



19 February 2015

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

2014/15 Half Year Financial Report

The Directors of Mineral Resources Limited (Company) (ASX:MIN) are pleased to present the 2014/15 Half Year Financial Report to the markets.

HIGHLIGHTS:

- **Half year earnings in line with market expectations**
- **Solid Mining Services business performance,**
- **Iron ore export volumes increased by 2% to 5.5 million tonnes,**
- **Mining operations remain cash positive**
 - **22% reduction in underlying iron ore prices,**
 - **17% reduction in mining cash costs from operational and efficiency measures, and**
- **Fully Franked interim dividend of 7.5 cents per share.**

\$ millions	HY2015 (Dec14)	2 nd HY2014 (Jun14)	% Change
Revenue	752	971	(22%)
EBITDA	132	249	
EBITDA (adjusted for prior year one-off items)	132	139	(5%)
NPAT (excluding MRRT write-off and non-cash impairments)	51	118	(57%)
NPAT (reported)	(30)	100	
Net cash position	98	81	+21%

The Company has produced a 5% decline in operational earnings (EBITDA) over the previous period (June half 2014) notwithstanding a significant reduction in USD iron ore prices over the period. This result is in keeping with market expectations.

1 Sleat Road, Applecross, Western Australia 6153. Locked Bag 3, Canning Bridge, Applecross, Western Australia 6153
 P +61 8 9329 3600 F +61 8 9329 3601 W www.mineralresources.com.au

Reported half-year net profit after tax included two significant one-off, non-cash items:

1. a tax expense on the reversal of the Minerals Resource Rent Tax (“MRRT”) deferred tax asset of \$65.2 million, previously brought to account on introduction of the MRRT legislation in 2012, and
2. a \$15.9 million after tax impairment of the carrying value of manganese and iron ore stock, principally from completed operations in the Pilbara.

The resilience of the business model is again evident with a strong result from each sector of the Company in the face of a significant fall in USD iron ore prices and changing economic conditions.

Development of the business continued as planned this half-year:

- Group safety performance continued to improve with a Total Recordable Injury Frequency Rate (TRIFR) at a world class 4.8 recordable injuries per million hours on a rolling twelve month basis.
- Mining Services performed strongly. Highlights include:
 - Underlying earnings increased by 22% by delivering improved volumes and efficiency outcomes for clients.
 - A number of existing contracts have been renewed for terms of up to 10 years.
 - Completion of the construction phase of the Nammuldi Below Water Table process plant. This plant was built on a fixed price EPC contract and completed on schedule and within the original budget. Performance testing is proceeding and agreed benchmarks are being met.
 - Additional crushing capacity is being installed to meet customer’s new and expanded processing requirements.
 - Sales enquiry is high as clients seek out competitive solutions to maintain efficiency and to improve unit costs.
 - PIHA is introducing a range of new and improved products and systems for the oil and gas, construction and mine infrastructure sectors.
 - A record level of installed camp accommodation with a high level of utilisation.
 - Good progress made on planning and design work for a range of new Mining Services initiatives. Innovative transport and logistics infrastructure solutions provide the Company with an expanded product range to meet its own and client’s future needs for new and existing resource projects.
- Mining also performed credibly, in the face of extreme market and economic pressures. Highlights include:
 - Record iron ore shipments of 5.5 million tonnes.
 - Cash positive results from all current mining operations.
 - Significantly improved product discount outcomes by tailoring product and load configurations to meet customer’s requirements.
 - Significant cost reductions from a range of operational and efficiency measures in addition to broader economic benefits. Future savings will

depend on technical innovation and reduced price expectations from infrastructure owners and operators, particularly at port stockpile and loading operations.

- Iron Valley Iron Ore Project operational to achieve the one mine strategy in the Pilbara. Additionally, mineral processing technology is being developed for product grade enhancement over the next six months.

The Company's financial position continued to improve with the balance sheet cash positive by \$98 million. MRL also has access to over \$400 million in undrawn debt facilities to facilitate business development.


