or he may hand back any shares he holds in full satisfaction of the balance owing;
- Should the shareholders of the Company vote to remove Mr Dutton from the office of director of the Company or his contract of service is terminated by some other means not relating to any misconduct or breach or his director's duties, the balance owing is payable at the expiration of the three year term of the loan or within 12 months of his termination date whichever date is the earlier or he may hand back any shares he holds in full satisfaction of the balance owing.

In addition, Mr Dutton has and will receive the following Fixed Payments associated with the share purchase arrangement:

- $100,000 on signing the loan documents,
- $100,000 on the first anniversary of the shareholder approval,
- $100,000 on the second anniversary of the shareholder approval, and
- $150,000 on the third anniversary of the shareholder approval,

on the following conditions:

- At the relevant payment times above he has not resigned as a director of the Company or has given notice of his resignation nor will he have been removed from office and he will have served as a director for at least 10 of the 12 months prior to the payment time,
- In the event the Loan is repaid he will receive the balance of Fixed Payments within 21 days of the loan being repaid in full,
- In the event he chooses to hand back the company's shares in full satisfaction of the loan, no further fixed payments will be made.
- The Company will pay any fringe benefits tax payable in respect of the Loan.
- The company may release an appropriate number of shares from any mortgage that it has taken in respect of the shares, having regard to any reduction in the balance of the loan or any increase in the value of the shares.
- During the period no shares have been sold and no repayments made in respect of the loan.

NOTE 26: SHARE BASED PAYMENTS (CONT.)

Options

Options on issue at balance date	Number of options	Weighted average exercise price $
Outstanding at the beginning of the year	18,481,900	
Issued	100,000	4.03
Exercised	(7,137,650)	5.25
Expired	(50,000)	1.80
Outstanding at year-end	**11,394,250**	**5.66**
Exercisable at year-end	**11,394,250**	**5.66**

Share based payment expense

Total expenses arising from share-based payment transactions recognised during the period as part of employee benefit expenses were as follows:

	Consolidated	
	2011 $'000	2010 $'000
Options issued under employee option plan	135,000	1,874,575
Shares issued under employee share scheme	-	1,009,824
	135,000	**2,884,399**

NOTE 27: AUDITOR'S REMUNERATION

	Consolidated	
	2011 $'000	2010 $'000
Remuneration of the auditors of the parent entity:		
Audit Services		
Auditors of the Company		
RSM Bird Cameron Partners:		
Audit and review of financial reports	389,500	227,500
Other auditors		
Audit and review of financial reports	10,653	-
	400,153	**227,500**
Other services		
Auditors of the Company		
RSM Bird Cameron Partners:		
Taxation services	162,715	139,694
	162,715	**139,694**
	562,868	**367,194**

NOTE 28: FINANCIAL INSTRUMENTS

Financial risk management policies

The consolidated entity's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, loans to and from subsidiaries, leases, and derivatives.

The main purpose of non-derivative financial instruments is to raise finance for group operations. Derivatives are used by the consolidated group for hedging purposes. Such instruments consist of forward exchange contracts. The consolidated entity does not speculate in the trading of derivative instruments.

Treasury risk management

The Chief Financial Officer manages financial risk exposure and treasury management strategies in the context of the most recent economic conditions and forecasts. The overall risk management strategy seeks to assist the consolidated group in meeting its financial targets, whilst minimising potential adverse effects on financial performance. The Board reviews treasury risk strategies on a regular basis.

Financial risk exposures and management

The main risks the group is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk, and credit risk.

Liquidity risk

The company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

At 30 June 2011, the Group had unutilised standby credit facilities totalling $38,653,000 (2010: $108,430,000).

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period from the statement of financial position date to the contractual maturity date. As the amounts disclosed in the table are the contractual undiscounted cash flows, these balances will not necessarily agree with the amounts disclosed in the statement of financial position.

