

Annual General Meeting

November 2019



CONTENTS

01 Key Headlines	3
02 FY19 Performance Highlights	4
03 FY19 Mining Services Performance	8
04 FY19 Commodities Performance	9
05 FY20 Outlook	10
05 Project Development	16
06 Sustainability	21
07 Innovation & Infrastructure	26

FY19 Key Headlines

- Created one of the World's top 5 lithium businesses
- Raised \$2.2 billion cash through an unsecured bond & the Wodgina sell down
- MRL's largest growth year – \$900 million spent on lithium, iron ore and mining services
- Normalised EBITDA \$433 million: 15% up on guidance

Lithium

- Wodgina & Mt Marion construction projects completed

Iron Ore

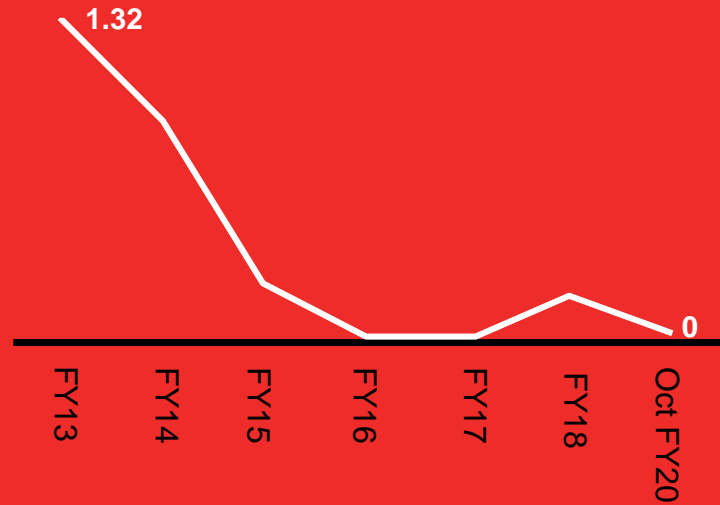
- Koolyanobbing iron ore was successfully re-started
- Developing a 10 year Yilgarn strategy plan
- Developed production strategy for Kumina & Marillana

Innovation

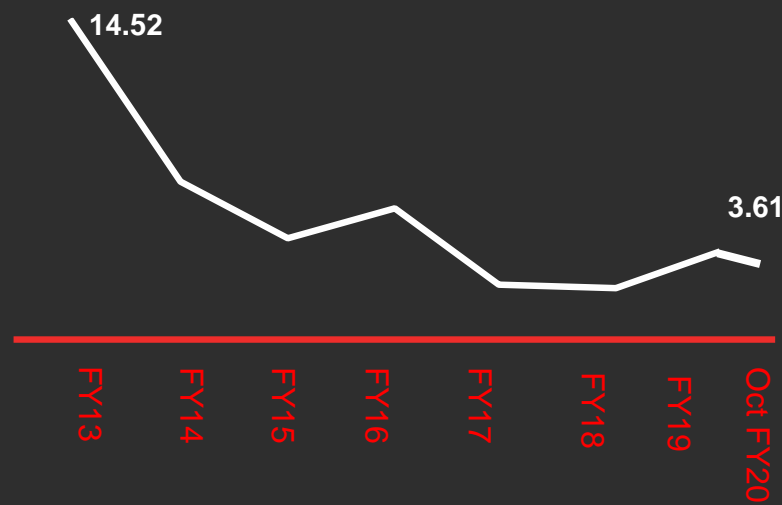
- Designed a 15Mt portable crushing plant and will develop it in JV with Metso
- 150t carbon fibre dump truck trays in operation & 200T trays have commenced production
- Synthetic graphite pilot plant successfully commissioned

