



8 December 2009

ASX Announcement

Mineral Resources finalises Paulsens East Iron Ore Farm In Agreement

Mineral Resources Limited (ASX:MIN), through its wholly owned subsidiary, Process Minerals International Pty Ltd (**PMI**) is pleased to confirm that it has entered into a farm-in agreement with Strike Resources Limited (ASX:SRK) in relation to Strike's Paulsens East iron ore project in the Pilbara.

Previous mapping and sampling of Paulsens East has confirmed the presence of high-grade hematite mineralisation ridge that rises up to 60 metres above the valley floor, and extending over a strike length of 3,000 metres of varying width from 6 to 12 metres in a single and continuous outcrop.

Under the agreement, Strike has granted PMI the exclusive option to acquire 100% of the iron ore rights. In order to exercise the option and develop a production operation on the Paulsens East tenements, PMI shall fund the residual exploration and development project feasibility activities.

PMI has assisted Strike in progressing the application for the grant of a Mining Lease over the Paulsens East area together with applications for the grant of two Miscellaneous Licences to expedite site activities in the event that PMI elects to exercise its option to commence iron ore production following the exploration and feasibility study.

The Paulsens East Project is located 140 kilometres west of Tom Price in the Pilbara region of Western Australia and is suitably located to enable PMI to use common elements of the Group's supply chain from mine to port to optimise production and profitability from the resource.

Mineral Resources' Chairman, Mr Peter Wade, said that "*securing this option is consistent with PMI's business model to establish itself as a volume producer of steel making minerals from a range of Western Australia sites and complements previously announced agreements in respect of other manganese and iron ore rights.*"



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“Subject to a favourable feasibility study, the Group shall utilise its proven capability in the cost effective recovery and processing of ferrous and non-ferrous base metals from smaller mineral tenements and its existing supply chain links to proceed quickly into iron ore production”, he said.

Mineral Resources Limited is a leading, integrated, Australian based mining services and processing company with operations in contract crushing, general mine services, infrastructure provision and recovery of base metal concentrate for export. Operations are supplemented by rehabilitation and sale of heavy duty crushing and processing equipment, hire of engineering and crushing fleet plant and workshop manufacture of polyethylene pipe fittings and components.

Comprising three long standing core businesses, PIHA Pty Ltd, Crushing Services International Pty Ltd and Process Minerals International Pty Ltd, Mineral Resources Limited has developed a strong reputation for the cost effective delivery of its services and products to the resources and infrastructure sectors.

Mineral Resources Limited was admitted to the official list of the Australian Stock Exchange on 28 July 2006.

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