The Board has elected to position the Company to be able to develop new Mining Services initiatives which, in the Board's view, will assist in growing the Company and generating significant future shareholder value. Innovative initiatives are currently being developed in the areas of truck design, where the use of carbon fibre in dump truck bodies and the development of super quad road trains are expected to produce significant savings as they revolutionise the design and operation of materials handling activities. The Company is developing an innovative bulk ore transport system (BOTS) to further reduce the cost of ore transport and improve its efficient movement for long distances. An MOU is in place with Canadian Shipping Lines (CSL) to cooperatively develop transshipping solutions in the Western Australian market.

The business is well positioned to take advantage of current market conditions with the operational and financial strength to expand and develop the business for the future.

Directors have also resolved to continue the policy of distributing 50% of after tax earnings to shareholders as dividends. A fully franked interim dividend of 7.5 cents per share has been declared for shareholders at 20th March 2015.

On behalf of the Board and Management, I would like to take the opportunity to acknowledge the contribution of all customers, employees and contractors, and thank them for their assistance in producing continued positive outcomes to the benefit of all stakeholders.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter Wade', is enclosed in a light blue rectangular box.

Peter Wade
Chairman

APPENDIX 4D

HALF YEAR REPORT

1. Company details

Name of entity:	Mineral Resources Limited
ABN:	33 118 549 910
Reporting period:	For the half-year ended 31 December 2014
Previous period:	For the half-year ended 31 December 2013

2. Results for announcement to the market

Revenue from ordinary activities	down	19.0%	to	751,691
Profit from ordinary activities after tax	down	61.2%	to	50,527
Loss for the half-year attributable to the owners of Mineral Resources Limited	down	123.3%	to	(30,383)

Dividends

	Amount per security	Franked amount per security
Final Dividend	32.00 cents	32.00 cents
Interim Dividend	7.50 cents	7.50 cents

Comments

Loss from ordinary activities includes impairment charges on manganese and iron ore stockpiles of \$15,865,500 (after tax effect) (31 December 2013: Nil) and reversal of \$65,162,000 (31 December 2013: Nil) in Deferred tax assets due to the abolition of the Minerals Resource Rent Tax ("MRRT").

3. Net tangible assets

	Reporting period	Previous corresponding period
Net tangible assets per ordinary security	530.30 cents	551.60 cents

4. Dividends

Current period

	Amount per security	Franked amount per security
Final dividend	32.00 cents	32.00 cents
Interim dividend	7.50 cents	7.50 cents

Record date for determining entitlements to the interim dividend will be 20th March 2015 and the interim dividend will be paid on 23th April 2015.

Previous corresponding period

	Amount per security	Franked amount per security
Final dividend	32.00 cents	32.00 cents
Interim dividend	30.00 cents	30.00 cents

5. Dividend reinvestment plans

The following dividend or distribution plans are in operation:

The Company's Dividend Reinvestment Plan ("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 Mineral Resources Limited ("MRL") shares sold on the ASX in the five business days following the record date of 20th March 2015, rounded to the nearest whole cent. No discount will be applied. Shares issued under the DRP will rank equally in all respects with existing fully paid MRL shares, will be registered in the participant's holding and appear on the participant's routine transaction statement issued at the end of the month following the allocation. Full particulars of the operation of the DRP are available on the Company's website, www.mineralresources.com.au. The DRP will not be underwritten.

Last date for receipt of election notices for the dividend or distribution plans: 24th March 2015

6. Audit qualification or review

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

Mineral Resources Limited

ABN 33 118 549 910

Interim Report - 31 December 2014

Mineral Resources Limited

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31 December 2014

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Mineral Resources Limited
Corporate directory
31 December 2014