Safety Performance Summary

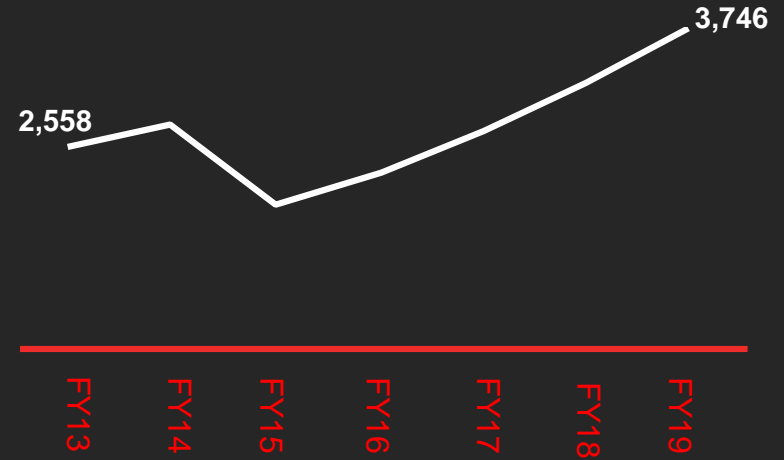
Lost Time Injury Frequency Rate (LTIFR)



Total Recordable Injury Frequency Rate (TRIFR)



Workforce



7,972,659

Hours worked in FY19
+32% on 2018



3,700+

People
3,300+ Site-based

0.00

LTIFR
Per million man hours worked

3.61

TRIFR – Oct FY20
Per million man hours worked

FY19 Financial Performance Summary



\$1,512m
Revenue



\$858m
Capex &
Investments



\$433
EBITDA
(normalised)



\$269m
Operating Cash
Flow



\$205m
NPAT (normalised)



9.7%
Return on
Invested Capital

Creating value for Shareholders

Since listing:

- Maintained 50% dividend policy
- Distributed \$860m (or 169% of total equity issued) back to shareholders in form of fully franked dividends

FY19



44cps

Dividends declared



\$94m

Total Dividends
Paid

FY07-FY19



15%

Earnings per share
growth



\$18.58

Total
Shareholder
Return

Our Economic Contribution

Creating value for our community



Major contributor

Community donations & support



3,700+

Direct jobs

Creating value for our economy



\$124m

Taxes, royalties & other payments



\$265m

Total wages & benefits paid

FY19 Mining Services Performance



Crushing

- Crushing business continued to run well
- Client retention extremely high – no loss of contracts
- 16 crushing plants in operation

Processing

- Mt Marion upgrade project complete - operating at steady state production
- Three-train Wodgina construction project largely completed; commissioning commenced

Contract Mining

- Mined 44.4Mt on MRL and joint venture projects
 - 8.4Mt ore
 - 36.0Mt Waste
- Mined 0.7Mt for external clients

FY19 Commodities Performance



Mt Marion

- 378Kt spodumene concentrate delivered
 - 272Kt of 6%
 - 106Kt of 4%
- Average revenue of \$1,044/t
 - \$1,182/t for 6%
 - \$683/t for 4%
- Average cost \$621/t CFR



Wodgina

- First ore produced from train 1
- 13Kt of spodumene concentrate produced



Koolyanobbing

- Commenced operating and exported 3.2Mt iron ore
- Currently running at 7.5Mt run rate
- Average revenue \$117/t
- Average cost \$75/t CFR



Iron Valley

- Running at steady state: 7.4Mt shipped
- Sold all 2.7Mt of stockpiled fines that were uneconomic to sell in FY18
- Average revenue \$78/t
- Average cost \$68/t CFR

Notes

- Revenue / wmt shipped figures include prior year revenue adjustments from finalisation of forward contract pricing based on the Platts Index for FY18 shipments, and adjustments to shipping revenue for the application of AASB15 due to the timing of shipments reaching their destination ports.
- CFR Costs / wmt shipped figure includes adjustments to shipping costs for the application of AASB15 due to the timing of shipments reaching their destination ports.

