



Mineral Resources Limited

An integrated supplier of goods and services to the Resources Sector



2007 Interim Results

“A Successful First Six Months”



Consolidated Group Structure

Mineral Resources Limited

ACN 118 549 910

“An integrated supplier of goods and services to the Resource sector”





Board and Management

Mineral Resources Limited Board

- | | |
|---------------------|--|
| Michael Kiernan | - Chairman and Non-Executive Director |
| Joe Ricciardo | - Non-Executive Director |
| Christopher Ellison | - Executive Director |
| Peter Wade | - Executive Director / Managing Director |

PIHA

Bob Gavranich
General Manager

CSI

Steve Wyatt
General Manager

PMI

David Geraghty
General Manager

Finance
Bruce Goulds
CFO



About Mineral Resources Limited

- Leading integrated mining services and processing company
- Formed through the consolidation of 3 associated, long established and successful operations
- PIHA – manufacturing and contracting business involved in construction of pipelines and site infrastructure formed in 1993
- CSI – successful contract crushing company with a build, own, operate business model formed in 1995
- PMI – minerals processing company operating in NW of WA and commencing in the Philippines formed in 1996



Agenda

1 Highlights

2 Financial Results and Analysis

3 Operational Review

4 Outlook



Highlights - Operational

- Full integration of three subsidiaries into ASX listed company
- Successful commissioning and operation of Nammuldi iron ore contract crushing plant
- Annual 280,000 tonne manganese sales contract formalised with CITIC
- Maintenance of world best practice HSE results
- Approval of exploration licenses on Philippine iron sands tenements
- Upgrade of polyethylene fittings manufacturing facility



Nammuldi Iron Ore Operation



Highlights - Financial

- Strong earnings growth
- Interim normalised 6 month NPAT of \$8.014 million – on target for annualised 17% increase over Prospectus forecast
- Debt to Equity ratio 17.7% with strong cash generation
- Interest cover 15 times
- Balance sheet strength to support growth targets



Highlights – Financial

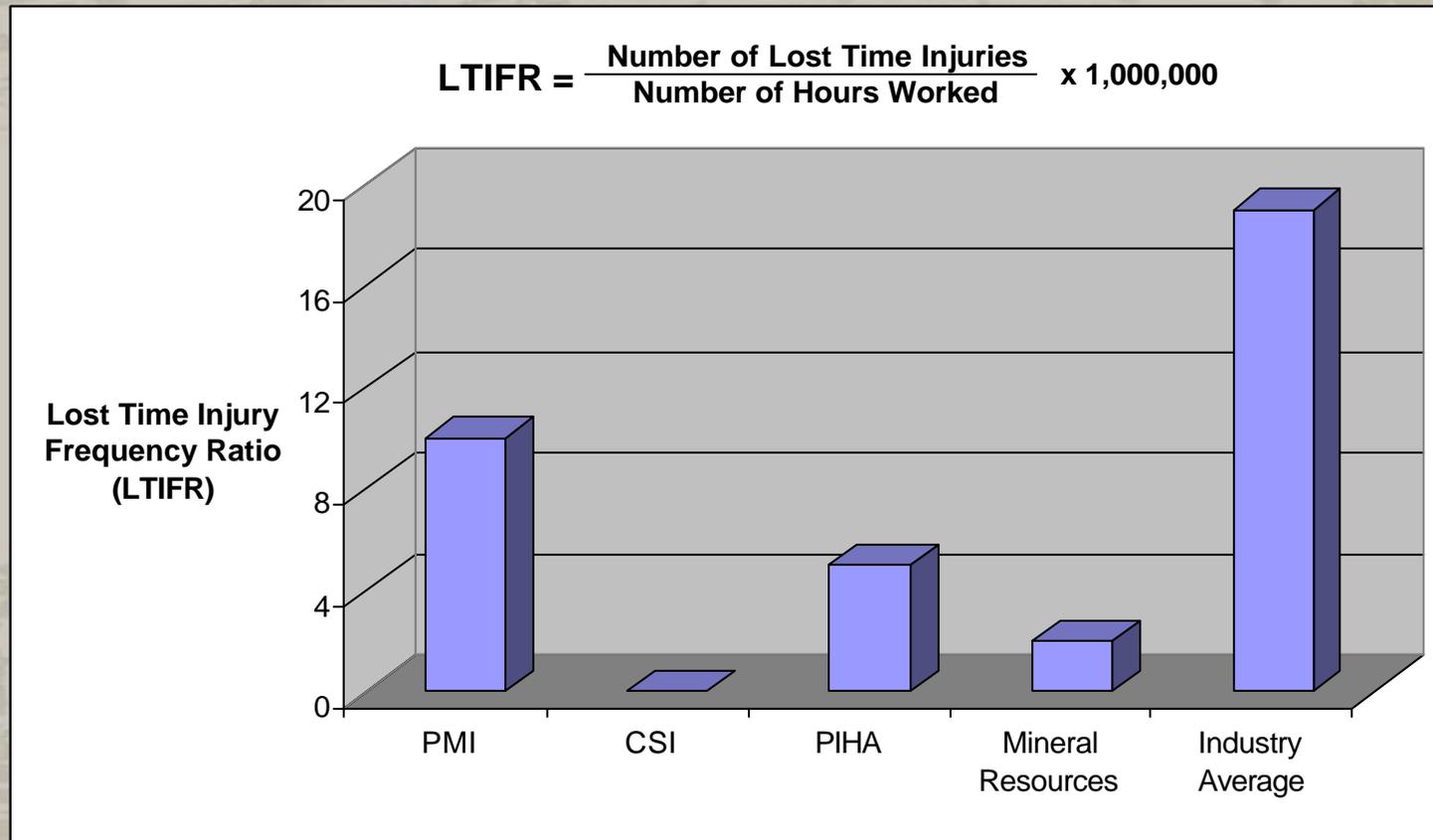
Comparison of Actual V Prospectus Forecast

