



16 February 2012

The Manager
Company Announcements
Australian Stock Exchange Limited
Level 8, Exchange Plaza
2 The Esplanade
Perth WA 6000

2012 Half Year Financial Report

Directors of Mineral Resources Limited (Company) (ASX:MIN) are pleased to present the 2011/12 Half Year Financial Report to the markets.

HIGHLIGHTS:

- **Net profit after tax of \$80.5 million, an improvement of 33% on the previous corresponding period.**
- **Interim fully franked dividend of 16.0 cents per share.**

	Net profit after tax	
	\$AUD millions	% improvement on prior corresponding period
Dec 11 half	80.5	+33%
Dec 10 half	60.6	

The Company has produced another outstanding result for the half year. In addition to achieving this milestone, the Company has commenced operations at its first iron ore mine in the Yilgarn region of Western Australia in record time, completed and ramped-up its BOO processing plant at FMG's Christmas Creek mine and is in the process of constructing the second stage of this project.

This focus on the development of mining and mining services operations has also been supported by a number of mergers and acquisition initiatives that provides Mineral Resources with a substantial base for future growth. In the half, the company completed the acquisition of Auvex Resources Limited to secure its position in the Western Australian manganese sector and also agreed to purchase a group of significant iron ore tenements in the Pilbara from Iron Ore Holdings. These acquisitions give the Company further certainty of its resource inventory to assist in sustaining export activities.

Concurrently with the advancement of growth objectives across all facets of the business, the Company remains focused on fundamental operational factors of project execution, cost control, cash flow and client relationships to optimise the ongoing business.



World economic circumstances have weighed on industry generally and these economic factors have created a volatile business environment. The Company has been able to mitigate the impact of many of these factors through the continuation of its hands-on management style that has been so successful in the past.

The board would like to acknowledge the contribution of employees, suppliers, clients and shareholders. The current business environment in WA is as exciting as it is challenging and we rely on the efforts of all of our stakeholders to achieve the record of success and innovation we have been able to sustain over the long haul.

Yours Sincerely,

A handwritten signature in black ink, appearing to read "Peter Wade", written in a cursive style.

Peter Wade
Chairman

Mineral Resources Limited

Appendix 4D

Half Year Report For the 6 months ended 31 December 2011

Results for Announcement to the Market

	Actual Result \$'000	Comparison to previous corresponding period: 6 months to Dec 10	
		% Inc / (Dec)	Inc / (Dec) \$'000
Revenue	408,752	19%	64,393
Profit after tax attributable to members	80,526	33%	19,965
Net Profit for the period attributable to members	80,526	33%	19,965

Dividends	Amount per Security	% Franked
<u>Current Period:</u>		
Final Dividend		
Dividend paid 20 October 2011	27.0 cents	100%
Interim Dividend declared 16 February 2012		
Dividend is payable 5 April 2012 Record date for determining entitlement to the dividend is 16 March 2012	16.0 cents	100%
<u>Dividend Reinvestment Plan (DRP)</u>		
The Company's DRP will be available for shareholders to participate for the interim dividend declared today. Shares issued under the DRP will be priced at the volume weighted average price (VWAP) for fully paid MRL shares sold on ASX in the five business days following the record date of 16 March 2012, rounded to the nearest whole cent. No discount will be applied. The DRP will not be underwritten.		
<u>Prior corresponding period:</u>		
Final Interim Dividend		
Dividend paid 18 November 2010	13.60 cents	100%
Interim Dividend		
Dividend paid 7 April 2011	15.0 cents	100%
Net Tangible assets per security		
As at 31 December 2011	\$3.85	
As at 31 December 2010	\$3.13	
On 2 August 2011, the company acquired 100% of the issued capital of Auvex Resources Limited. There was no material contribution to the MRL Group profit for the period.		

Results for the period should be read in conjunction with the Financial Report attached.