FY20 Outlook



FY20 Mining Services Outlook

Aiming to double production & revenue over the next 3 years



Crushing

- Expect crushing business contract volumes to grow more than 20% this financial year

Processing

- Mt Marion production expected between 360Kt and 380Kt
- Wodgina placed on care and maintenance

Contract Mining

- Total tonnes mined will increase in excess of 75%

FY20 Commodities Outlook



Mt Marion

- Increased strip ratio for next 18 months
- Q1 FY20 produced 115Kwmt
- Expect to produce and export between 360Kt and 380Kt
- Average cost per tonne expected to be similar to 1H FY19
- Targeting a range of cost saving measures



Wodgina

- Construction and commissioning of all 3 trains completed
- Train 1 performed to design capacity in production and grade
- Placed on care and maintenance
- Construction finalising – miscellaneous non process infrastructure assets – complete before Christmas



Koolyanobbing

- Focus is on production increase to 11Mtpa run rate early Q3 FY20
- Expected to produce and export between 8.5Mt and 9.0Mt, with 40% lump product
- Average cost per tonne expected to be similar to 2H FY19



Iron Valley

- Focus on maintaining production as dewater & quality issues increase
- Expected to produce and export between 6.0Mt and 6.5Mt, with 40% lump product
- Average cost per tonne expected to increase by around 15% on FY19 driven by commodity prices and as the mine deepens



Marillana

- 6 month test drilling programme to further optimise process design
- If successful, commence approvals for mine site construction Q2 2020

Kumina

- Complete drilling programme by end of 2019
- Planned update to JORC by end FY20

FY20 Guidance

PROFIT SHARE COMMODITY PROJECTS	Koolyanobbing	Iron Valley	Mt Marion	Wodgina
Commodity	Iron ore	Iron ore	Spodumene concentrate	Spodumene concentrate
Ownership	100%	100%	50%	40%
Exports ¹	8.5 – 9.0Mt 40% Lump product	6.0 – 6.5Mt 40% Lump product	360 – 380Kt 70% SC6 product	Care & maintenance
Operating costs ²	In line with 2H19 (2H19 \$75/wmt)	15% ³ increase on FY19 (FY19 \$68/wmt)	In line with 1H19 (1H19 \$594/wmt)	Not material
MINING SERVICES	Mining Services EBITDA expected to be \$280 - \$300 million			

Notes

- 1) Wet metric tonnes for 100% of project output.
- 2) MRL has assumed a AUD:USD foreign exchange rate of 0.680 in estimating Profit Share Commodity Project operating costs.
- 3) \$3/wmt increase in mine gate costs as the mine deepens; \$7/wmt increase in freight, port and royalty costs from macro issues (FX and commodity prices).



FY20 Guidance – Capital Expenditure

- The partial sale of Wodgina has released US\$820 million for reinvestment
- MRL has subsequently allocated additional capital to reduce the cost of iron ore operations in the Yilgarn region, and to expand that business to a life of over 10 years
 - Investment in the Yilgarn includes a new crusher at Koolyanobbing, a stacker, bucketwheel reclaimer, automatic train loader and haul roads
- Expenditure of \$50 million is required to maintain operations at Iron Valley until March 2021
- MRL also expects to spend up to \$20 million in stages on drilling and feasibility work on iron ore in the Pilbara
- MRL is evaluating a number of investment opportunities to underpin expansionary activities and these would be additional to current plans

Item	\$m	\$m
Sustaining capital		
Deferred strip and other	60	
Iron Valley extension	50	
Total sustaining capital		110
Growth capital		
Completion of Wodgina construction	50	
Iron ore expansion - Yilgarn	120	
Iron ore expansion - Pilbara	20	
Innovation	30	
Gas	30	
Other (including office fit out)	50	
Total growth capital		300
TOTAL CAPEX		410

Investment philosophy

Capability and track record

- 26 year heritage has created a strong culture of accountability and focus on detail
- Strong, proven track record in identifying investment opportunities and generating outstanding returns from them
- In-house expertise across the full project lifecycle, from exploration to sales and shipping, allows us to evaluate opportunities accurately and quickly

Investment philosophy

- Every dollar spent is valued
- Target opportunities that allow us to utilise our expertise in mining services and generate recurring earnings
- Focus is on opportunities that will be robust regardless of movements in commodity prices



