



Mineral Resources Limited

An integrated supplier of goods and services to the Resources Sector



FULL YEAR RESULTS

2010

Moving Ahead: Real Action

Peter Wade, Chairman

Bruce Goulds, CFO

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PRESENTATION OUTLINE

- About Mineral Resources Limited
- Result Highlights and Overview
- Operational Performance
- Financial Performance
- Strategy, Issues and Outlook

ABOUT MINERAL RESOURCES LIMITED

- Operating since 1992, original business founders still manage company
- Listed on ASX in 2006, advanced to ASX 200 in March 2010
 - Five subsidiary companies:



PIHA Pty Ltd – specialist supplier of piping and general infrastructure



Crushing Services International Pty Ltd – specialist contract crushing, screening and materials handling



Process Minerals International Pty Ltd – specialist minerals processing and exporter



Polaris Metals Pty Ltd – an exploration company aspiring to become an iron ore producer



Mesa Minerals Limited – a manganese technology and exploration company – 62.96%

ABOUT MINERAL RESOURCES LIMITED

- Recognised as the premier contract crushing company in Australia through BOO production model
- Expanding role in the production and export of manganese and iron ore commodities
- Targeting development of BOO infrastructure opportunities
- A provider of one-stop-shop services to the mining sector

Corporate Highlights

- CSI presented with prestigious Rio Tinto “Supplier of Excellence” awards under iron ore supplier recognition programme
- MRL elevated into ASX 200
- Strengthening of Board capability through the appointment of Kelvin Flynn as Non-Executive Director
- Hancock Prospecting a new major shareholder
- Completion of 100% takeover of Polaris Metals
- Successful implementation of acquisition bid for Mesa Minerals (62.96% at 18 August, 2010)