MINERAL RESOURCES LIMITED
ABN 33 118 549 910
and its controlled entities

Interim Financial Report
For the half-year ended 31 December 2011

MINERAL RESOURCES LIMITED

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CORPORATE DIRECTORY

Directors

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

Auditors

RSM Bird Cameron Partners
8 St Georges Terrace
Perth WA 6000

Company Secretary

Bruce Goulds

Registered Office

1 Sleat Road,
Applecross WA 6153
Tel: (08) 9329 3600
Fax: (08) 9329 3601

Bankers

National Australia Bank
100 St Georges Terrace
Perth WA 6000

Share Registry

Computershare Limited
45 St Georges Terrace
Perth WA 6000

Home Stock Exchange

Australian Securities Exchange Limited
Exchange Plaza
2 The Esplanade
Perth WA 6000
ASX Code: MIN

MINERAL RESOURCES LIMITED

DIRECTORS REPORT

The Directors submit their report on the consolidated entity of Mineral Resources Limited and the entities it controlled at the end of, or during the half-year ended 31 December 2011.

Directors

The names of the Company's directors in office during the half-year and until the date of this report are:

Peter Wade (Executive Chairman / Managing Director)

Chris Ellison (Executive Director)

Joe Ricciardo (Non-Executive Director)

Mark Dutton (Non-Executive Director)

Kelvin Flynn (Non-Executive Director)

Ryan Welker (Non-Executive Director) (Resigned 7 October 2011)

Directors were in office for the entire period unless otherwise stated.

Review of Operations

The consolidated entity produced a net profit of \$80.5 million for the half-year ended 31 December 2011, representing a 33% improvement on the previous corresponding half-year. This result is recorded on a solid increase of underlying sales for its core commodities and services. The result is in accordance with the Company's expectations and represents a continuation of the exceptional performance from all areas of the business.

In November 2011, the Company shipped the first iron ore from its Carina mine. This operation is the first producing mine from the suite of iron ore tenements purchased as part of the acquisition of Polaris Metals in 2010. The significance of this event to the Company's future and development is measured by the speed at which the project was initiated from the receipt of mining approvals to first ore on ship. For the half-year a total of 325,075 tonnes of iron ore were shipped through the upgraded Kwinana Berth 2 facility in Western Australia. In the short period of operation at Carina, the Company is able to confirm that the project is meeting its product quality and operational efficiency targets.

A pre-requisite for the success of this start-up was for the Company to upgrade Kwinana Berth 2 in metropolitan Perth. The Company received an export allocation of up to 4.4 million tonnes per annum from the Fremantle Port Authority (FPA) on the condition that it make substantial improvements to FPA's port infrastructure. This improvement project required that MRL refurbish and replace major components and re-invigorate the port's operating system. This work was undertaken at the same time as construction of the mine and its associated operations and was available to receive and load the first iron ore as planned. Further port works are planned for the coming months that will further improve the efficiency of materials handling and loading facilities.

During the period the Company also commenced mining at Poondano, another tenement package from the Polaris Metals acquisition. This project, near Port Hedland in Western Australia, supplements export tonnes through Utah Point, giving the Company further longevity of resource life in the region.

In addition, the Company agreed to purchase a package of iron ore tenements from Iron Ore Holdings (ASX: IOH) for \$42 million. Conditions precedent for completion of the purchase remain outstanding and the Company expects to commence development at Phil's Creek during the second half.

To further consolidate its position in manganese, the Company also completed the acquisition of Auvex Resources Limited, Mesa Minerals Limited's (ASX: MAS) joint venture partner in the Ant Hill and Sunday Hill manganese projects, in the half-year. This gives MRL a significant stake in manganese resources in the Pilbara, complementing its

MINERAL RESOURCES LIMITED

DIRECTORS REPORT

already extensive stake within the region.

Underlying the Company's operations is a significant research and development programme designed to ensure that MRL continues to be a leader in innovative mineral processing and infrastructure solutions that ultimately create value for the Company, its customers and other stakeholders.

The Company's 19 mtpa crushing and processing plant at the Christmas Creek mine commenced operations as planned in mid-2011. The plant completed its ramp-up during the first half and we continue to work with FMG to optimise operational and efficiency outcomes. On the back of the success of Christmas Creek 1, the Company was awarded an additional contract to build, own and operate the Christmas Creek 2 plant representing the upgrade of Christmas Creek 1 plant to a nominal 25 mtpa and the development of a further 25 mtpa crushing, screening and beneficiation operation. This 10 year contract is currently in its construction phase and will commence commissioning in the third quarter of 2012. The Company is confident that this timetable will be achieved.