Project Development



Wodgina Lithium Transaction

- Revised Albemarle transaction completed on 1 November 2019 and a joint venture was established:
 - 60% Albemarle: 40% MRL
 - MRL transferred 60% interest in Wodgina Lithium Project to Albemarle
 - Albemarle transferred a cash payment of US\$820 million
 - MRL received 40% interest in first two 25Ktpa lithium hydroxide conversion units currently being built by Albemarle at its Kemerton lithium hydroxide facility

Kemerton Hydroxide Facility

- Albemarle will fund the construct and commissioning of the Kemerton facility, estimated to cost \$1.2 billion on a 100% basis (US\$480m for 40%):
 - Where costs are less than US\$1.2 billion, Albemarle will pay MRL 40% of the amount that is less than US\$1.2 billion
 - Where costs are more than US\$1.2 billion, MRL will be free-carried for its 40% share
- Facility due for commissioning by Albemarle starting in first half of 2021
 - At least 1 year ahead of previous plan to construct lithium hydroxide conversion plant on Wodgina site

Wodgina Lithium Project Operation

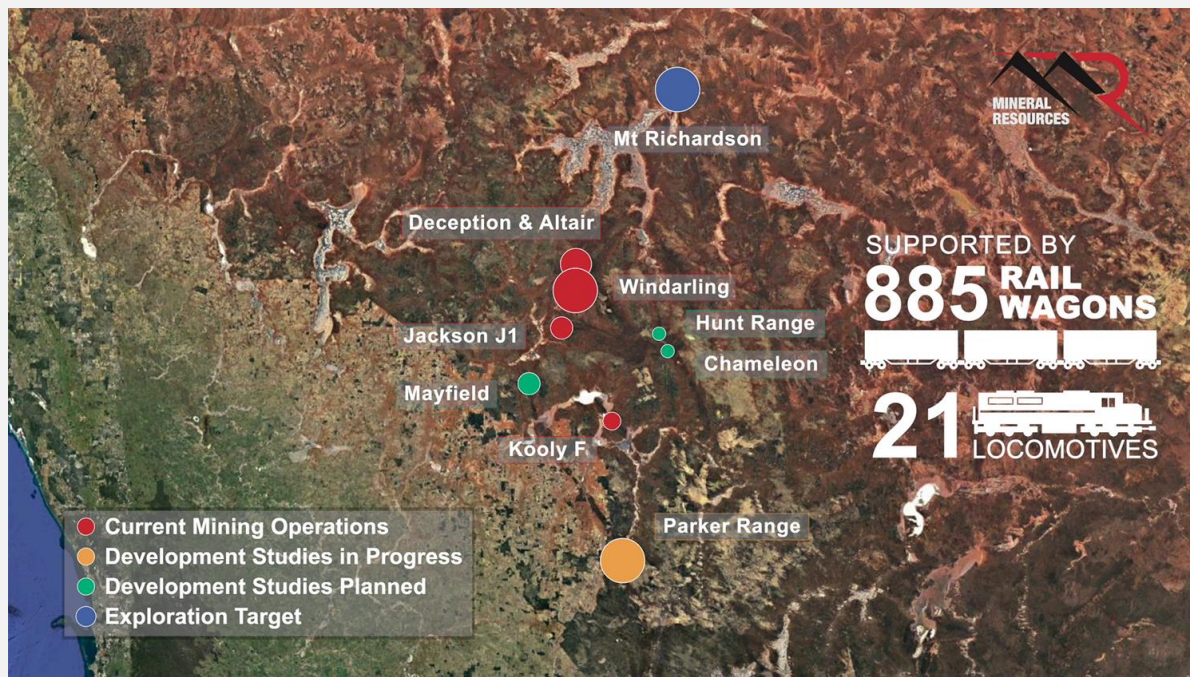
- MARBL JV placed the Wodgina Lithium Project on care and maintenance on 1 November 2019
- Transition to care and maintenance expected to take 4 weeks
- Decision made in recognition of challenging global lithium market conditions and to preserve value of world-class Wodgina orebody
- Cost of care and maintenance will not be material in FY20
- JV will regularly review market conditions with view to resuming spodumene concentrate production as market demand requires
- There is no doubt lithium will have a dominant role in the energy storage business for years to come