	30 June 2011					30 June 2010				
	Less than 6 months $'000	6 To 12 months $'000	1 To 5 years $'000	Over 5 years $'000	Total $'000	Less than 6 months $'000	6 To 12 months $'000	1 To 5 years $'000	Over 5 years $'000	Total $'000
Financial liabilities due for payment										
Trade and other payables	91,690	-	-	-	91,690	142,828	-	-	-	142,828
Borrowings	9,783	58,859	37,009	784	106,435	7,092	21,192	15,804	45,000	89,088
	101,473	**58,859**	**37,009**	**784**	**198,125**	**149,920**	**21,192**	**15,804**	**45,000**	**231,916**
Financial assets – cash flows realisable										
Cash and cash equivalents	180,456	-	-	-	180,456	174,470	-	-	-	174,470
Trade and other receivables	106,348	654	-	-	107,002	56,788	-	-	-	56,788
Other financial assets	1,377	-	1,362	-	2,739	-	1,950	2,400	-	4,350
	288,181	**654**	**1,362**	**-**	**290,197**	**231,258**	**1,950**	**2,400**	**-**	**235,608**
Net (outflow)/ inflow on financial instruments	**186,708**	**(58,205)**	**(35,647)**	**(784)**	**92,072**	**81,338**	**(19,242)**	**(13,404)**	**(45,000)**	**3,692**

NOTE 28: FINANCIAL INSTRUMENTS (CONT.)

Credit risk exposures

Credit exposure represents the extent of credit related losses to which the consolidated entity may be subject on amounts to be received from financial assets. The consolidated entity, while exposed to credit related losses in the event of non-performance by counterparties to financial instruments, does not expect that any counterparties will fail to meet their obligations.

The consolidated entity's exposures to on-statement of financial position credit risk are as indicated by the carrying amounts of its financial assets. The consolidated entity does not have a significant exposure to any individual counterparty.

Foreign currency risk

The consolidated entity is exposed to fluctuations in foreign currencies arising from the sale of goods in currencies other than the group's measurement currency.

The consolidated entity enters into forward exchange contracts to buy and sell specified amounts of foreign currencies in the future at stipulated exchange rates. The objective in entering the forward exchange contracts is to protect the consolidated entity against unfavourable exchange rate movements for both the contracted and anticipated future sales undertaken in foreign currencies.

At balance date, the details of outstanding forward exchange contracts are:

	Buy Australian dollars		Average exchange rate	
	2011 $'000	2010 $'000	2011	2010
Sell United States Dollars				
Settlement less than 6 months	44,085	49,458	0.9754	0.8694

Contracts above relate to the July to September 2011 period (2010: August to October 2010).

Interest rate risk

Interest rate risk is managed fixed rate debt. It is the policy of the group to keep all debt on fixed interest rates unless funding plants constructions that are drawn down using flexible rate equipment loans that are converted to fixed rate instruments on completion of the project.

The consolidated entity is exposed to interest rate risk as follows:

	Effective interest rate	Total	Floating interest rate	1 Year or less	Over 1 year to 5 years
Cash and cash equivalents	2.80%	180,456	180,456	-	-
Interest bearing liabilities – current*	6.16%	64,378	-	64,378	-
Interest bearing liabilities – non current*	6.80%	37,659	-	-	37,659

Consolidated 2010	Effective interest rate	Total	Floating interest rate	1 Year or less	Over 1 year to 5 years
Cash and cash equivalents	4.55%	174,470	174,470	-	-
Interest bearing liabilities – current*	6.02%	26,744	-	26,744	-
Interest bearing liabilities – non current*	5.24%	59,525	-	-	59,525

* These assets / liabilities bear interest at a fixed rate

NOTE 28: FINANCIAL INSTRUMENTS (CONT.)

Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Consolidated	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
2011				
Financial assets				
Financial assets at fair value through profit or loss:	4,044	-	-	4,044
Available-for-sale financial assets				
- listed investments	1,377	-	-	1,377
- unlisted investments	-	-	1,362	1,362
	5,421	**-**	**1,362**	**6,783**
2010				
Financial assets				
Available-for-sale financial assets				
- listed investments	1,950	-	-	1,950
- unlisted investments	-	-	2,400	2,400
	1,950	**-**	**2,400**	**4,350**

Consolidated	2011		2010	
	Carrying amount	Fair value	Carrying amount	Fair value
	$'000	$'000	$'000	$'000
Financial liabilities				
Trade and other payables	91,690	91,690	142,828	142,828
Borrowings	102,037	102,037	86,269	86,269
Financial assets				
Cash and cash equivalents	180,456	180,456	174,470	174,470
Trade and other receivables	107,002	107,002	56,788	56,788
Other financial assets	2,739	2,739	4,350	4,350

NOTE 28: FINANCIAL INSTRUMENTS (CONT.)

Estimation of fair values

The following summarises the major methods and assumptions used in estimating the fair values of financial instruments reflected in the table.

(i) *Interest bearing liabilities*

The fair value is estimated as the present value of future cash flows, discounted at market interest rates for homogeneous lease agreements. The estimated fair values reflect change in interest rates.

(ii) *Trade and other receivables / payables*

All trade and other receivables and payables are current and therefore carrying amount equals fair value.

Sensitivity

Interest rate risk

The consolidated entity has considered the sensitivity relating to its exposure to interest rate risk at balance date. This analysis considers the effect on current year results and equity which could result in a change in this risk. The management processes employed to control these factors involve entering into fixed interest rate borrowings and the potential impact on the profit and equity would not be a material amount.

Foreign currency risk

The consolidated entity has considered the sensitivity relating to its exposure to foreign currency risk at balance date. This sensitivity analysis considers the effect on current year results and equity which could result in a change in the USD / AUD rate. Management employed the use of forward exchange contracts to control this risk.

The table below summarises the impact of + / - 5% strengthening / weakening of the AUD against the USD on the consolidated entities post tax profit for the year and equity. The analysis is based on a 5% strengthening / weakening of the AUD against the USD at balance date with all other factors remaining equal.

	Post tax profit	Equity
	2011 $'000s	2011 $'000s
AUD/USD + 5%	1,831	1,831
AUD/USD - 5%	(1,831)	(1,831)

Price risk

The consolidated entity has considered the sensitivity relating to its exposure to changes in the market price of shares held in listed companies and does not consider the amount material enough to disclose.

	Consolidated	
	2011 $'000	2010 $'000

NOTE 29: DIVIDENDS PAID OR RECOMMENDED

	2011 $'000	2010 $'000
Dividends Paid		
Final ordinary dividend for 2009/10 of 13.60 cents per share franked at a tax rate of 30% paid on 18 November 2010	22,813	15,561
Interim ordinary dividend for 20010/11 of 15 cents per share franked at a tax rate of 30% paid on 7 April 2011	25,349	9,984
	48,162	**25,545**
Dividends Proposed		
Proposed final ordinary dividend for 2010/11 of 27.0 cents per share franked at a tax rate of 30% and to be paid on 20 October 2011	**49,619**	**22,692**
Franking Credits		
Franking credits available for subsequent financial years based on a tax rate of 30%	**1,408**	**20,387**
Balance of franking account at year end adjusted for franking credits arising from:		
- payment for income tax subsequent to the reporting date.	**27,691**	**21,987**

The reduction of the franking account from the payment of the dividend on 20 October 2011 will be $21,265,000 (2010 $9,725,000).

NOTE 30: EARNINGS PER SHARE

The following reflects the income and share data used in the calculations of basic and dilutes earnings per share:

	2011 $'000	2010 $'000
Net profit attributable to ordinary shareholders of the parent entity used in calculating basic and diluted earnings per share	150,493	97,185
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	167,778,381	141,982,976
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	174,046,492	145,315,054
Basic earnings per share (cents per share)	89.7	68.5
Diluted earnings per share (cents per share)	86.5	66.9

NOTE 31: RELATED PARTY TRANSACTIONS AND BALANCES

Related party transactions

Transactions between group entities are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. All services provided by group entities are at arms length transactions. Transactions for the period between group entities relate to the provision of goods and services, including shared resources, in relation to the ongoing business activities of the company.