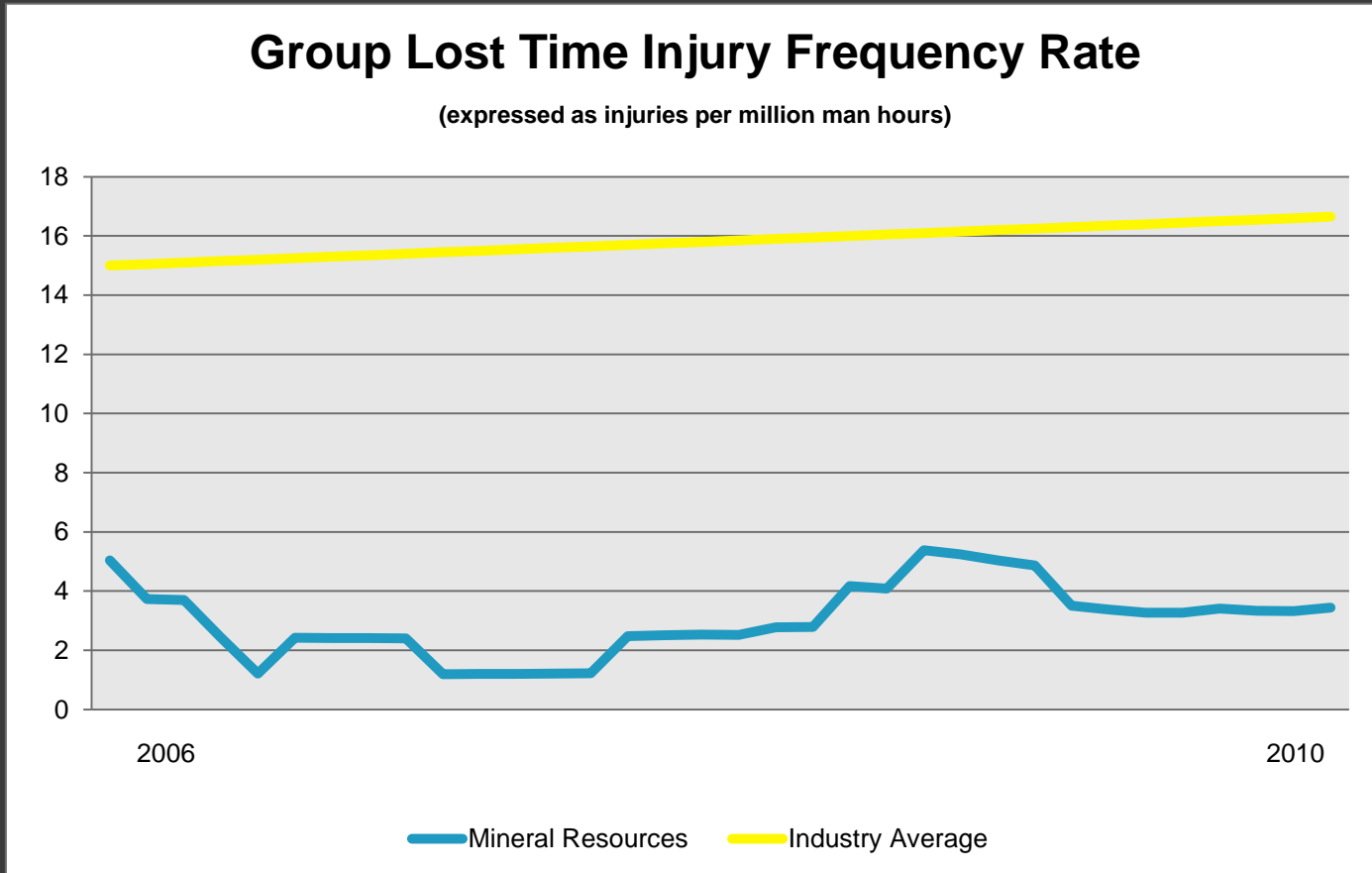
Financial Highlights

- Headline net profit after tax of \$97.2 million, an improvement of 119.4% on the previous year.
- Normalised net profit after tax (before one off tax adjustment) of \$62.5 million, an improvement of 26% on the previous year
- Final fully franked dividend of 13.6 cents, bringing the full dividend for the year to 20.0 cents per share.
- Revenue increased to \$322 million, an improvement of 24% on previous year
- Cash balance of \$174 million.
- NTA backing per share to 275 cents from 108 cents.

Positioned for growth

- Growing through the resource cycle
- Record revenue and profit
- Net debt free and strong cash position
- Balance sheet strength capable of supporting growth projections
- Internal cash flow to fund capital spend requirements

SAFETY IS OUR ABSOLUTE PRIORITY



Export Volumes 2010

	2010 Actual Volume (tonnes)	2009 Actual Volume (tonnes)
Iron Ore	875,000	375,000
Manganese	428,000	275,000
Total	1,303,000	650,000