Directors	Peter Wade (Chairman) Chris Ellison (Managing Director) Joe Ricciardo Kelvin Flynn
Company secretary	Bruce Goulds
Registered office	1 Sleat Road, Applecross, WA 6153 P: + 61 8 9329 3600 F: + 61 8 9329 3601 Postal address: Locked Bag 3, Canning Bridge, Applecross WA 6153
Share register	Computershare Investor Services Pty Limited Level 2, Reserve Bank Building 45 St Georges Terrace Perth WA 6000 P: + 61 8 9323 2000 F: + 61 8 9322 2033 www.computershare.com/au
Auditor	RSM Bird Cameron Partners 8 St Georges Terrace Perth WA 6000 P: + 61 8 9261 9100 F: + 61 8 9261 9111 www.rsmi.com.au
Bankers	National Australia Bank 100 St Georges Terrace Perth WA 6000 www.nab.com.au
Stock exchange listing	Mineral Resources Limited shares are listed on the Australian Securities Exchange (ASX code: MIN)
Website	www.mineralresources.com.au

Mineral Resources Limited
Directors' report
31 December 2014

The directors present their report, together with the financial statements in the consolidated entity (referred to hereafter as the 'Consolidated Entity' or 'Group') consisting of Mineral Resources Limited (referred to hereafter as the 'Company' or 'Parent Entity') and the entities it controlled for the half-year ended 31 December 2014.

Directors

The following persons were directors of the Company during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Peter Wade
Chris Ellison
Joe Ricciardo
Kelvin Flynn
Mark Dutton (resigned on 20 November 2014).

Principal activities

During the half-year, the principal continuing activities of the Consolidated Entity consisted of the integrated supply of goods and services to the resources sector.

Overview

The Consolidated Entity produced earnings before interest, tax and depreciation ("EBITDA") of \$132.4 million leading to an underlying net profit after tax and non-controlling interests of \$50.5 million (31 December 2013: profit \$130.3 million). This result was underpinned by a continuing solid contribution from the Mining Services and Processing segment, lower mining costs and record iron ore exports that partially offset the significant iron ore price fall. The decline in the market price for iron ore obviously had a negative effect on the results, although discounts achieved from the headline index prices were held at acceptable levels and all our sales were as a minimum, cash positive.

Reported half-year net profit after tax included two significant one-off, non-cash items:

1. a tax expense on the reversal of the Minerals Resource Rent Tax ("MRRT") deferred tax asset of \$65.2 million, previously brought to account on introduction of the legislation in 2012; and
2. a \$15.9 million after tax impairment of the carrying value of manganese and iron ore stock from operations closed to facilitate our targeted one mine Pilbara policy.

An effective tax rate of 26% for the half year results principally from tax relief on research and development (R&D) expenditure on our beneficiation, and ore transport and shipping initiatives.

The Consolidated Entity has continued to manage its gearing to strengthen the balance sheet. In the current half-year, Net Cash (cash and cash equivalents less debt) increased by \$16.8 million to \$97.5 million. This result was achieved after the reversal of the working capital benefits associated with construction and long term iron ore contracts generated in the previous half, and whilst continuing to fund the Group's CAPEX and R&D programs. In addition to its cash holdings, the Consolidated Entity has access to over \$400 million in undrawn debt facilities to facilitate business development.

Mineral Resources Limited
Directors' report
31 December 2014

Mining Services and Processing

The Mining Services and Processing segment continued to perform strongly throughout the period, led by contracting and construction activities. Of particular note was the completion of the construction phase of Nammuldi Below Water Table process plant EPC project, which was delivered on schedule and within the original budget. This shows the benefit of client and contractor working in a collaborative way to achieve common goals. Commissioning and handover of the plant is now underway.

Earnings in the prior period were enhanced by profits taken to account on the FMG contract exit at Christmas Creek and the CML contract exit at Woodie Woodie. If these one-off items are excluded from the H2 FY2014 result, the Mining Services and Processing EBITDA for the current period was 23% greater.

CSI Crushing continued to perform strongly by delivering increases in volumes and efficiencies for clients by implementing innovative operational and equipment solutions. The success of this business and its client partnerships has been confirmed in the half by the renewal and rollover of a number of existing contracts for terms up to 10 years duration.

PMI Site Services had an excellent half-year with a 44% increase in EBITDA from the prior period. This result has been driven by higher utilisation of existing assets and the bringing into operation of new facilities.