2011

	Balance receivable by $'000s	Balance payable by $'000s	Sales to group companies $'000s	Purchases from group companies $'000s
Mineral Resources Ltd	881	4,185	654	265
PIHA Pty Ltd	1,438	74	9,657	475
Crushing Services International Pty Ltd	5,994	5,397	23,778	11,348
Process Minerals International Pty Ltd	3,162	1,839	2,855	24,193
Polaris Metals Pty Ltd (previously Polaris Metals NL)	772	130	30	128
Eclipse Minerals Pty Ltd	-	-	-	-
Mesa Minerals Limited	-	622	-	565
HiTec Energy Pty Ltd	-	-	-	-

2010

	Balance receivable by $'000s	Balance payable by $'000s	Sales to group companies $'000s	Purchases from group companies $'000s
Mineral Resources Ltd	9,996	351	4,871	795
PIHA Pty Ltd	1,556	3,085	1,095	911
Crushing Services International Pty Ltd	7,903	6,055	4,870	794
Process Minerals International Pty Ltd	442	18,980	214	4,823
Polaris Metals Pty Ltd (previously Polaris Metals NL)	8,573	-	-	-
Eclipse Minerals Pty Ltd	-	-	-	-
Mesa Minerals Limited	-	-	-	-
HiTec Energy Pty Ltd	-	-	-	-

Transactions between related and associated parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. All services provided by related and associated parties are at arms length transactions.

NOTE 31: RELATED PARTY TRANSACTIONS AND BALANCES (CONT.)

	Consolidated	
	2011 $'000	2010 $'000
Certain engineering services were provided by GR Engineering Services Pty Ltd, a company related to Joe Ricciardo. Services were provided on an arms length basis	1,526	943
Certain engineering services were provided to GR Engineering Services Pty Ltd, a company related to Joe Ricciardo. Services were provided on an arms length basis	91	-
Certain crushing and engineering services were provided by Global Advanced Metals Pty Ltd (formerly Talison Pty Ltd), a company related to Kelvin Flynn in the previous financial year. Services were provided on an arms length basis	-	1,944
Properties from which the company's operations are performed are rented from parties related to Chris Ellison and Peter Wade	1,638	1,709

Related party balances

	Associated Director	Balance at 30 June 2011 $'000	Balance at 30 June 2010 $'000
Receivable by the consolidated entity			
Wellard Properties Pty Ltd	P Wade, C Ellison	-	8
Sandini Pty Ltd	C Ellison	6	2
Payable by the consolidated entity			
Sandini Pty Ltd	C Ellison	-	15

NOTE 32: SUBSEQUENT EVENTS

On 2 August 2011, the Company acquired 100% of the share capital in Auvex Resources Limited (Auvex), Mesa Minerals' joint venture partner in the Mesa Joint Venture (unincorporated) formed on 28 April 2008. The acquisition was by operation of a Scheme of Arrangement with Auvex shareholders, approved by the Federal Court of Australia on 20 July 2011. Consideration for the acquisition was an in-specie distribution of 4,500,000 Mineral Resources Limited fully paid ordinary shares.

On 5 August 2011, Hancock Prospecting Pty Ltd exercised unlisted share options over 10,000,000 fully paid ordinary shares in Mineral Resources Limited at an exercise price of $6.05 per share.

Apart from those matters disclosed above, no other matters or circumstances have arisen since the end of the financial year which significantly affects the operations of the consolidated entity.

NOTE 33: CONTINGENT LIABILITIES

The consolidated entity has provided guarantees to third parties in relation to the performance of contracts and against warranty obligations for a defects liability period after completion of the work. Defects liability period are usually from 12 to 18 months duration. Bank guarantees are issued as security for these obligations.

