MANAGING DIRECTORS PRESENTATION

17 NOVEMBER 2016

AGENDA

1. FY16 Highlights
2. Innovation and Growth Priorities
3. FY17 Outlook

FY16 HIGHLIGHTS

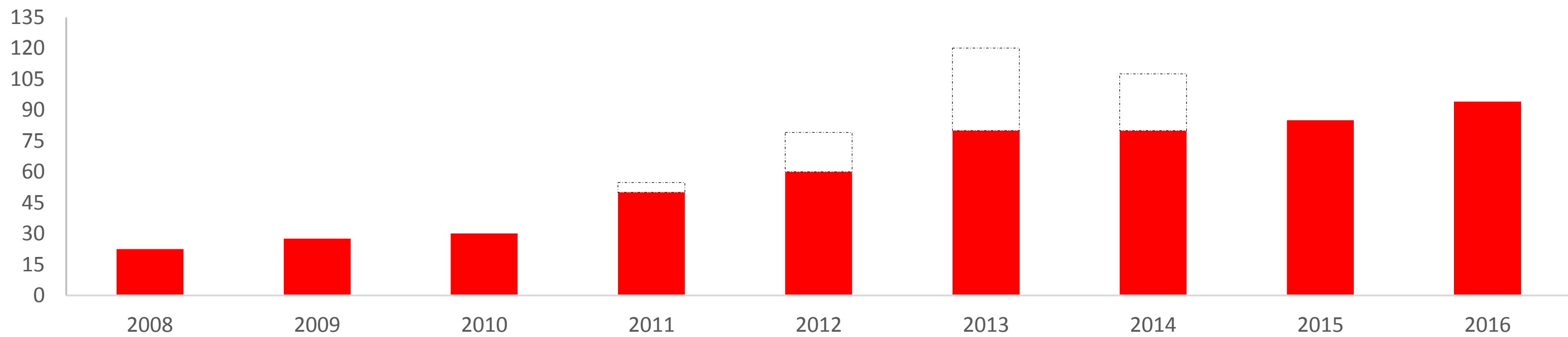
MRL LOCOMOTIVES IN ACTION

MRL DESIGNED AND BUILT 25MTA
CRUSHING & SCREENING PLANT

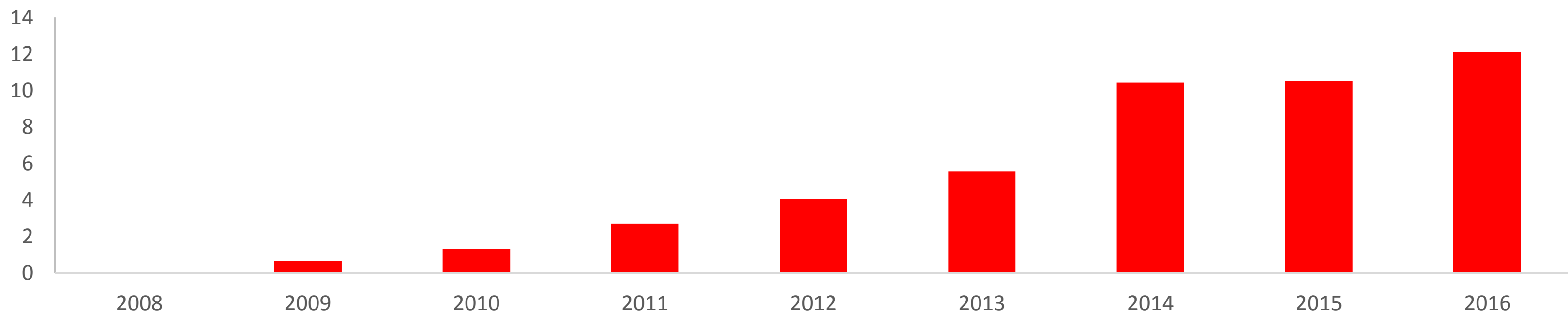
OPERATIONAL HIGHLIGHTS

In FY16 MRL continued its track record of growth

Installed Crushing Capacity
(millions tonnes per annum)



Commodity Exports
(millions tonnes per annum)



FY16 OPERATIONAL HIGHLIGHTS

MRL delivered an 11% and 14% increase in crushing and export volumes respectively

MINING SERVICES

ANNUITY STYLE EARNINGS

- Increased equivalent crushing capacity by 11% pcp in FY16
- Strong customer retention for crushing and processing business
- Average weighted contract term for existing crushing and screening contracts is approx. 6 years
- Mt Marion mine to port services to contribute to annuity earnings from mid FY17

TRANSACTIONAL EARNINGS

- Lower EPC revenue from external clients in FY16
- Progressed works on Nammuldi Below Water Table Expansion Stage 2 (EPC construction contract)
- Project now completed on budget and ahead of schedule in 1H FY17
- Completed a number of significant pipeline and water services projects for top tier clients in FY16