The PIHA business has also been enhanced with a range of new and improved products and systems for the oil and gas, construction and mine infrastructure sectors. In addition, the business has been successful in delivering cost reduction and efficiency targets to ensure it can remain cost competitive in the current mining construction market.

Commodities

The growth in commodity sales volumes are presented below:

Export Volumes ('000 WMTs)	H1 FY2013	H2 FY2013	Total FY2013	H1 FY2014	H2 FY2014	Total FY2014	H1 FY2015
Iron Ore							
- Iron Valley	-	-	-	-	-	-	824
- Phil's Creek	-	464	464	1,721	2,289	4,010	1,855
- Spinifex Ridge	-	-	-	653	737	1,390	363
- Poondano & other	1,015	386	1,401	319	161	480	2
Total Utah Point	1,015	850	1,865	2,693	3,187	5,880	3,044
KBT2	1,528	2,016	3,544	2,376	2,177	4,553	2,435
Total Iron Ore	2,543	2,866	5,409	5,069	5,364	10,433	5,479
Manganese	117	30	147	-	-	-	317
Total Commodity Sales	2,660	2,896	5,556	5,069	5,364	10,433	5,796

The Consolidated Entity had another record half-year with export volumes of 5.8 million wet metric tonnes, up 8% on the prior period and 14% on the previous corresponding period. Of the tonnes exported, iron ore contributed 5.5 million tonnes which also represented a record for a half-year.

In the Pilbara region, the Consolidated Entity delivered half-year iron ore exports of 3.0 million wet tonnes at the same time as managing the transition to a simplified single mine strategy. The Group commenced production at Iron Valley and completed the planned transition from Phil's Creek and Spinifex Ridge to facilitate our one mine Pilbara policy. The Iron Valley project developed in the half-year as planned with both mining and haulage achieving steady-state operations and the crushing plant achieving name-plate capacity.

Development of the Yilgarn region continued in the current half-year with iron ore export volumes increasing to a record 2.4 million wet metric tonnes from the Carina mine, an increase of 12% on the previous half-year and 2% over the previous corresponding period.

Mineral Resources Limited
Directors' report
31 December 2014

Despite relief from foreign exchange and higher prices achieved on the Iron Valley Lump product, achieved iron ore prices on average fell 22% in the half-year. This fall was driven by the decline in world iron ore prices since December 2013. We are foreshadowing that the sales price for iron ore has plateaued at February 2015 levels and that this level is expected to continue for the medium term as new supply coming into the market is absorbed by users.

The Consolidated Entity continued its focus on operating costs and undertook a number of cost cutting and efficiency improvement initiatives in the period. Mining segment cash costs declined significantly from the prior period as a result of operating efficiency measures along with the indirect impact of economic factors arising from forex and oil pricing issues. This reduction in the cost base has assisted in the continued cash positive result from Mining operations. Future cash cost reductions will flow from the outcome of immediate transport improvement initiatives we are pursuing as well as price reductions we are negotiating with infrastructure owners and operators, particularly at the States ports. The costs to date are seriously impacted by high port storage and ship loading charges and MRL is in discussions with the State Government and Port Authorities to secure a reduction in these charges.. Innovative initiatives in respect of longer term bulk resource movement are currently being developed to produce significant savings as they revolutionise the design and operation of materials handling tasks.

During the half-year the Consolidated Entity took the opportunity to sell 0.3 million wet metric tonnes of Manganese through Utah Point in the Pilbara. Although this led to an accounting loss, it recycled \$42.3 million of working capital to cash.

The J4 mine, which is adjacent to the Carina mine, was approved by the Minister of Environment in the half-year. The development of J4 will allow the Consolidated Entity to leverage the existing Carina infrastructure and extend the life of the Yilgarn Project.

Subsequent to the end of the half-year, the Environmental Protection Authority (EPA) published a recommendation on the J5 and Bungalbin East projects which is now the subject of an appeal and further interaction with the EPA, Minister for the Environment and Western Australian Government. The tenements concerned are located in an area reserved for both mining and conservation and the Consolidated Entity is confident that its track record of high quality mining practices and proven environmental and site rehabilitation expertise can successfully satisfy all environmental requirements in hand with our project development.