Iron Ore in the Yilgarn Koolyanobbing

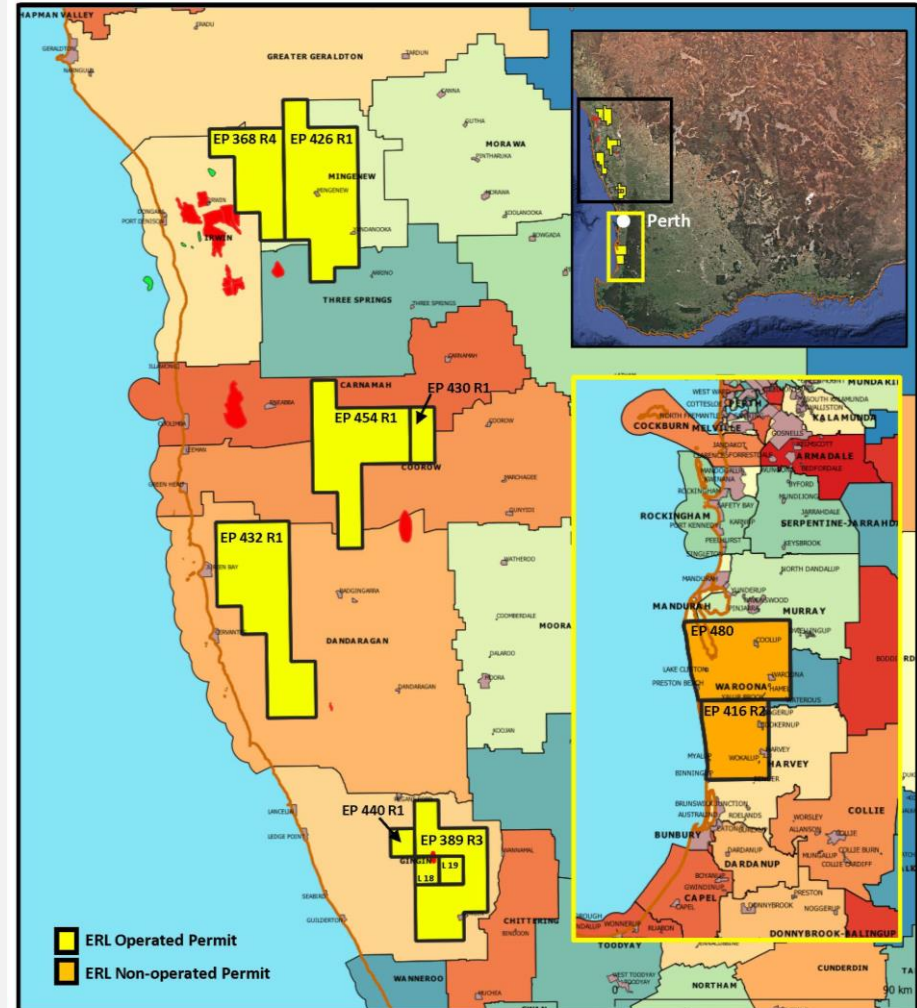
- Initially took over operation expecting 6Mtpa for 5 years
- Developing long life mine based on a production rate of 11Mtpa
- Current resource of 108Mt in region with 87Mt of measured indicated resource
- Resources of 36.2Mt at Parker Range
- Exploration target – 30 to 83Mt at Mt Richardson under JORC
- From an initial run rate of 6Mtpa at end of 2018; increased to 7.5Mtpa by end June 2019; increasing to 11Mtpa by early Q3 FY20
- 11Mtpa is underpinned with rail & port infrastructure
- In 2018, commend the McGowan Government to try and preserve 400 regional jobs and hundreds of indirect jobs
- By 2020 the project will directly employ 654 people across the mine, rail & port

Yilgarn Tenement Portfolio



Perth Basin

- 6,600 square kilometers of highly prospective acreage in the Perth Basin
- Adjacent to 3 of the largest onshore conventional gas discoveries within Australia in the last 5 years
- Red Gully conventional gas production facility on care and maintenance – requires additional wells to bring back on line
- In 2020 we are planning:
 - 250 kilometres of seismic
 - one conventional gas exploration well – 4.5km deep
- We aim to be self-sufficient in gas to provide energy security, reduced reliance on diesel and lower carbon emissions