COMMODITY BUSINESS

PROFIT SHARE EARNINGS

- Export volumes increased 14% pcp to a record 12.1 MT
- Reduced mining cash costs by 18% pcp in FY16
- Mining of the J4 deposit in Yilgarn commenced in FY16
- Group exercised Mt Marion option increasing equity interest to 43.1%
- Significantly increased JORC compliant indicated and inferred resources at Mt Marion increasing mine life to +30 years

FY16 FINANCIAL HIGHLIGHTS

Stable earnings and improved margins despite difficult commodity price environment

- Revenue of $1.2bn in line with pcp
- Lower transaction revenue (EPC) in Mining Services and lower global iron ore prices, offset by an increase in export volumes in the Commodity business
- Normalised EBITDA of $286mn and NPAT of $110m in line with PCP
- Net cash improved by $70mn to $188m as a result of improved commodities cash flow and working capital management
- Renewed $400m syndicated debt facility for 4 years
- Final dividend of 21 cents per share in addition to 8.5c cents per share representing 50% distribution

Normalised profit & Loss ($m)	FY15	FY16
Revenue	**1,299**	**1,178**
EBITDA	**283**	**286**
Net profit after tax	**109**	**110**
NPAT margin	*8.4%*	*9.3%*

Balance Sheet	FY15	FY16
Total Assets	**1,592**	**1,618**
Total Liabilities	**510**	**609**
NET EQUITY	**1,082**	**1,009**

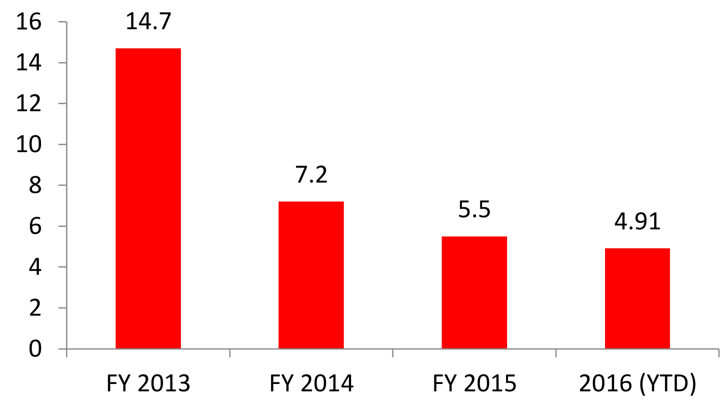
Cash Flow	FY15	FY16
Net cash flow from operations	**149**	**354**
CAPEX	**127**	**166**

FY16 SAFETY PERFORMANCE

Driving our Safety standards to challenge best practice

- The 12 month Total Recordable Injury Frequency Rate (TRIFR) decreased to 4.91 for the YTD.
- The 12 month Lost Time Injury Frequency Rate (LTIFR) reduced from 0.21 (FY15) to 0.00 in FY16.
- Roll out of the MRL 'Truths and Behaviours' program, which focused on empowering our people to be able to stand up and have that 'tough talk' with someone, call out to identify hazards and apply the controls required.
- The 'Safe Production Program' was successfully wrapped up with a total of 134 participants attending. Following 'Safe Production', the 'Steel Cap Program' has begun with a focus on providing our Supervisors with the skills and qualifications to manage safety function.
- 'Safety Toolbox' auditing has been conducted across the MRL business, which ensures alignment to relevant legislation and industry standards providing a consistent approach to safety compliance.
- Strategic Safety Planning 'Plan on a Page' development by MRL and each business unit provides a twelve month outlook on Safety performance and focusing on key risk factors.

MRL – Total Recordable Injury Frequency Rate – year on year



'Truths and Behaviours' program

GROWTH PRIORITIES AND INNOVATION

MT MARION LITHIUM PLANT

RECLAIMER AT CARINA

GROWTH PRIORITIES AND INNOVATION

1. Growth of existing business

BUILD, OWN, OPERATE

- Management expects to grow build own operate contracts with two additional plants to be secured in FY17
- Continued strong performance of existing contracts

MT MARION (PROFIT SHARE)

- Plant and site infrastructure construction complete and in the process of wet commissioning.
- Exploring options to monetise our equity interest in the project (MRL 43.1% ownership)
- Project has + 30 year life (77mt of JORC compliant inferred and indicated resource)

WODGINA (PROFIT SHARE)

- Site acquired in FY16 including existing infrastructure (10MW gas power station and accommodation)
- Significant Build, own, operate opportunity of 400kt of 6% Li20
- Commence wet commissioning by October 2017
- Exploring potential strategic or offtake partners
- Agreement reached with Pilbara Minerals – MRL issued with 104m shares (approx. $57m in market value)
- Finalising cost study on lithium hydroxide plant