	Actual half-year 2006/07	Prospectus half- year 2006/07	Variance %
Revenue	72,819	60,345	20.7%
EBITDA	18,712	17,274	8.3%
NPAT	8,014	6,860	16.8%

The actual half year result is compared to 50% of the 2006/07 Prospectus forecast issued at the time of the Company's listing

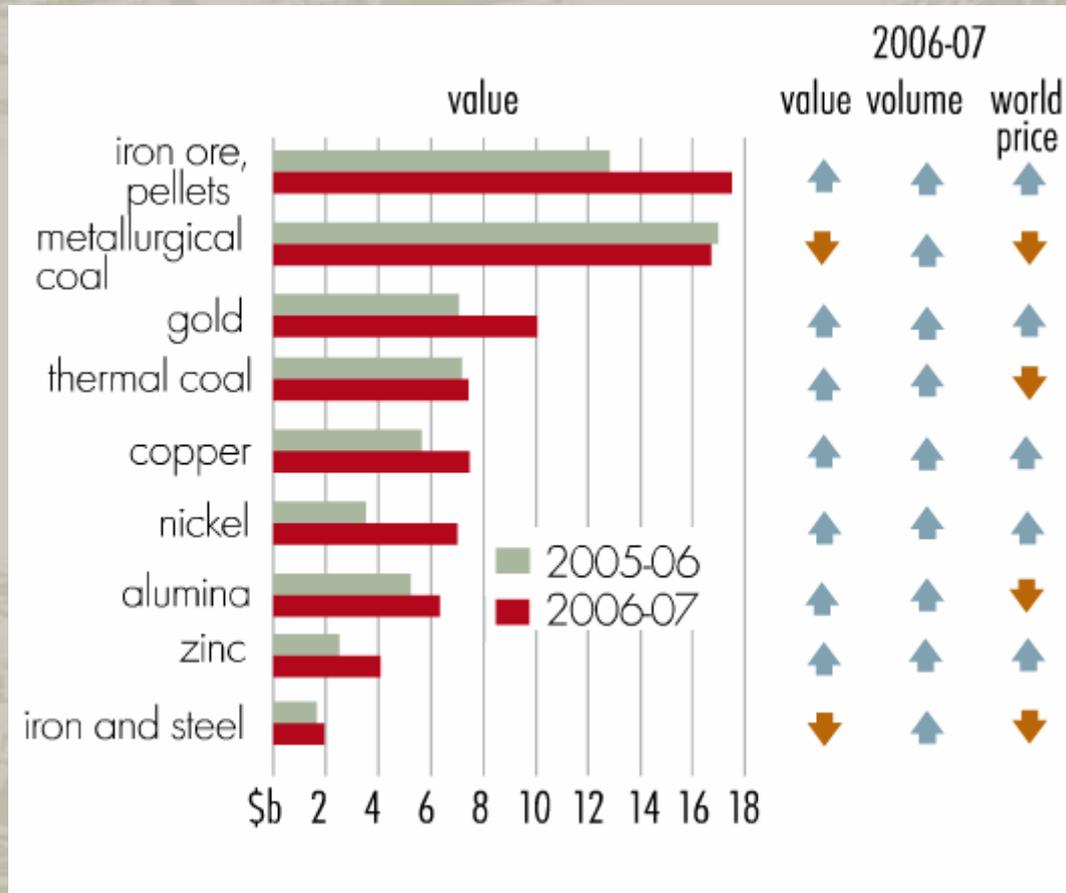


World Best Practice HSE Performance





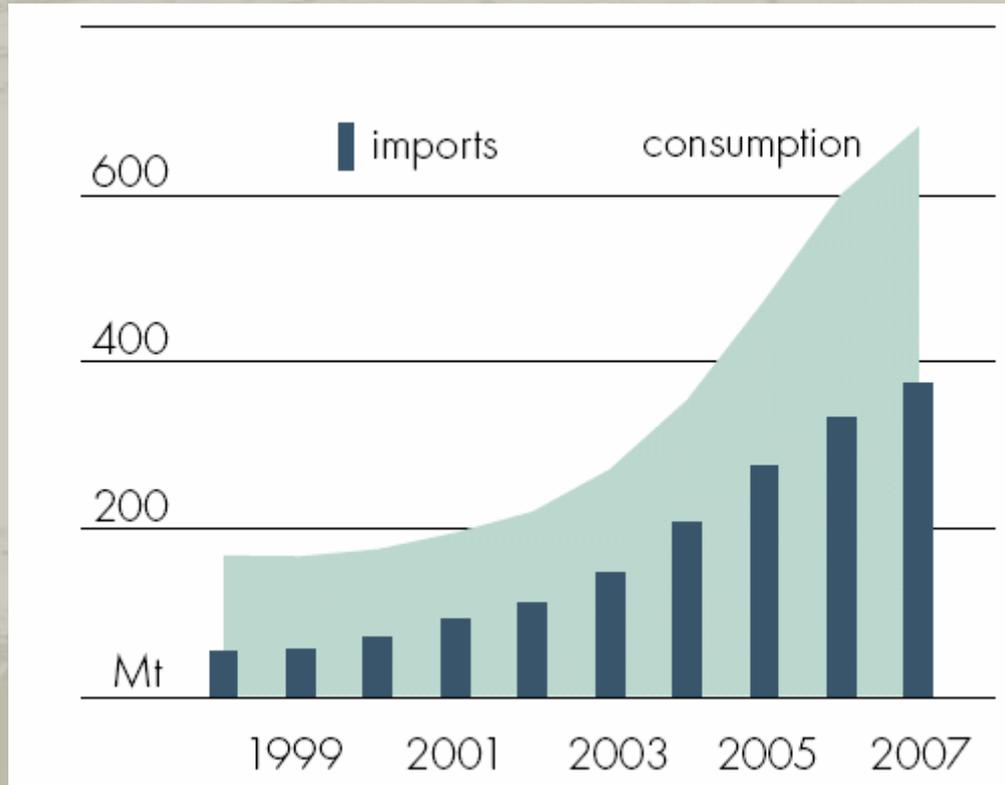
Australian Mineral Exports



Abare Australian Commodities December 2006



China's Iron Ore Consumption and Imports



Abare Australian Commodities 13-4



World Zinc Price and Stocks



Abare Australian Commodities 13-4



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Financial Performance

\$AUD millions

*** 6 months to
December '06**

Revenue	72.8
EBITDA	18.7
Depreciation	6.4
EBIT	12.3
Interest	0.8
PBT	11.5
Tax Expense	3.5
NPAT	8.0
EBITDA / Revenue	25.7%
EPS (cents) [half year]	6.78