Iron ore reclaiming for export



BOO primary crusher under construction



YIOP exploration camp



Oversize ore crusher building



Pipe spooling in workshop



Desalination pipework



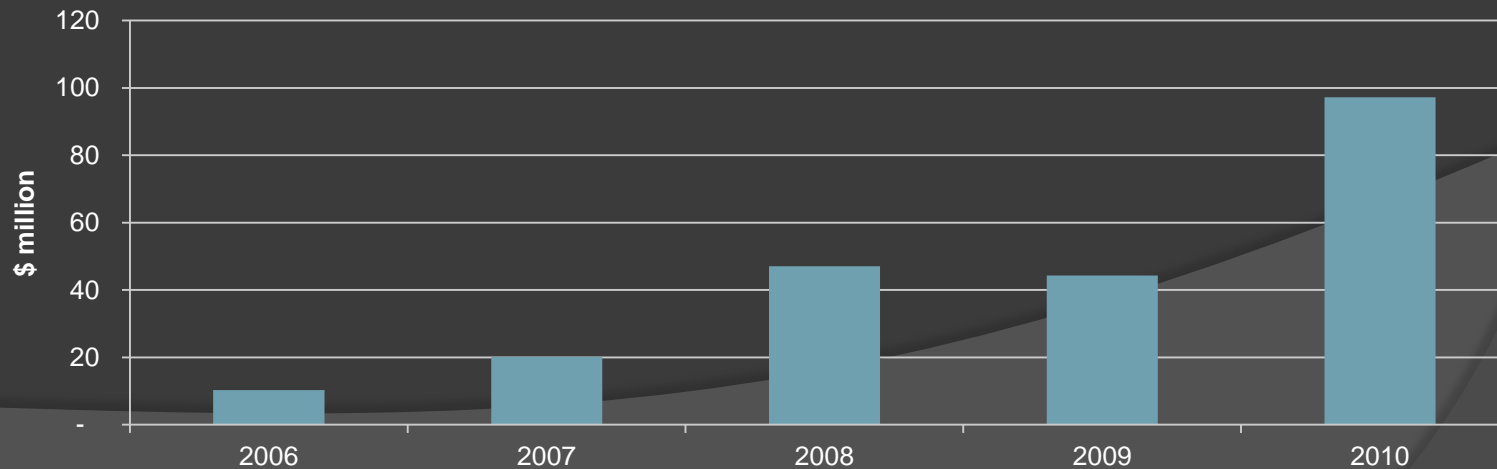
Cross country electrical conduit

FINANCIAL HISTORY

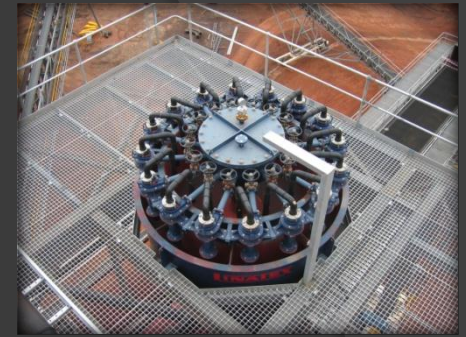
Revenue



NPAT

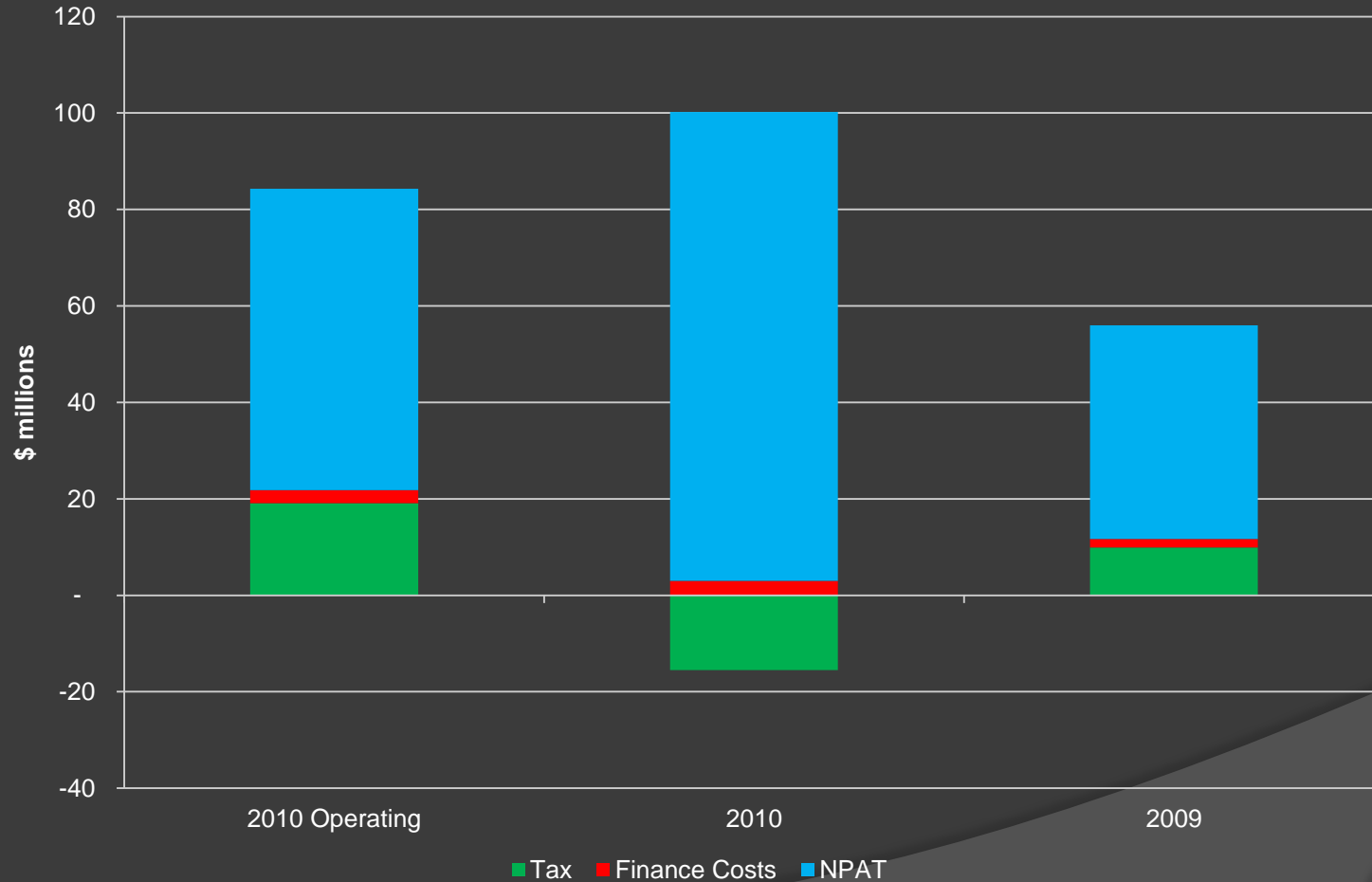


FINANCIAL PERFORMANCE



<u>\$AUD millions</u>	<u>Jun 10 full year</u>	<u>Jun 09 full year</u>	<u>% change</u>
Revenue	322.4	259.6	+24%
NPAT	97.2	44.3	+119.4%
EPS (shares on issue at 18/8/10)	58.3	35.8	+62.8%
Net Assets	485.7	144.8	+235.4%
Net Cash	88.2	(11.6)	
Funds Employed	397.5	156.4	+154.2%
Net Cashflow	119.6	5.3	

EBIT PROFIT PERFORMANCE



BALANCE SHEET STRENGTH

\$AUD millions	Jun 10	Jun 09	Jun 08
Total Assets	844.8	288.9	223.6
Total Liabilities	(359.1)	(144.0)	(107.6)
Net Assets	485.7	144.8	116.0
Net Cash Position	88.2	(11.6)	21.5
Funds Employed	397.5	156.4	94.5