Sustainability



Sustainability

- During FY19, undertook a detailed materiality review and identified 6 key sustainability performance indicators
- Applied the Global Reporting Initiative Standards and obtained independent external assurance for the first time
- Full sustainability report is available on our [website](#)



Sustainability

Innovating towards a lower carbon economy

FY19

- Solar PV at our Perth facilities avoided 635 tonnes of carbon dioxide equivalent emissions (tCO₂e)
- Reduced our reliance on diesel by installing gas fired power at our Mt Marion and Wodgina sites and a Battery Energy Storage System (BESS) at Mt Marion

FY20

- The Mt Marion BESS is estimated to achieve a 12% reduction in fuel usage, reduction of 2,500tCO₂e compared to FY19
- Solar initiatives:
 - Increasing rooftop solar panels on Kwinana Workshop
 - Pilot project using solar panels to power water borefield pumps
 - Solar panel installation to provide power at Koolyanobbing
- MRL has made the decision that it will not pursue opportunities in thermal coal



Sustainability

People

- Value all people and ensure all have equal opportunity to be part of us for the long term
 - Active Diversity and Inclusion Programme
 - Reviewed parental leave allowances and increased our paid parental leave to 16 weeks
- Total of 27 apprentices - largest intake of apprentices on the Kwinana strip in 2019 – and will increase the number for 2020
- New head office - designed with facilities to provide more flexibility for our employees and families



Sustainability Community



- We support the local community through a wide range of sponsorships, scholarships and donations
- Our focus is on health & wellbeing, education and employment initiatives and people in need
- 8 long-term partnerships
- Contributed to over 40 organisations in FY19



Innovation & Infrastructure



Infrastructure



Pilbara Infrastructure Project

- Next six months, finalise the following:
 - Line and level for rail system
 - All approvals
 - State agreement
 - Study work for the Port & Stockyard