	Consolidated	
	2011 $'000	2010 $'000
Bank guarantees facility	23,349	5,849
Amount utilised	(20,453)	(3,916)
Unused guarantee limit	**2,896**	**1,933**

NOTE 34: PARENT ENTITY INFORMATION

	2011 $'000	2010 $'000
Information for Mineral Resources Limited		
Current assets	201,234	129,065
Total assets	521,919	452,159
Current liabilities	85,212	27,771
Total liabilities	140,430	84,848
Issued capital	359,619	315,526
Accumulated gains	21,870	51,785
Total shareholders equity	**381,489**	**367,311**
Net profit after tax of the parent entity	18,247	39,729
Total comprehensive income of the parent	18,247	39,729

There are no guarantees entered into by the parent entity in relation to the debts of its subsidiaries.

There are no contingent liabilities of the parent entity as at the reporting date.

There are no contractual commitments by the parent entity for the acquisition of property, plant and equipment as at the reporting date.

NOTE 35: JOINT CONTROLLED ASSETS

On 28 April 2008, Mesa Minerals Limited (Mesa), a subsidiary of Mineral Resources Limited, entered into a Farm-in & Joint Venture Agreement with Auvex Resources Limited, formerly Auvex Metals Limited, ("Auvex") to mine and ship manganese product. Under the arrangements, Auvex was required to expend $7,250,000 on exploration and evaluation to enable Mesa and Auvex to make a joint Decision to Mine manganese at Mesa's Ant Hill and Sunday Hill Mining Leases. Pursuant to a variation to work programme set out in the Farm-in & Joint Venture Agreement, Auvex conducted a trial mining programme at the Ant Hill Mining Lease and produced approximately 45,000 tonnes of manganese for and on behalf of the participants.

On 30 June 2009, Mesa and Auvex agreed that Auvex had earned its interest in the tenements and accordingly, Mesa assigned to Auvex an undivided 50% interest in the Ant Hill Mining Lease 46/238 and the Sunday Hill Mining Lease 46/237.

The consolidated entity accounts for its interest in the Joint Venture under a contractual arrangement which does not give rise to a jointly controlled entity. Under the contractual arrangements, the consolidated entity derives benefits of operation from the jointly owned assets, rather than from an interest in a jointly controlled entity. Mesa's share of net assets of the jointly controlled assets and operations as at the reporting date are:

	Consolidated	
	2011 $'000	2010 $'000
Current assets		
Cash and cash equivalents	67	79
Trade and other receivables	22	21
Total current assets	**89**	**100**
Non-current assets		
Plant and equipment	5	55
Total non-current assets	**5**	**55**
Current liabilities		
Trade and other payables	-	88
Total current liabilities	**-**	**88**
Share of total net assets of joint venture	**94**	**67**
Revenue	4,342	4,342
Expenses	4,248	4,275
Profit before income tax	**94**	**67**
Income tax expense	-	-
Profit after income tax	**94**	**67**

NOTE 36: COMPANY DETAILS

The registered office and the principal place of business of the company is 1 Sleat Road, Applecross, Western Australia 6153.

1. In accordance with a resolution of the directors of Mineral Resources Limited, I state that:
   (a) the financial statements, notes and the additional disclosures included in the Directors Report designated as audited of the Group are in accordance with the Corporations Act 2001, including:
      (i) giving a true and fair view of the financial position of the Group as at 30 June 2011 and of their performance for the year ended on that date; and
      (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
   (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1(i); and
   (c) there are reasonable grounds to believe the Group will be able to pay its debts as and when they become due and payable.
2. This declaration is made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2011.

Signed in accordance with a resolution of the directors made pursuant to section 295(5) of the *Corporations Act 2001* and is signed for and on behalf of the directors by:

PETER WADE
Executive Chairman / Managing Director

Dated this 18 August 2011

RSM Bird Cameron Partners
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MINERAL RESOURCES LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Mineral Resources Limited, which comprises the consolidated statement of financial position as at 30 June 2011, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1(i), the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

RSM Bird Cameron Partners
Chartered Accountants

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Mineral Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of Mineral Resources Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1(i).