Recommended fully franked dividend of 13.6 cents for record on 22 September 2010 and payable on 18 November 10

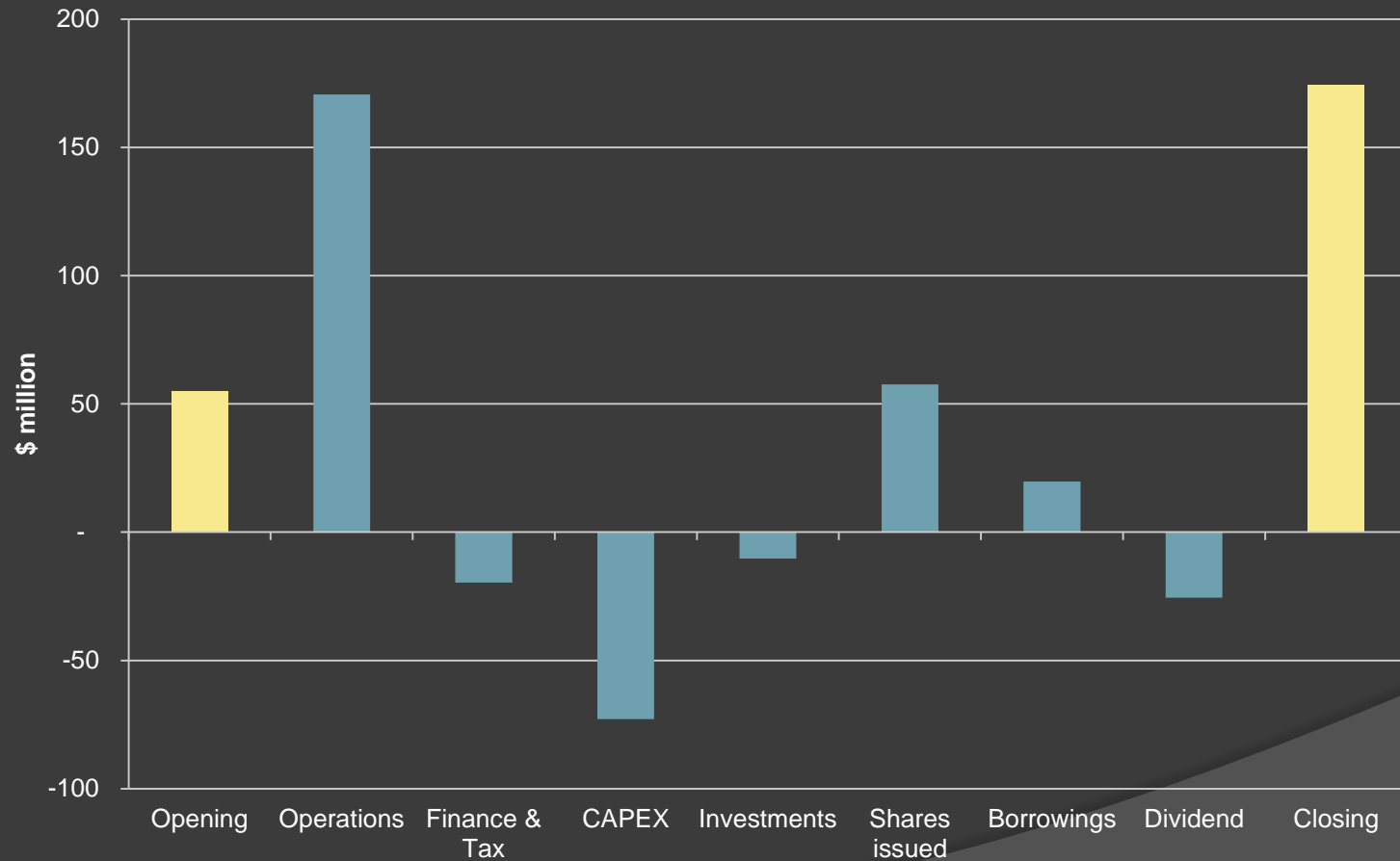
Debt : Equity	Net cash positive
Interest Cover (times) [EBIT / Interest]	31.1 times

OPERATIONAL CASH FLOW

<u>\$AUD millions</u>	<u>FY Jun 10</u>	<u>FY Jun 09</u>
EBITDA	103.7	74.4
CAPEX (including funded items)	(88.0)	(56.6)
Net Interest Payments	(2.7)	(1.8)
Income Taxes Paid	(17.3)	(24.1)
Working Capital and Other	94.0	5.9
Net Operating and Investing Cashflow	89.7	(2.2)
Financing Cashflow	29.8	7.5
Total Increase in Cash	119.5	5.3