Cash and working capital

The Group's balance sheet continues to benefit from the significant operational cash generation over the previous 18 months. Net Cash of \$97.5 million at 31 December 2014 is over \$400 million greater than at 30 June 2013.

Cash generation in the current half-year has allowed for the continuation of the Group's CAPEX and R&D programs, the payment of financial year 2014 taxation liabilities and dividends, and the working capital commitment for completion of the construction of Nammuldi Below Water Table processing plant. Net Cash at 31 December 2014 is \$18 million greater than at the end of the prior period.

CAPEX in the current half-year totalled \$85.9 million, which was down on \$124.6 million invested in the prior period. The majority of investment in the period was focussed on completing the acquisition of the Group's railway rolling stock and the construction and refurbishment of crushing and processing plant.

CAPEX for the second half will include the investment to develop the J4 mine, commencement of the beneficiation plant for Iron Valley and development the bulk ore transport system (BOTS) design and test facility.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Consolidated Entity during the financial half-year.

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 'rounding-off'. Amounts in this report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

Mineral Resources Limited
Directors' report
31 December 2014

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'C. Ellison', is enclosed within a light blue rectangular border.

Chris Ellison
Managing Director

19 February 2015
Perth

RSM Bird Cameron Partners
8 St George's Terrace Perth WA 6000
GPO Box R1253 Perth WA 6844
T +61 8 9261 9100 F +61 8 9261 9101
www.rsmi.com.au

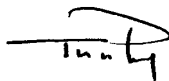
AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Mineral Resources Limited for the half-year ended 31 December 2014, 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



TUTU PHONG
Partner

Perth, WA
Dated: 19 February 2015

Mineral Resources Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2014

	Note	Consolidated	
		31 Dec 2014	31 Dec 2013
		\$'000	\$'000
Revenue		751,691	928,444
Other income		5,384	1,258
Expenses			
Changes in closing stock		(15,506)	33,297
Raw materials and consumables		(73,087)	(114,888)
Equipment costs		(24,677)	(27,102)
Subcontractors		(82,141)	(117,636)
Employee benefits expense		(135,564)	(114,521)
Transport and freight		(243,457)	(233,228)
Depreciation and amortisation		(61,268)	(106,345)
Other expenses		(48,173)	(49,942)
Finance costs		(3,799)	(9,129)
Operating profit before impairment charges and income tax expense		69,403	190,208
Income tax on operating profit before impairment charges		(18,876)	(59,910)
Profit after tax before non cash impairment charges and adjustments for Minerals Resource Rent Tax ("MRRT")		50,527	130,298
Impairment charges	4	(22,665)	-
Income tax on impairment charges		6,800	-
Profit before MRRT expense		34,662	130,298
Tax expense on reversal of MRRT deferred tax assets		(65,162)	-
(Loss)/profit after income tax expense for the half-year		(30,500)	130,298
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain on asset revaluation reserve, net of tax		90	89
<i>Items that may be reclassified subsequently to profit or loss</i>			
Gain on the revaluation of available-for-sale financial assets, net of tax		16	51
Other comprehensive income for the half-year, net of tax		106	140
Total comprehensive income for the half-year		<u>(30,394)</u>	<u>130,438</u>
(Loss)/profit for the half-year is attributable to:			
Non-controlling interest		(117)	(273)
Owners of Mineral Resources Limited		(30,383)	130,571
		<u>(30,500)</u>	<u>130,298</u>
Total comprehensive income for the half-year is attributable to:			
Non-controlling interest		(117)	(273)
Owners of Mineral Resources Limited		(30,277)	130,711
		<u>(30,394)</u>	<u>130,438</u>
Basic and diluted profit per share after tax before impairment and MRRT (cents per shares)		27.0	70.2
Basic and diluted (loss)/profit per share (cents per shares)		(16.2)	70.2

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Mineral Resources Limited
Statement of financial position
As at 31 December 2014