*Results exclude share based payment expense of \$0.692 million



Balance Sheet Strength to Facilitate Growth

\$AUD millions	June 2006	December 2006	\$ Change	% Change
Total Assets	123.6	140.6	17.0	13.8%
Total Liabilities	(79.9)	(76.3)	3.6	(4.5%)
Net Assets	43.7	64.3	20.6	47.1%
Net Debt (inc. cash balances)	(33.5)	(11.4)	22.1	(66.0%)
Funds Employed	77.2	75.8	(1.4)	

	December 2006
ROFE % [EBIT (annualised) / Funds Employed]	32.6%
ROE % [NPAT (annualised) / Total Equity]	24.9%
Actual special interim fully franked dividend (cents per share) paid Nov '06	1.2
Recommended fully franked dividend for record on 9 March '07 and payable on 30 March '07	2.0
Debt : Equity	17.7%
Interest Cover (times) [EBIT / Interest]	15



Strong Operational Cashflows

\$AUD millions

**6 months to
December '06**

EBITDA

18.7

CAPEX (net)

(3.6)

Net Interest Payments

(0.8)

Working Capital and Other

(0.6)

Net Operating and Investing Cashflow

13.7

Financing Cashflow

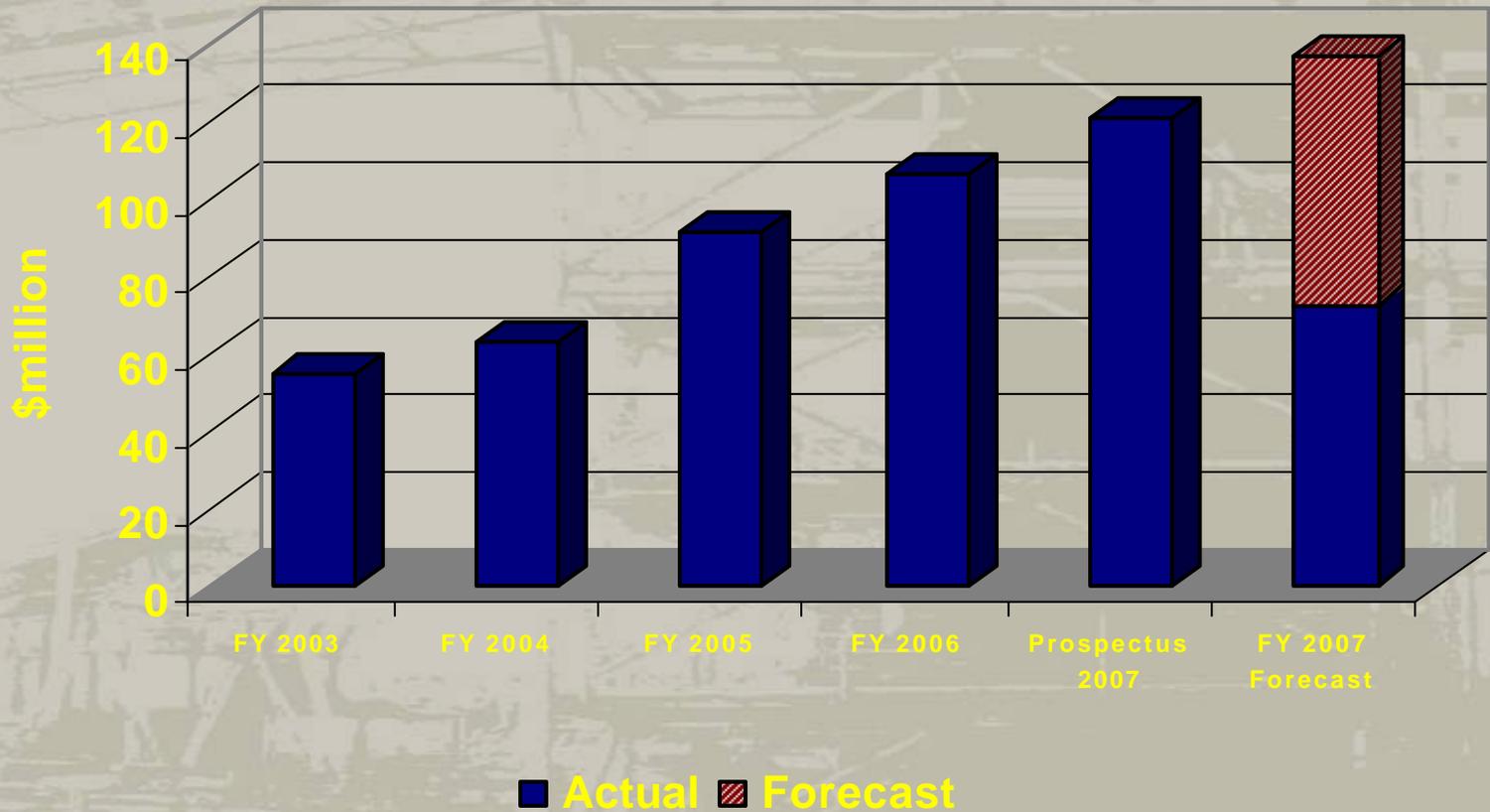
5.9

Total Increase in Cash

19.6

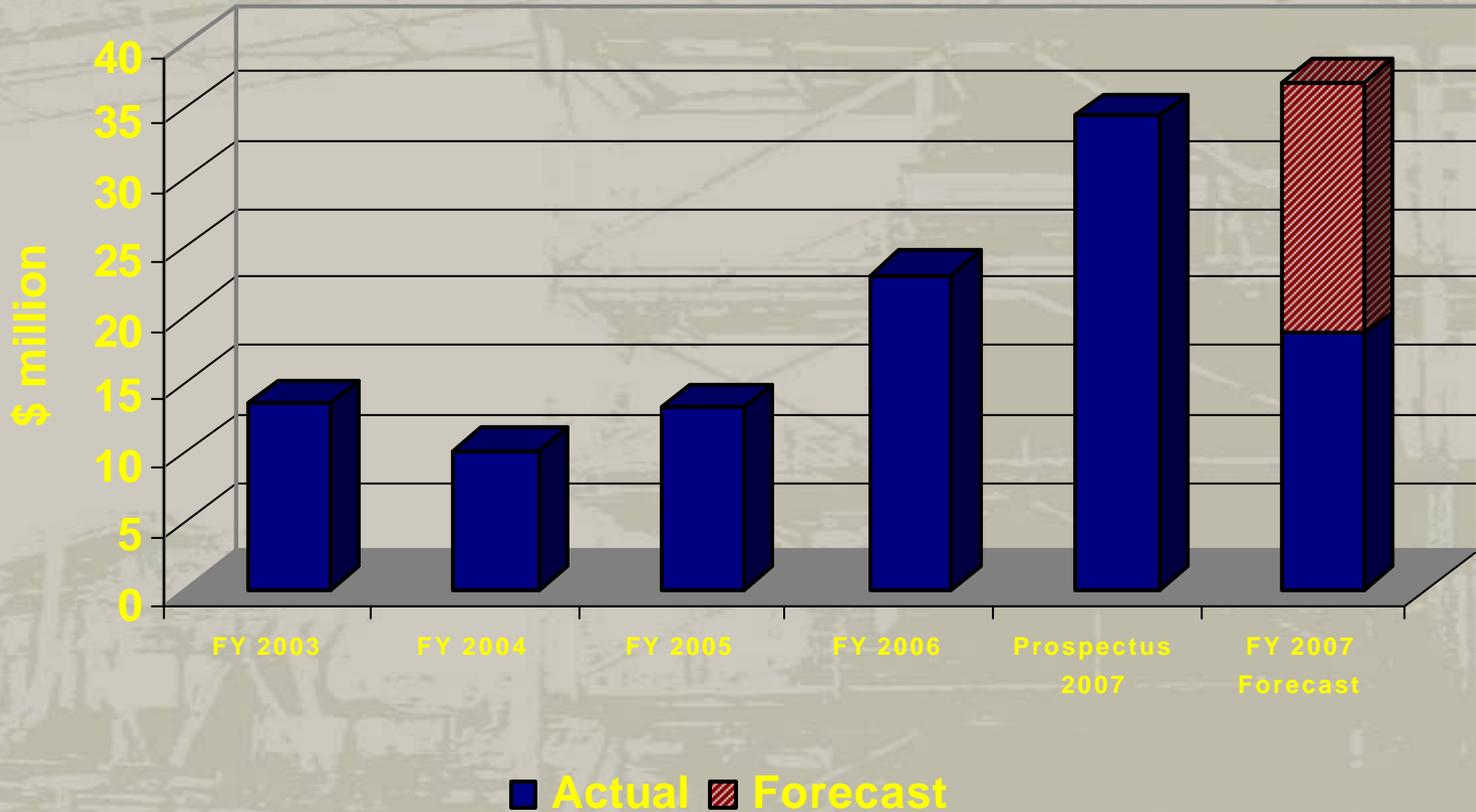


Revenue Performance





EBITDA Performance





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Business Model

Core Business + Market Opportunities + Focus Areas = Success in Outcomes