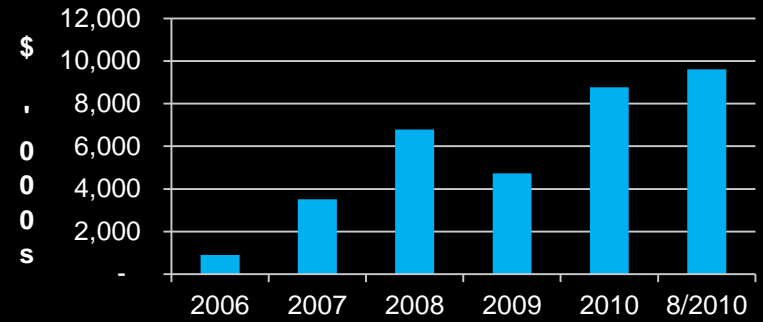


2010 CASHFLOW MOVEMENTS

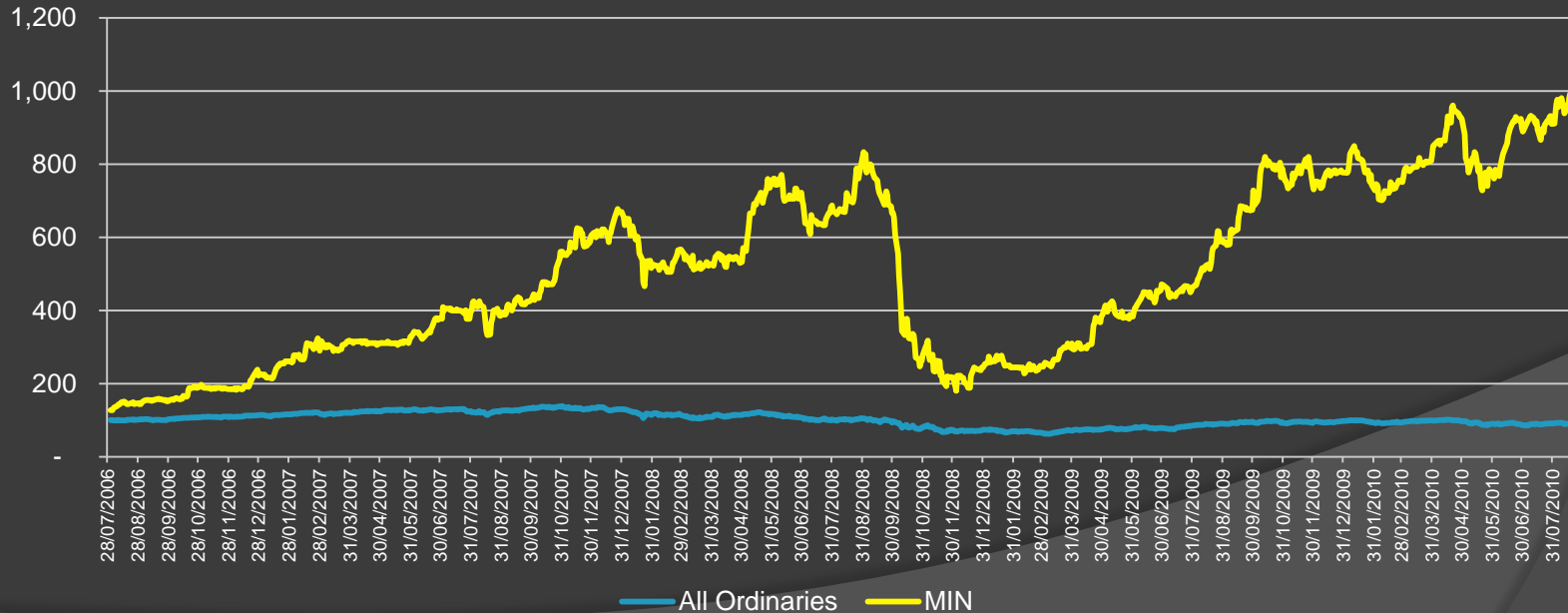


FINANCIAL HISTORY

Value of an investment of \$1,000 in MIN on float in 2006



MRL has out-performed market since listing in 2006 (index)



STRATEGY AND BASIS OF FUTURE GROWTH

Continue to build a sustainable diversified processing and mineral services and commodities business that satisfies the requirements of all stakeholders through:

- ⦿ Successfully winning and undertaking profitable contracts
- ⦿ Adding value to our customers operations
- ⦿ Providing a safe work environment for our people
- ⦿ Recruiting and developing a skilled and committed team at all corporate levels
- ⦿ Maintaining an entrepreneurial focus to meet the changing market circumstances, and
- ⦿ Successfully implementing all business operations consistent with our core values of integrity, safety, quality and service