	Note	Consolidated	Consolidated
		31 Dec 2014	30 June 2014
		\$'000	\$'000
Assets			
Current assets			
Cash and cash equivalents		192,524	206,454
Trade and other receivables		108,754	142,862
Inventories		83,337	111,040
Financial assets at fair value through profit or loss		-	178,977
Other		7,935	15,012
Total current assets		<u>392,550</u>	<u>654,345</u>
Non-current assets			
Receivables		6,399	6,511
Investments accounted for using the equity method		190	190
Available-for-sale financial assets		8,701	3,553
Property, plant and equipment		693,694	660,917
Intangibles		62,557	66,701
Exploration, evaluation & development		374,088	378,217
Deferred tax		19,003	87,784
Total non-current assets		<u>1,164,632</u>	<u>1,203,873</u>
Total assets		<u>1,557,182</u>	<u>1,858,218</u>
Liabilities			
Current liabilities			
Trade and other payables		199,131	327,150
Borrowings		18,405	44,000
Income tax payable		1,662	63,277
Employee benefits		15,580	14,654
Provisions		8,125	9,050
Total current liabilities		<u>242,903</u>	<u>458,131</u>
Non-current liabilities			
Borrowings		76,578	81,708
Deferred tax		171,533	168,285
Employee benefits		71	162
Provisions		10,518	10,623
Total non-current liabilities		<u>258,700</u>	<u>260,778</u>
Total liabilities		<u>501,603</u>	<u>718,909</u>
Net assets		<u>1,055,579</u>	<u>1,139,309</u>
Equity			
Issued capital	5	502,271	495,552
Reserves		6,374	6,138
Retained profits		526,777	616,860
Equity attributable to the owners of Mineral Resources Limited		<u>1,035,422</u>	<u>1,118,550</u>
Non-controlling interest		20,157	20,759
Total equity		<u>1,055,579</u>	<u>1,139,309</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Mineral Resources Limited
Statement of changes in equity
For the half-year ended 31 December 2014

Consolidated	Issued capital \$'000	Reserves \$'000	Retained profits \$'000	Non-controlling interest \$'000	Total equity \$'000
Balance at 1 July 2013	490,562	5,981	501,183	20,014	1,017,740
Profit/(loss) after income tax expense for the half-year	-	-	130,571	(273)	130,298
Other comprehensive income for the half-year, net of tax	-	140	-	-	140
Total comprehensive income for the half-year	-	140	130,571	(273)	130,438
<i>Transactions with owners in their capacity as owners:</i>					
Transaction with non controlling interests	-	-	-	1,379	1,379
Share issued under Dividend Reinvestment Plan	1,302	-	-	-	1,302
Dividends paid (note 6)	-	-	(59,516)	-	(59,516)
Balance at 31 December 2013	<u>491,864</u>	<u>6,121</u>	<u>572,238</u>	<u>21,120</u>	<u>1,091,343</u>
Consolidated	Issued capital \$'000	Reserves \$'000	Retained profits \$'000	Non-controlling interest \$'000	Total equity \$'000
Balance at 1 July 2014	495,552	6,138	616,860	20,759	1,139,309
Loss after income tax expense for the half-year	-	-	(30,383)	(117)	(30,500)
Other comprehensive income for the half-year, net of tax	-	106	-	-	106
Total comprehensive income for the half-year	-	106	(30,383)	(117)	(30,394)
<i>Transactions with owners in their capacity as owners:</i>					
Transaction with non controlling interests	-	-	-	(485)	(485)
Share issued under Dividend Reinvestment Plan	6,719	-	-	-	6,719
Others	-	130	-	-	130
Dividends paid (note 6)	-	-	(59,700)	-	(59,700)
Balance at 31 December 2014	<u>502,271</u>	<u>6,374</u>	<u>526,777</u>	<u>20,157</u>	<u>1,055,579</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Mineral Resources Limited
Statement of cash flows
For the half-year ended 31 December 2014