Report on the Remuneration Report

We have audited the Remuneration Report contained within the directors' report for the year ended 30 June 2011. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion the Remuneration Report of Mineral Resources Limited for the year ended 30 June 2011 complies with section 300A of the *Corporations Act 2001*.

Rsm Bird Cameron Partners
RSM BIRD CAMERON PARTNERS
Chartered Accountants

TUTU PHONG
Partner

Perth, WA
Dated: 18 August 2011

SHAREHOLDER INFORMATION

A) DISTRIBUTION OF EQUITY SECURITIES

The shareholder information set out below was applicable as 21 September 2011.

	Class of security	
	Ordinary shares	Unlisted share options
1 – 1,000	2,044,544	-
1,001 – 5,000	8,417,551	-
5,001 – 10,000	3,770,003	-
10,001 – 100,000	12,101,475	30,000
100,001 and over	157,444,444	1,177,900
Total	**183,778,017**	**1,207,900**

There were 239 holders of less than a marketable parcel of ordinary shares.

B) EQUITY SECURITY HOLDERS – TWENTY LARGEST QUOTED EQUITY SECURITY HOLDERS

The names of the twenty largest holders of quoted securities are listed below:

	Ordinary shares	
Name	Numbers held	Percentage of issued shares
Sandini Pty Ltd	30,189,065	16.42
National Nominees Limited	18,754,531	10.20
HSBC Custody Nominees (Australia) Limited	15,830,426	8.61
Hancock Prospecting Pty Ltd	14,753,543	8.03
J P Morgan Nominees Australia Limited	14,095,062	7.67
Henderson Park Pty Ltd	9,057,344	4.93
Cogent Nominees Pty Limited	8,788,681	4.78
Keneric Nominees Pty Ltd	6,106,595	3.32
RBC Dexia Investor Services Australia Nominees Pty Limited	5,210,956	2.83
Citicorp Nominees Pty Limited	5,070,430	2.76
P D Wade	3,416,162	1.86
UBS Nominees Pty Ltd	2,926,188	1.59
UBS Wealth Management Australia Nominees Pty Ltd	2,133,649	1.16
Wavefront Asset Pty Ltd	2,115,000	1.15
Paksian Pty Limited	1,947,870	1.06
JP Morgan Nominees Australia Limited	1,314,450	0.72
D & C Geraghty Pty Ltd	1,267,487	0.69
AMP Life Limited	1,248,728	0.68
Citicorp Nominees Pty Limited	857,529	0.47
Equity Trustees Limited	700,000	0.38
Total	**145,783,696**	**79.30**

Unquoted equity securities

	Number on issue	Number of holders
Options issued under the Mineral Resources Limited employee share option plan to take up ordinary shares	952,900	23
Options issued for acquisition of options under off-market takeover offer	255,000	8
	1,207,900	**31**

C) SUBSTANTIAL SHAREHOLDERS

Substantial shareholders are listed below:

	Ordinary shares	
Name	**Numbers held**	**Percentage of issued shares**
Sandini Pty Ltd	30,189,065	16.42
National Nominees Limited	18,754,531	10.20
HSBC Custody Nominees (Australia) Limited	15,830,426	8.61
Hancock Prospecting Pty Ltd	14,753,543	8.03
J P Morgan Nominees Australia Limited	14,095,062	7.67

D) VOTING RIGHTS

(a) Ordinary shares

On a show of hands every member present at a shareholders meeting in person or by proxy shall have one vote and upon a poll each ordinary share shall have one vote.

(b) Unlisted share options

Unlisted share options have no voting rights.

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Designed by: Chameleon Creative

OUR VALUES

We value human life above all else

We care for the environment

We aim to be the best at all we do

We constantly look for ways to improve

We are always ethical, fair and honest in our dealings

We encourage interaction with team members

We recognise and have respect for people and their varying backgrounds and cultures

We will not condone any form of anti-social behaviour

We strive to understand the client's requirements

We always strive to make a profit

Mineral Resources Limited
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