Integrated supplier of goods and services to the resources sector

+

- Contract crushing
- Mineral processing
- Infrastructure and mining sector service
- Acquisitions

+

- HSE performance
- Margins and profitability
- Cost control
- Client relationships
- Risk management
- Quality staffing
- Shareholder support

=

- Safety recognition
- Increased
 - NPAT
 - ROFE
 - EPS
- Reduced gearing
- Corporate Reputation



Operational Review of Interim 6 month Performance

- Subsidiary businesses performing above forecast targets
- Successful consolidation of subsidiary companies into Mineral Resources Limited
- Margin improvements across services supply chain
- Business climate for resources and mineral processing continuing strong
- Strong growth in project pipeline
- Client relationships support corporate objective of ‘contractor of choice’ to the resources services sector
- Potential acquisition targets identified



Review of Contracting Services Operations

- Strong 6 month project pipeline
- Market leader in niche contracting markets of pipelining, polyethylene fittings manufacture and mine site infrastructure and services installation
- Targeting longer term maintenance support contracts
- Significant short term pipeline and pipelining opportunities being negotiated
- Workshop facilities and construction fleet upgraded to meet anticipated demand requirements











Review of Contract Crushing Operations

- All existing sites performing above client expectations for HSE and production targets
- Nammuldi iron ore operation achieving results in excess of 25% above target tonnage
- Confirmed focus on personnel safety and plant maintenance as key drivers for performance and reputation
- Cost management controls contributing to strong financial performance
- Priority focus by management on staff recruitment and training
- Upgrading of workshop facilities storage and layout to capture process improvements



Nammuldi Iron Ore Operation



Construction of Gold Crushing Plant





Review of Processing Operations

- Manganese processing plant Woodie Woodie upgraded to improve grade quality and increase plant production by 10%
- Focussed preliminary planning for development of iron sands project in Philippines
 - Formalisation of exploration leases on 8 tenements (44,000 hectares)
 - Additional lease areas identified
 - Program for confirmation drilling under development
 - 500,000 tonne per annum pilot process plant to be established
- Negotiation of processing rights for reject non-ferrous mineral stockpiles commenced