	Note	Consolidated	
		31 Dec 2014	31 Dec 2013
		\$'000	\$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		820,076	1,046,256
Payments to suppliers and employees (inclusive of GST)		<u>(768,294)</u>	<u>(642,332)</u>
		51,782	403,924
Interest received		1,698	547
Interest and other finance costs paid		(3,086)	(9,128)
Income taxes paid		<u>(66,734)</u>	<u>(27,729)</u>
Net cash (used in)/from operating activities	9	<u>(16,340)</u>	<u>367,614</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(78,456)	(48,211)
Payments for exploration and evaluation		(4,181)	(3,797)
Payments for mining development		(3,226)	(7,455)
Payments for investments		(6,642)	-
Proceeds from sale of investments (AQA shares)		<u>178,977</u>	<u>-</u>
Net cash from/(used in) investing activities		<u>86,472</u>	<u>(59,463)</u>
Cash flows from financing activities			
Transaction with non-controlling interests		(356)	1,296
Proceeds from borrowings		79,820	48,500
Repayment of borrowings		(110,545)	(165,832)
Dividends paid	6	<u>(52,981)</u>	<u>(58,132)</u>
Net cash used in financing activities		<u>(84,062)</u>	<u>(174,168)</u>
Net (decrease)/increase in cash and cash equivalents		(13,930)	133,983
Cash and cash equivalents at the beginning of the financial half-year		<u>206,454</u>	<u>57,832</u>
Cash and cash equivalents at the end of the financial half-year		<u><u>192,524</u></u>	<u><u>191,815</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Mineral Resources Limited
Notes to the financial statements
31 December 2014

Note 1. General information

The financial statements cover Mineral Resources Limited as a Consolidated Entity consisting of Mineral Resources Limited and its subsidiaries. The financial statements are presented in Australian dollars, which is Mineral Resources Limited's functional and presentation currency.

Mineral Resources Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

1 Sleet Road
Applecross WA 6153.

A description of the nature of the Consolidated Entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 19 February 2015. The directors do not have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2014 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2014 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The Consolidated Entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these new and revised Accounting Standards and Interpretations has not resulted in a significant or material change to the Consolidated Entity's accounting policies.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 3. Operating segments

Business segment

Mineral Resources Limited has identified its operating segments based on internal management reports that are reviewed by the executive committee (the Chief Operating Decision Makers) in assessing performance and in determining the allocation of resources. Mineral Resources Limited continues to report its business results as three operating segments being Mining Services and Processing, Mining and Central. All are operating within the resources sector of the Australian economy.

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.

Mineral Resources Limited
Notes to the financial statements
31 December 2014

Note 3. Operating segments (continued)

Operating segment information

Consolidated - 31 Dec 2014	Mining Services & Processing \$'000	Mining \$'000	Central \$'000	Total \$'000
Total revenue	360,310	391,561	(180)	751,691
Other revenue	2,578	749	-	3,327
Other expenses	(242,699)	(373,898)	(6,008)	(622,605)
Earnings before interest, tax, depreciation and amortisation	120,189	18,412	(6,188)	132,413
Depreciation and amortisation	(35,591)	(24,603)	(1,074)	(61,268)
Interest revenue	58	16	1,983	2,057
Finance costs	(842)	-	(2,957)	(3,799)
Operating profit before impairment charges and income tax	83,814	(6,175)	(8,236)	69,403
Income tax on operating profit before impairment charges				(18,876)
Profit after tax before impairment charges				50,527
Impairment charges				(22,665)
Income tax on impairment charges				6,800
Profit before MRRT expense				34,662
Income tax expense on reversal of MRRT deferred tax asset				(65,162)
Loss after income tax expense				(30,500)
Assets				
Segment assets	957,586	563,442	36,154	1,557,182
Total assets				1,557,182
Liabilities				
Segment liabilities	321,453	152,074	28,076	501,603
Total liabilities				501,603

Mineral Resources Limited
Notes to the financial statements
31 December 2014

Note 3. Operating segments (continued)