PIHA, the Company's long held specialist pipeline contracting business, continues its strong project performance throughout the half-year. In addition to a secure pipeline of future work, PIHA has the benefit of potential opportunities in some of the country's most exciting resource developments (including coal seam gas, natural gas and hard rock industries). It also continues to develop innovative solutions to pipeline projects through a strong research and development focus that allows it to remain the market leader in its field.

Commodity sales for the half-year are as follows:

'000 tonnes	First Half 2011	Second Half 2011	Total 2011	First Half 2012
Iron ore				
. Utah Point	1,301	958	2,259	1,190
. KBT2	-	-	-	325
. Total	1,301	958	2,259	1,515
Manganese	224	225	449	187
Total commodity sales	1,525	1,183	2,708	1,702

Commodity sales through Utah Point Berth are expected to achieve a sustainable level during the second half as the Utah Point berth operations mature. First ore from Carina, through KBT2, represent ramp-up volumes for the project.

Manganese prices continued to be suppressed in the half and volumes exported were generally related to satisfying minimal customer requirements. We will continue to monitor pricing and demand in the interest of our overall operations.

Global economic conditions are weighing heavily on the Australian resources sector and the combined effects of a strong Australian dollar and fluctuating commodity prices have been a challenge for the Company. The US dollar exchange rate fluctuated between 0.97 and 1.10 during the half making the net proceeds from sales of commodities extremely volatile. In addition, commodity prices have been under extreme pressure flowing from global events combined with a move of the pricing mechanism for iron ore away from fixed quarterly pricing into a transparent index environment. These factors have created challenging external conditions for the industry.

The Company continues with a strong balance sheet capable of supporting the extensive growth initiatives currently underway. The balance sheet continues to be net debt free even after funding a record \$212 million in capital expenditure and significant working capital requirements of the new operational areas.

MINERAL RESOURCES LIMITED

DIRECTORS REPORT

On 4 August 2011, Hancock Prospecting Pty Ltd exercised the remaining 10 million unlisted share options over MRL shares giving it an 8% stake in the Company.

Directors would like to re-iterate their thanks to Ryan Welker who resigned as a director of the Company in October 2011. Ryan made a valuable contribution to the Board during his short tenure providing wise counsel and rigorous questioning that enhanced the quality of the Board's performance overall.

The directors remain positive about the Company's medium to long term prospects and the expansion plans laid down in the last few years have been exceeded with the dedication support and professionalism of the MRL team. Continued growth and operational performance remains the key focus of the team with an emphasis on project delivery.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included within the financial statements.

Rounding of Amounts

The Company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the rounding of amounts in the Directors' Report and financial report. Accordingly, the amounts in the Directors' Report and financial report have been rounded to the nearest thousand dollars in accordance with the Class Order.

This report is made in accordance with a resolution of Directors.



PETER WADE
Director

Signed in Perth on the 16th day of February 2012

MINERAL RESOURCES LIMITED

Consolidated statement of comprehensive income

For the half-year ended 31 December 2011

	31 Dec 11	31 Dec 10
	\$'000	\$'000
Revenue from operations	403,484	337,345
Other income	5,268	7,014
Depreciation and amortisation expense	(24,940)	(12,329)
Employee benefits expense:		
• Share based payments	-	(64)
• Other employee benefits	(53,501)	(48,448)
Equipment costs	(17,946)	(9,842)
Finance costs	(3,387)	(3,288)
Impairment of financial asset	(1,362)	-
Raw materials and consumables used	(77,141)	(59,231)
Subcontractors	(49,552)	(38,099)
Transport and freight	(67,670)	(60,400)
Change in closing stock	15,764	(5,529)
Other expenses	(10,026)	(19,426)
Profit before income tax	118,991	87,703
Income tax expense	(38,465)	(27,142)
Profit for the half-year	80,526	60,561
Other comprehensive income		
Gain on revaluation of financial asset	87	-
Movement in asset revaluation reserve (net of tax)	465	9,101
Other comprehensive income for the half-year (net of tax)	552	9,101
Total comprehensive income for the half-year	81,078	69,662
Profit is attributable to:		
Owners of Mineral Resources Limited	80,965	60,851
Non-controlling interest	(439)	(290)
	80,526	60,561
Total comprehensive income is attributable to:		
Owners of Mineral Resources Limited	81,517	69,952
Non-controlling interest	(439)	(290)
	81,078	69,662
Basic profit per share (cents per share)	44.4	36.4
Diluted profit per share (cents per share)	43.7	33.6