ISSUES RELEVANT TO FUTURE GROWTH

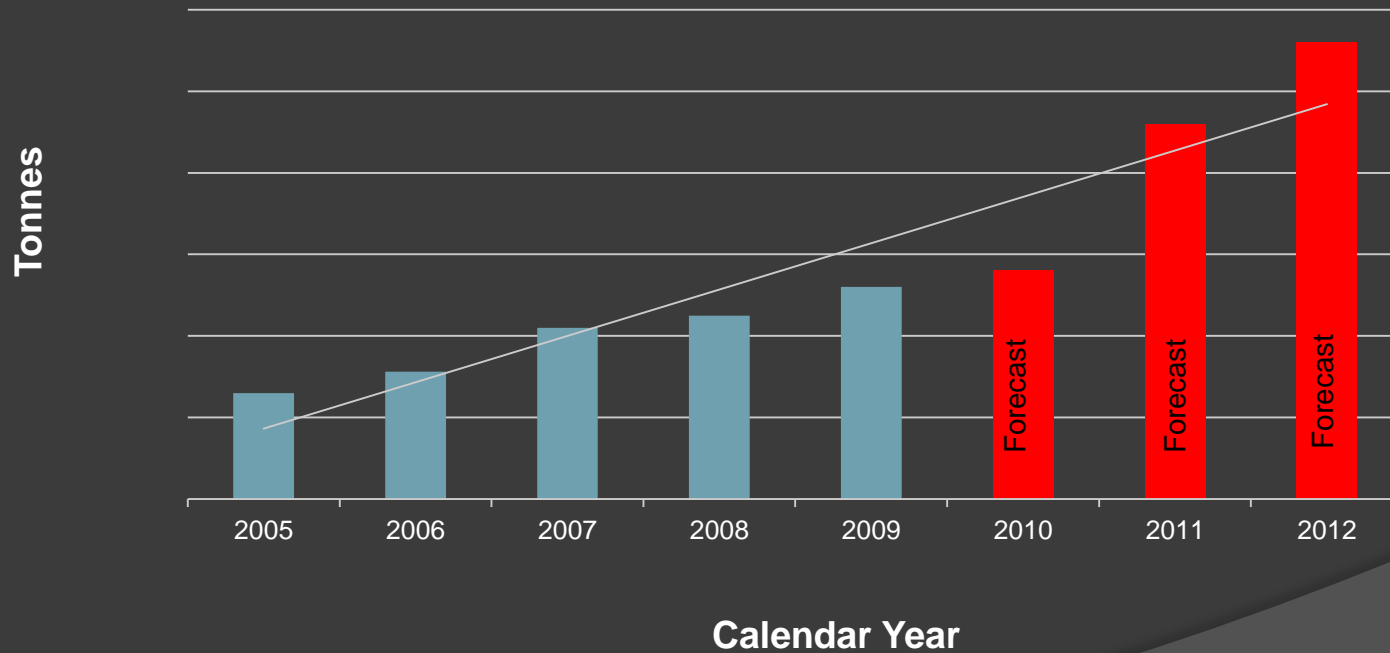
- Strength of AUD versus USD
- Demand and pricing of iron ore and manganese commodities
- Strength of world economy and particularly expansion of Chinese requirement for steel making minerals
- Implementation of Mineral Resource Rental Tax – timing and transition arrangements
- Timeliness of government and statutory decisions for mining, environmental and heritage approvals