Loading Manganese for Export, Port Hedland



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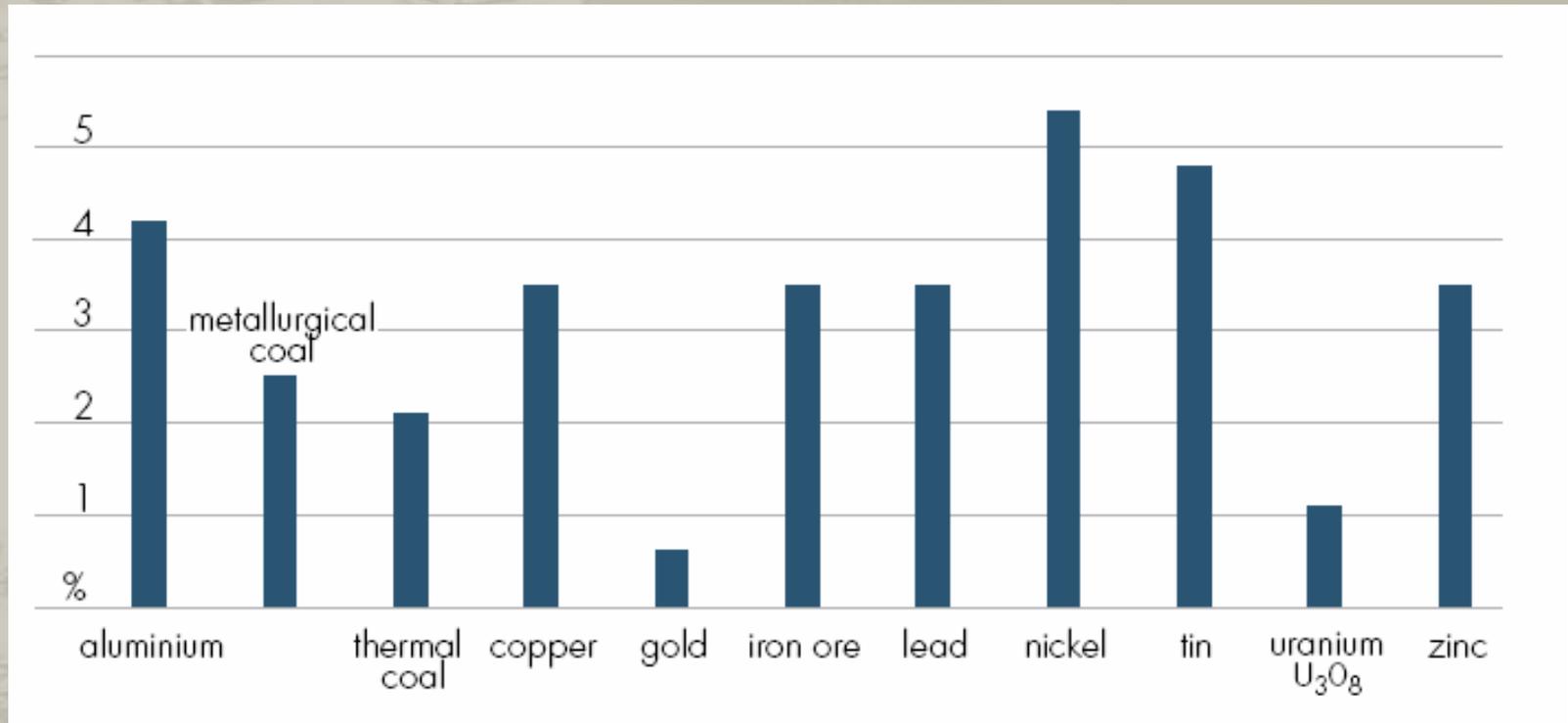


Outlook - Market

- Continuing strong global demand for commodities
- ‘China story’ to remain expansive in the long term
- Brownfield and greenfield iron ore upgrades being fast tracked
- Cost pressures and supply side constraints promote outsourcing culture
- National infrastructure improvements and upgrades foreshadowed by Government – water, power, environment
- Significant junior mining company production activity planned
- Strengthening manganese prices



Average Annual Growth in Minerals Consumption, 2005-11



Abare Research Report 07.3



Outlook - Operational

- Continuing focus on HSE quality performance to maintain world best practice
- Commencement of processing plant for iron sands in Philippines
- Formalisation of local opportunistic mineral processing contracts within Australia
- Achievement of increased tonnages from existing contract crushing opportunities



Outlook - Corporate

- FY2007 results on target for NPAT in excess of \$16 million (excluding share based payments)
- Balance sheet capable of supporting significant additional projects and acquisition initiatives
- Dividend payout ratio of 50% confirmed by Board as long term commitment
- Continuation of skills training and labour procurement strategies utilising local and overseas labour sources



Outlook – Business Strategy

- Maintain core business focus
- Add value to clients and shareholders
- Develop high quality Board, management and operating team
- Grow business as measured by profitability, reputation and share price
- Acquisition of complementary, earnings accretive business operations
- Implement geographic and commodity diversification strategies