PROFIT SHARE PROJECTS

- Expect to continue to grow iron ore tonnes at 20% p.a. over next 2 years
- Continue to assess new iron ore opportunities to potentially replace existing projects if required
- Assessing 3 new profit share projects comprising other commodities—expected to approve and commence construction for 2 projects in FY17

GROWTH PRIORITIES AND INNOVATION

1. Growth of existing business

YILGARN PROFIT SHARE UPDATE

- Approvals at J5 and Bungalbin East are critical to MRL's Yilgarn operations continuing beyond 2017 (approx. 5.4mt p.a)
- Currently 425 workers are engaged in the mine, rail and port aspects of the operations (AECOM has modelled 1,496 Direct and Indirect workers are supported by the project)
- MRL makes annual payments to the WA government of $67M in royalties, taxes and Fremantle port fees
- MRL has submitted a comprehensive environmental impact assessment
- Almost 1,500 submissions has been received the EPA as part of the public environmental review
- MRL will earnestly respond to these submissions and the EPA will finalise their report early in 2017
- The WA Minister for the Environment will then make his decision considering social, economic and environmental factors

MRL Surveyor at Bungalbin East

GROWTH PRIORITIES AND INNOVATION

2. *Innovation in supply chain*

BOTS / BOSS

- Design is complete and verified for both BOTS (Bulk Ore Transportation System) & BOSS (Bulk Ore Shuttle System)
- Capable of delivering significant annuity profit streams for MRL and customers
- Looking to establish a trial facility in 2017 to test operations of the systems
- First implementation to be assessed in context of market conditions and return on capital hurdles

ROAD TRANSPORT

- Super quad haulage configuration now in place delivering $5 / tonne cost savings in Iron Valley
- New projects are underway to increase payloads to 150-160 tonnes (from 138 tonnes) with potential to deliver further cost savings

REMOTE POWER

- MRL's remote power solution successfully installed and operating at Mt Marion
- Expected to create savings, provide more certainty of energy costs and substantial environmental benefits
- MRL has plans to convert all of its existing diesel power stations to gas or LNG and has the potential to roll out for external client
- Gas acquisitions

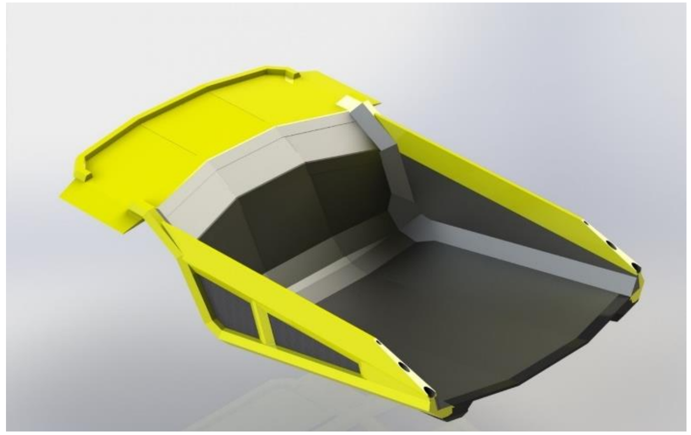
CARBON FIBRE

- 1st dump truck tray expected to be complete in Q1 2017 calendar year
- Development has taken longer and costing more that first anticipated
- Manufacturing facility developed employing robotic technology, for the manufacture of structural components
- Short to medium term returns are substantial - MRL's carbon fibre trays facilitate a 15 tonne payload increase on a 150 tonne truck tray

GROWTH PRIORITIES AND INNOVATION

2. Innovation in supply chain

MRL'S DESIGN - BULK ORE TRANSPORT SYSTEM



CONCEPT DESIGN OF MRL'S CARBON FIBRE TRUCK TRAY

MRL'S FIRST SUPER QUAD ROAD TRAIN ON SITE AT IRON VALLEY IN THE PILBARA REGION

CRYOGENIC PLANTS FOR CONVERTING NATURAL GAS

FY17 GUIDANCE UPDATE

MRL’S BULK ORE SHUTTLE SYSTEM

MRL’S NEW 160 TONNE MEGAQUAD

FY17 FINANCIAL GUIDANCE

EBITDA guidance of between A$380m and A$420m (assumes proportional consolidation of Mt Marion)

key assumptions

- Iron ore US$60 per tonne
- AUD / USD to average 0.75
- 12.5m tonnes of iron ore export
- Iron ore CFR cash costs remain at H2 FY16 levels
- Mt Marion full production by end FY17
- 100Mt of equivalent crushing capacity
- Capital expenditure of A$100m and A$150m (excluding Wodgina acquisition)

Exclusions

- Equity sale of Mt Marion
- Shareholding in Pilbara Minerals
- Buy in of Wodgina Lithium partner

MINERAL RESOURCES