The accompanying notes form part of these financial statements

MINERAL RESOURCES LIMITED

Consolidated statement of financial position

As at 31 December 2011

	31 Dec 11	30 Jun 11
	\$'000	\$'000
ASSETS – Current		
Cash and cash equivalents	145,192	180,456
Trade and other receivables	186,586	107,002
Inventory	36,346	19,400
Financial assets	1,455	4,044
Other assets	3,325	2,013
Total current assets	372,904	312,915
ASSETS – Non-current		
Trade and other receivables	3,486	3,385
Investments accounted using equity method	190	190
Financial assets	2,595	2,739
Property, plant and equipment	471,365	319,494
Exploration and evaluation expenditure	229,109	262,924
Mining properties	96,463	-
Intangibles assets	69,294	44,024
Deferred tax assets	17,882	24,386
Total non-current assets	890,384	657,142
Total assets	1,263,288	970,057
LIABILITIES - Current		
Trade and other payables	205,764	91,690
Secured loans	29,663	64,378
Income tax payable	27,289	26,275
Provisions	11,218	9,304
Total current liabilities	273,934	191,647
LIABILITIES – Non-current		
Deferred tax liabilities	103,113	102,503
Secured loans	96,937	37,659
Provisions	9,158	10,742
Total non-current liabilities	209,208	150,904
Total liabilities	483,142	342,551
Net assets	780,146	627,506
EQUITY		
Contributed equity	480,829	359,619
Reserves	5,479	4,927
Retained profits	273,421	242,104
	759,729	606,650
Non-controlling interest	20,417	20,856
Total equity	780,146	627,506

The accompanying notes form part of these financial statements

MINERAL RESOURCES LIMITED

Consolidated statement of changes in equity

For the half-year ended 31 December 2011

	Attributable to owners of Mineral Resources Limited				Non-controlling interest	Total
	Contributed Equity	Reserves	Retained Earnings	Total		
	\$'000	\$'000	\$'000	\$'000		
Balance at 1 July 2010	315,526	5,386	139,309	460,221	25,458	485,679
Movement in asset revaluation reserve (net of tax)	-	9,101	-	9,101	-	9,101
Profit for the half year	-	-	60,561	60,561	(290)	60,271
Total comprehensive income for the half year	-	9,101	60,561	69,662	(290)	69,372
Transactions with owners in their capacity as owners:						
Share issue from exercise of options	36,526	-	-	36,526	-	36,526
Shares issued in consideration for acceptances of the market takeover bid for Mesa Minerals Ltd	4,138	-	-	4,138	(4,138)	-
Share based payments	64	-	-	64	-	64
Dividends paid	-	-	(22,957)	(22,957)	-	(22,957)
	40,728	-	(22,957)	17,771	(4,138)	13,633
Balance at 31 December 2010	356,254	14,487	176,913	547,654	21,030	568,684
Balance at 1 July 2011	359,619	4,927	242,104	606,650	20,856	627,506
Gain on revaluation of financial asset	-	87	-	87	-	87
Movement in asset revaluation reserve (net of tax)	-	465	-	465	-	465
Profit for the half year	-	-	80,965	80,965	(439)	80,526
Total comprehensive income for the half year	-	552	80,965	81,517	(439)	81,078
Transactions with owners in their capacity as owners:						
Share issue from exercise of options	63,244	-	-	63,244	-	63,244
Shares issued for dividend reinvestment	2,162	-	-	2,162	-	2,162
Employee share trust contribution	67	-	-	67	-	67
Shares issued in consideration for acquisition of Auvex Resources Ltd	55,737	-	-	55,737	-	55,737
Dividends paid	-	-	(49,648)	(49,648)	-	(49,648)
	121,210	-	(49,648)	71,562	-	71,562
Balance at 31 December 2011	480,829	5,479	273,421	759,729	20,417	780,146