OUTLOOK & OPERATIONAL TARGETS FY 2011

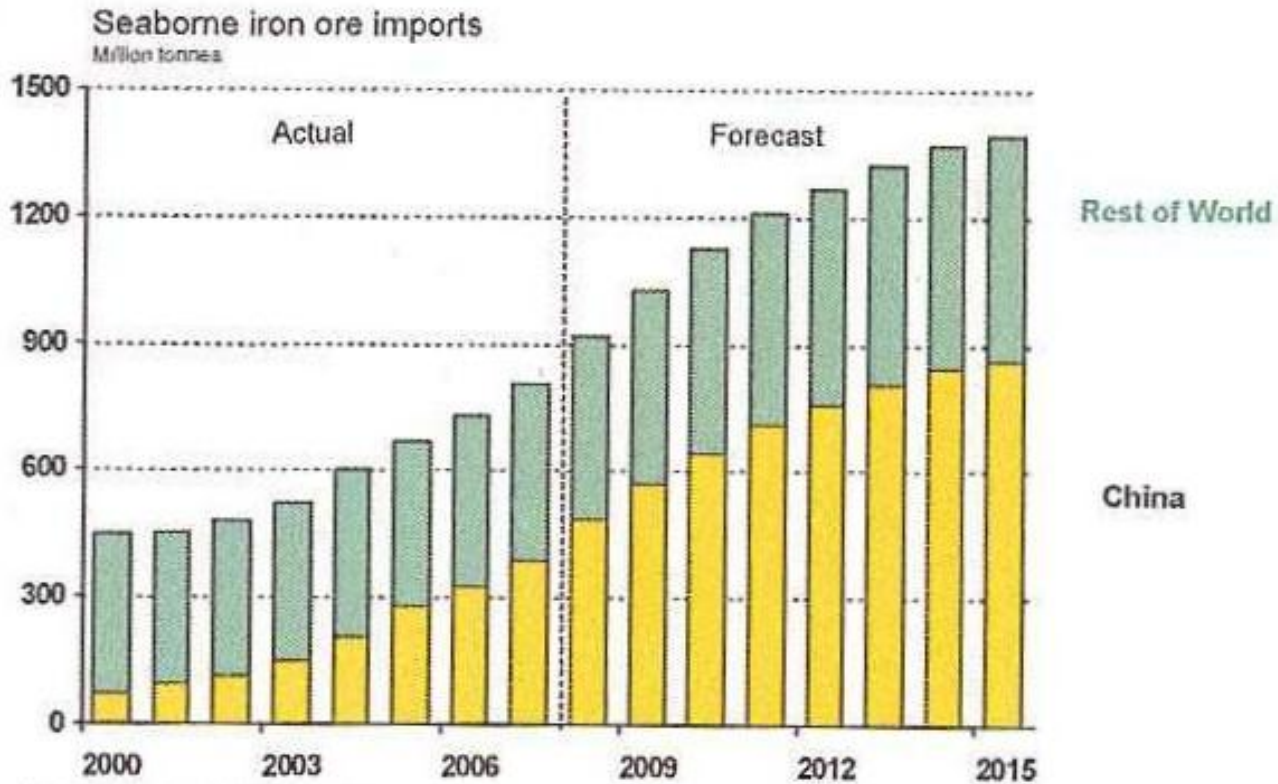
- Commence export of iron ore and manganese through Utah Point berth - Q2
- Move into production at Christmas Creek Iron operation with BOO crushing contract - Q3
- Develop Mt Marion lithium operation and export product – Q3
- Production of Carina (YIOP) iron ore – Q4
- Continue ramp-up of Nicholas Downs manganese production
- Commence construction of Utah Point stockyard infrastructure – Q2

