



Mineral Resources Limited

13 September 2006

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

Preliminary Final Year Report for the year ended 30 June 2006

The directors of Mineral Resources Limited (Company) (ASX:MIN) are pleased to present the inaugural financial report to the markets.

Mineral Resources Limited was incorporated on 27 February, 2006 and on 26 June 2006, acquired the entire share capital of PIHA Pty Ltd, Crushing Services International Pty Ltd and Process Minerals International Pty Ltd to establish a consolidated mining services and processing group. The Company operates within the resources sector primarily within Australia but with an expanded outlook for overseas opportunities.

The Company was admitted to the official list of the Australian Stock Exchange Limited on 28 July, 2006. In the prospectus lodged with ASIC, the Company presented an aggregated full year forecast of its 2005/2006 earnings incorporating each company in the group. The published financial statements of the Company will not reflect the true performance of the group for 2005/06 because Mineral Resources Limited officially only traded for the four (4) days from 26 June, 2006.

Accordingly, the Directors have determined to report the aggregated results of the group companies compared with the prospectus for the guidance of the market and investors.

On that basis, for the year ended 30 June 2006, the Mineral Resources group announces an aggregated net profit after tax of \$10,327,048 as part of the following full year trading report:

	Actual Aggregated FY2006 Result	Pro Forma Forecast FY2006 Result Per Prospectus lodged 26 June 2006	% Change
Revenue from ordinary operations	105,922,981	97,585,240	8.5%
Net profit after tax	10,327,048	8,552,489	21%
Earnings per share	9.8 cents	8.1 cents	21%

In accordance with the prospectus, the Directors of Mineral Resources have declared today a fully franked initial interim dividend for the 2006/07 year of 1.2 cents per share, payable on 15 November, 2006 for all shareholders of record at 13 October, 2006. This initial interim dividend is in addition to the nominated prospectus dividend policy of distributing a minimum of 50% of the net after tax profit for the 2006/07 year.

Mineral Resources reports its business results as a consolidated mining services and processing group operating within the resources segment of the Australian economy.

The increased revenue reflected the commencement of several new projects in the last quarter of the year which were established ahead of our prospectus forecasts and will continue to add value to the Company in the 2006/07 year.

All of the forecasts in the prospectus for contracts to be successfully awarded or rolled over in 2006 have been achieved and the projected margins retained. Of particular note, the new five (5) year contract crushing operation at one of the large iron-ore mines in the Pilbara region of Western Australia was successfully brought into operation in April 2006 and the monthly tonnages are in excess of the original contract requirements.

The outlook in the Mineral Resources business segment is very positive with the resources markets in iron ore and base metals expected to continue strongly as a result of demand from China and the other developing Asian and sub continent economies.

The strength of the resource sector translates into mine developments (both brownfield and greenfield) for existing clients which present new contract opportunities for the Company. These opportunities are supplemented by a significant push by the junior miners to bring their operations on-stream to access the current price strength in commodities.

Minerals Resources is also targeting a detailed expansion of its business activities in the Philippines in the 2006/07 year with additional project opportunities identified.

The combination of ongoing successful contracts with increased revenue from new contracts will deliver a strong increase in profitability for the 2007 year and the Directors confirm the prospectus net profit after tax forecast of \$13,720,844 for FY2007 consolidated.

Yours Sincerely,

Peter Wade
Managing Director

Appendix 4E – Preliminary Final Report

FOR THE YEAR ENDED 30 JUNE 2006 – MINERAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
ABN 33 118 549 910

MINERAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES RESULTS FOR ANNOUNCEMENT TO THE MARKET		
Revenue		not applicable
Loss after income tax		496

DIVIDENDS	Amount per Security	Franked amount (per security)
Initial Interim Dividend for 2006/07	1.2 cents	100%
Interim Dividend	-	-
Final Dividend	-	-
Previous corresponding period		
Interim Dividend	-	-
Final Dividend	-	-
Record date for determining entitlements to the dividend	13 October 2006	
Date the final dividend is payable	15 November 2006	
The company does not have a dividend investment plan in place.		

RATIOS

Net tangible asset backing 31.75 cents per ordinary share.

ACQUISITION AND DISPOSAL OF SUBSIDIARIES

On 26 June 2006, the company acquired the entire share capital of PIHA Pty Ltd, Crushing Services International Pty Ltd and Process Minerals International Pty Ltd.

The subsidiaries did not make a contribution to the company's profit from ordinary activities for the period.

ASSOCIATE COMPANIES

Minerals Resources Group holds a 40% interest in MinProcess Group Inc, a company incorporated in the Philippines. MinProcess Group Inc is involved in the development of resource deposits in the Philippines.

MinProcess Group Inc did not contribute to the consolidated loss of the Company during the period.

AUDIT

This report is based on financial statements in the process of being audited.

PREVIOUS CORRESPONDING PERIOD

As the company was incorporated on 27 February 2006, no comparative information is included in this report.

COMMENTARY

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MINERAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES INCOME STATEMENT FOR THE PERIOD ENDED 30 JUNE 2006

	Consolidated 2006 \$
Revenue	
Loss before income tax benefit	(709)
Income tax benefit	213
Loss after income tax	(496)

MINERAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
BALANCE SHEET
AS AT 30 JUNE 2006

	Consolidated 2006 \$
ASSETS	
Current Assets	
Cash and cash equivalents	1,234,271
Trade and other receivables	10,644,784
Inventories	9,203,460
Other current assets	840,675
Total Current Assets	21,923,190
Non-current Assets	
Trade and other receivables	4,319,772
Financial assets	77,841
Plant and equipment	85,052,441
Deferred tax assets	1,442,939
Intangible assets	10,285,753
Total Non-current Assets	101,178,746
TOTAL ASSETS	123,101,936
LIABILITIES	
Current Liabilities	
Trade and other payables	15,312,853
Bank overdraft	2,491,277
Short-term borrowings	11,543,118
Current tax liabilities	1,513,314
Provisions	4,661,563
Total Current Liabilities	35,522,125
Non-current Liabilities	
Trade and other payables	9,695,825
Long-term borrowings	23,237,789
Deferred tax liabilities	10,915,029
Total Non-current Liabilities	43,848,643
TOTAL LIABILITIES	79,370,768
NET ASSETS	43,731,168
EQUITY	
Issued capital	43,731,664
Accumulated loss	(496)
TOTAL EQUITY	43,731,168

Funds from the initial public offering for shares in Mineral Resources Limited were received after 30 June 2006.

MINERAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
CASHFLOW STATEMENT FOR THE PERIOD ENDED 30 JUNE 2006

	Consolidated 2006 \$
Opening Cash Balance 27 February 2006	
Operating Activities	
Investing Activities	
. bank overdraft acquired from the acquisition of controlled entities	(1,257,006)
Financing Activities	
Movement for the period	(1,257,006)
Closing Cash Balance at 30 June 2006	(1,257,006)

MINERAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2006

	Issued Capital \$	Accumulated Loss \$	Total Equity \$
Opening balance 27 February 2006			
Shares Issued during the period			
Shares issued to acquire controlled entities	43,731,664		43,731,664
Net loss for the year		(496)	(496)
Closing balance at 30 June 2006	43,731,664	(496)	43,731,168