The accompanying notes form part of these financial statements

MINERAL RESOURCES LIMITED

Consolidated statement of cash flows

For the half-year ended 31 December 2011

	31 Dec 11	31 Dec 10
	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers	397,343	288,671
Payments to suppliers and employees	(230,105)	(226,416)
Interest received	4,207	2,418
Interest and other costs of finance paid	(3,387)	(3,288)
Income taxes paid	(29,805)	(12,225)
Payments previously recovered from customer	-	(57,698)
Net cash used in/(provided) by operating activities	<u>138,253</u>	<u>(8,538)</u>
 Cash flows from investing activities		
Payments for property, plant and equipment	(147,748)	(19,267)
Proceeds from the sale property, plant and equipment	1,308	452
Payments for exploration and evaluation expenditure	(10,137)	(2,422)
Payments for available for sale investments	(1,131)	(282)
Payments for intangible assets	(25,751)	-
Proceeds on disposal of available for sale investments	-	2,879
Net cash (used in) investing activities	<u>(183,459)</u>	<u>(18,640)</u>
 Cash flows from financing activities		
Proceeds from exercise of share options	64,346	36,526
Loans to other entities	616	-
Proceeds from borrowings	3,100	-
Dividends paid	(47,485)	(22,957)
Repayment of borrowings	(10,635)	(7,571)
Net cash provided by financing activities	<u>9,942</u>	<u>5,998</u>
 Net (decrease) in cash held	<u>(35,264)</u>	<u>(21,180)</u>
Cash at beginning of the financial period	180,456	174,470
 Cash at end of the financial period	<u>145,192</u>	<u>153,290</u>

The accompanying notes form part of these financial statements

MINERAL RESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the half-year ended 31 December 2011

1. BASIS OF PREPARATION OF HALF-YEAR FINANCIAL STATEMENTS

These general purpose interim financial statements for the half-year reporting period ended 31 December 2011 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: Interim Financial Reporting.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Mineral Resources Limited and its controlled entities (consolidated entity). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the consolidated entity. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the consolidated entity for the year ended 30 June 2011, together with any public announcements made during the following half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements, except in relation to the matters discussed below.

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 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.

2. DIVIDENDS

	Consolidated 31 Dec 11 \$'000	Consolidated 31 Dec 10 \$'000
DIVIDENDS PROVIDED AND PAID DURING HALF YEAR		
Fully franked dividends provided for and paid during the half-year	49,648	22,957
DIVIDENDS DECLARED SINCE THE END OF THE HALF-YEAR		
In addition to the above dividend, since the end of the half-year the directors have recommended the payment of a further interim dividend of 16 cents per share, fully franked that will be paid on 5 April 2012 for shares on record at 16 March 2012	29,548	25,324

MINERAL RESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the half-year ended 31 December 2011

3. CONTRIBUTED EQUITY

	Consolidated 31 Dec 2011 \$'000	
a) Paid-Up Capital		480,829
b) Movements	No of Shares '000	Paid-Up Capital \$'000
Balance 1 July 2010	161,284	315,526
Exercise of share options	6,385	36,526
Issued shares for consideration - Mesa Minerals Ltd	634	4,138
Increase in equity from share based payments expense from issue of options	-	64
Balance 31 December 2010	168,303	356,254
Balance 1 July 2011	169,168	359,619
Exercise of share options	10,789	63,244
Issued shares for consideration - Auvex Resources Ltd	4,500	55,737
Shares issued for dividend reinvestment	215	2,162
Employee Share Trust contribution	-	67
Balance 31 December 2011	184,672	480,829

MINERAL RESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the half-year ended 31 December 2011