CONTRACT CRUSHING TARGET

Growth in Annual Installed Crusher Capacity

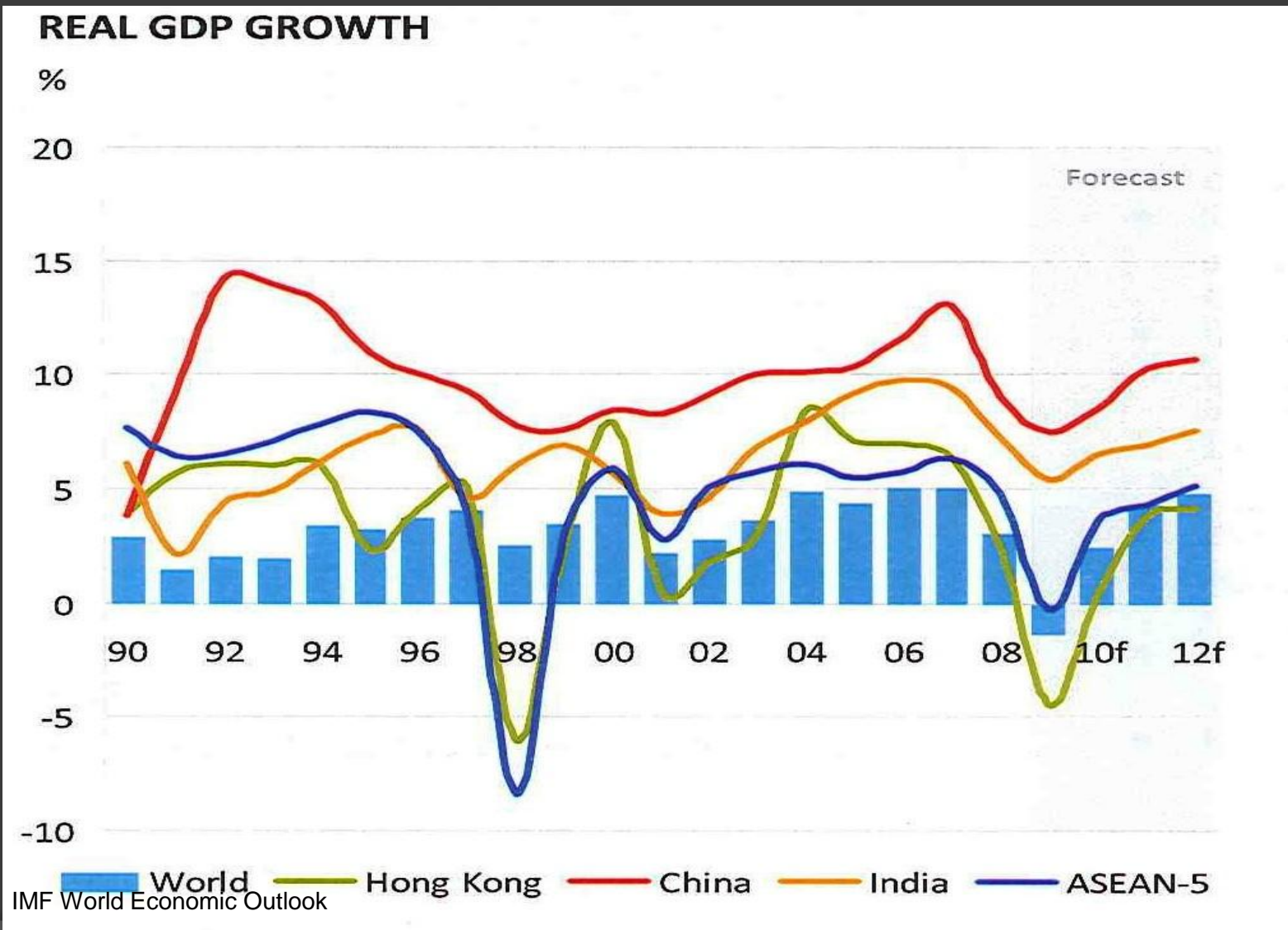


China is forecast to double iron ore imports in the next 6 years

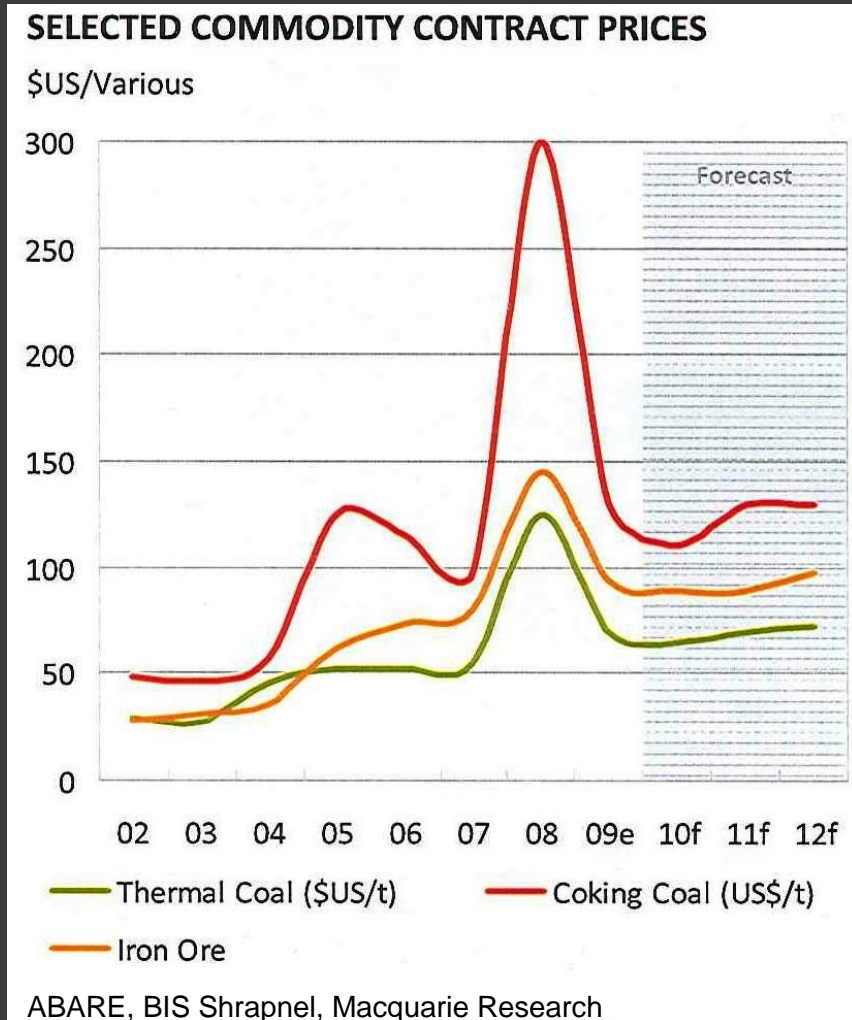


Source: Actual data - GTIS, CBI. Forecast data - Rio Tinto estimates.

ECONOMIC OUTLOOK



COMMODITY PRICE FORECAST



- Commodity prices remaining above long term trend
- Continuing growth in China expected to support iron ore price
- Recovering global economy under stress but iron ore and manganese prices to remain solid
- China growth both risk and opportunity to commodity demand and pricing

SUMMMARY POSITION

- MRL results for the FY 2010 are outstanding
- The ongoing pipeline of projects and opportunities is significant and the business is well placed to gain from continued growth in the resource sector
- The balance sheet, cash position and projected cash flow are strong to support growth
- The long term outlook is positive for sustained and substantial growth