Consolidated - 31 Dec 2013	Mining Services & Processing \$'000	Mining \$'000	Central \$'000	Total \$'000
Total revenue	418,649	509,795	-	928,444
Other revenue	-	161	550	711
Other expenses	(260,235)	(363,207)	(578)	(624,020)
Earnings before interest, tax, depreciation and amortisation	158,414	146,749	(28)	305,135
Depreciation and amortisation	(60,965)	(43,547)	(1,833)	(106,345)
Interest revenue	-	37	510	547
Finance costs	(3,168)	-	(5,961)	(9,129)
Profit/(loss) before income tax expense	94,281	103,239	(7,312)	190,208
Income tax expense				(59,910)
Profit after income tax expense				130,298

Consolidated - 30 June 2014

Assets				
Segment assets	1,202,406	621,482	34,330	1,858,218
Total assets				1,858,218
Liabilities				
Segment liabilities	373,197	112,967	232,745	718,909
Total liabilities				718,909

Intersegment revenue

Consolidated - 31 Dec 2014	Mining Services & Processing \$'000	Mining \$'000	Central \$'000	Total \$'000
Revenue				
Sales to internal and external customers	424,929	391,561	(180)	816,310
Intersegment sales	(64,619)	-	-	(64,619)
Total revenue	360,310	391,561	(180)	751,691

Consolidated - 31 Dec 2013

Revenue				
Sales to internal and external customers	528,442	513,697	-	1,042,139
Intersegment sales	(109,793)	(3,902)	-	(113,695)
Total revenue	418,649	509,795	-	928,444

Note 4. Impairment charges

	Consolidated 31 Dec 2014 \$'000	31 Dec 2013 \$'000
Trade receivables (associated with manganese stockpile)	13,455	-
Inventory (iron ore at Spinifex Ridge and Phil's Creek)	8,296	-
Property, plant and equipment	893	-
Investments	21	-
	<u>22,665</u>	<u>-</u>

Mineral Resources Limited
Notes to the financial statements
31 December 2014

Note 5. Equity - issued capital

	Consolidated			
	31 Dec 2014	30 June 2014	31 Dec 2014	30 June 2014
	Shares	Shares	\$'000	\$'000
Ordinary shares	<u>187,270,274</u>	<u>186,556,246</u>	<u>502,271</u>	<u>495,552</u>

Movements in ordinary share capital

Details	Date	Shares	\$'000
Balance	1 July 2014	186,556,246	495,552
Share issued for dividend reinvestment		<u>714,028</u>	<u>6,719</u>
Balance	31 December 2014	<u>187,270,274</u>	<u>502,271</u>

Movements in ordinary share capital

Details	Date	Shares	\$'000
Balance	1 July 2013	185,987,992	490,562
Shares issued for dividend reinvestment		<u>124,206</u>	<u>1,302</u>
Balance	31 December 2013	<u>186,112,198</u>	<u>491,864</u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

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

Note 6. Equity - dividends

Dividends paid during the financial half-year were as follows:

	Consolidated	
	31 Dec 2014	31 Dec 2013
	\$'000	\$'000
DIVIDENDS PAID DURING HALF YEAR		
Fully franked dividends provided for and paid during the half-year	59,700	59,516
DIVIDEND DECLARED SINCE THE END OF THE HALF-YEAR		
Interim dividend for the year ending 30 June 2015 of 7.5 cents (previous corresponding period: 30 cents) per ordinary share fully franked at a tax rate of 30% to be paid on 23 rd April 2015. This dividend amount to be paid has not been provided for in this half year financial report	14,045	55,834
	<u>73,745</u>	<u>115,350</u>

Note 7. Contingent liabilities

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

Note 8. Events after the reporting period

No matter or circumstance has arisen since 31 December 2014 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Mineral Resources Limited
Directors' declaration
31 December 2014

In the directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto give a true and fair view of the Consolidated Entity's financial position as at 31 December 2014 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to be 'C. Ellison', is enclosed within a light blue rectangular border.

Chris Ellison
Managing Director

19 February 2015
Perth

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

We have reviewed the accompanying half-year financial report of Mineral Resources Limited which comprises the statement of financial position as at 31 December 2014, and the statement of profit or loss and other 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 half-year 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 2014 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.

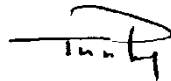
Conclusion

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 2014 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 19 February 2015