4. SEGMENT INFORMATION

	Mining Services & Processing		Mining		Consolidated	
	Dec-11 \$'000	Dec-10 \$'000	Dec-11 \$'000	Dec-10 \$'000	Dec-11 \$'000	Dec-10 \$'000
Segment Revenue						
External revenue	362,685	340,656	41,859	3,703	404,544	344,359
Interest income	4,099	2,266	109	152	4,208	2,418
Interest expense	(3,349)	(3,259)	(38)	(29)	(3,387)	(3,288)
Depreciation and amortisation	(23,274)	(12,300)	(1,666)	(29)	(24,940)	(12,329)
Reportable segment profit before income tax	111,793	84,575	7,198	3,128	118,991	87,703
Income tax expense					(38,465)	(27,142)
Profit for the year					80,526	60,561
Reportable segment assets	877,984	596,041	385,304	285,679	1,263,288	881,720
Reportable segment liabilities	399,482	246,166	83,546	66,870	483,142	313,036
Segment capital expenditure	198,319	19,188	14,236	79	212,555	19,267

MINERAL RESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the half-year ended 31 December 2011

5. CONTROLLED ENTITIES

On 2 August 2011, the consolidated entity acquired 100% of Auvex Resources Ltd (“Auvex”).

The acquisition of Auvex was treated as an asset purchase. The total cost of the acquisition was \$55,737,000 and comprised an issue of equity instruments attributable to the acquisition. The Company issued 4,500,000 ordinary shares with a fair value of \$12.38 each, based on the volume weighted average price for the five day trading period concluding on 2 August 2011, the date control was obtained.

	Recognised on acquisition \$000's
Net assets acquired	
Cash and cash equivalents	234
Trade and other receivables	1,160
Property, plant and equipment	386
Exploration and evaluation	53,957
	<u>55,737</u>
Cost of the acquisition	
Shares issued at fair value	<u>55,737</u>

6. COMMITMENTS

On 13 October 2011, Mineral Resources Limited agreed to purchase three of Iron Ore Holdings Ltd's (IOH; ASX:IOH) Central Pilbara satellite tenement packages located in the Pilbara region of Western Australia.

An initial deposit of \$5 million has been paid with the balance of \$37 million payable on satisfaction of conditions precedent attached to the purchase contract.

7. CONTINGENT LIABILITIES

Since the last annual reporting date, there has been no material change of contingent liabilities.

8. EVENTS SUBSEQUENT TO REPORTING DATE

There has not been any material events subsequent to the end of the reporting date and the date of this half-year financial report that has not been recognised in this financial report.

MINERAL RESOURCES LIMITED

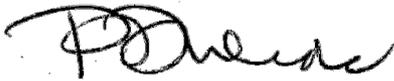
DIRECTORS' DECLARATION

In the Directors' opinion:

- 1) The financial statements and notes are in accordance with the Corporations Act 2001, including:
 - (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date; and
 - (b) complying with Accounting Standard AASB134 "Interim Financial Reporting".
- 2) At the date of this statement there are reasonable grounds to believe that Mineral Resources Limited will be able to pay its debts when they become due and payable.

This declaration is made in accordance with a resolution of directors.

Signed at Perth on the 16th day of February 2012.



Peter Wade
Director

RSM Bird Cameron Partners

8 St Georges Terrace Perth WA 6000

GPO Box R1253 Perth WA 6844

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

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Mineral Resources Limited which comprises the statement of financial position as at 31 December 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, 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 half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Mineral Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, 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 review report.

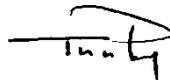
Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Mineral Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Rsm Bird Cameron Partners

RSM BIRD CAMERON PARTNERS
Chartered Accountants



TUTU PHONG
Partner

Perth, WA
Dated: 16 February 2012

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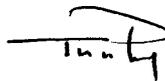
AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Mineral Resources Limited for the half-year ended 31 December 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 review; and
- (ii) any applicable code of professional conduct in relation to the review.

Rsm Bird Cameron Partners

RSM BIRD CAMERON PARTNERS
Chartered Accountants



TUTU PHONG
Partner

Perth, WA
Dated: 16 February 2012