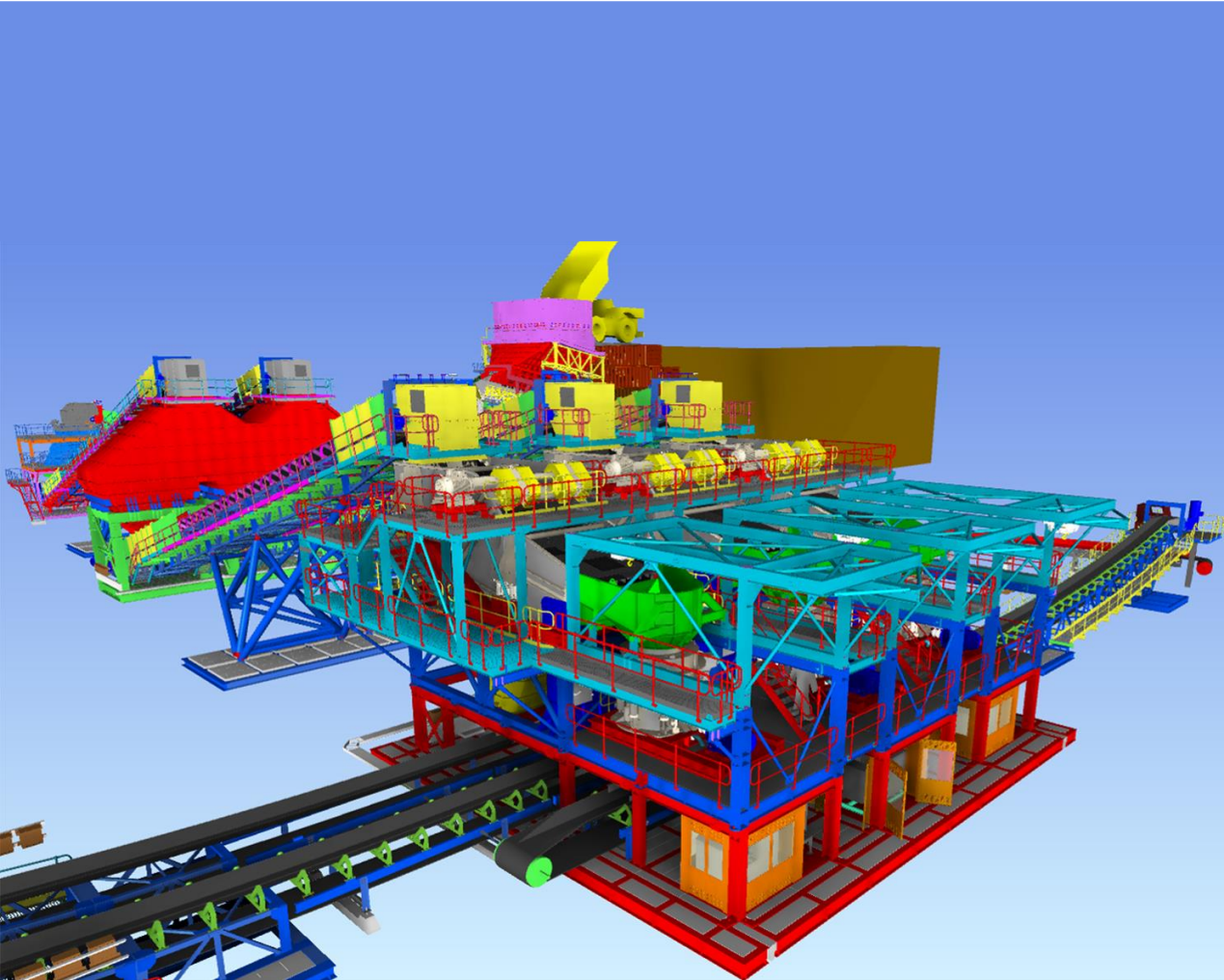
Infrastructure



Bulk Ore Shuttle System (BOSS)

- BOSS project is progressing – slower rate than anticipated
- Still finalising several issues around third party verification and detailed engineering designs
- Anticipate 6 months to complete this stage
- Can not commence procurement or test track development until verification and design complete

Innovation



Crushing & Processing

- MRL has designed a 15Mt NextGen crushing and screening plant
- MRL and Metso have formed a joint venture to develop and market the plant
- 8 weeks to mobilise to site & commission
- Low capital cost & low operating cost
- Aiming to install 1st unit on site Q2 2020

Innovation



Carbon Fibre Technology

- Developed a carbon fibre manufacturing facility producing structural members
- Manufactured four 150Mt dump truck trays and field testing on-site
- Next 12 months:
 - Durability trials to understand wear rates
 - Ongoing optimisation of both tray and workshop
- Commenced manufacturing of the 200T dump truck trays – aiming for first unit end CY20
- Carbon fibre trays will increase dump truck payloads by 10-15%

Innovation

Synthetic Graphite

- Developed a successful synthetic graphite pilot plant
- Produced 96% Total Graphitic Content
- Product certification process underway
- Study to determine most economic size plant to build for commercial production
- Hydrogen gas by-product



Disclaimer

This presentation has been prepared by Mineral Resources Limited (“MRL” or “the Company”). It should not be considered as an offer or invitation to subscribe for or purchase any securities in the Company or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this presentation.

This presentation contains forecasts and forward looking information. Such forecasts, projections and information are not a guarantee of future performance, involve unknown risks and uncertainties. Actual results and developments will almost certainly differ materially from those expressed or implied. The potential quantity and grade of the Exploration Target is conceptual in nature and therefore is an approximation. There has been insufficient exploration to estimate a Mineral Resource in the Yilgarn Region, and it is uncertain if further exploration will result in the estimation of a Mineral Resource in the Yilgarn Region.

You should not act or refrain from acting in reliance on this presentation material. This overview of MRL does not purport to be all inclusive or to contain all information which its recipients may require in order to make an informed assessment of the Company’s prospects. You should conduct your own investigation and perform your own analysis in order to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this presentation before making any investment decision.

To the fullest extent permitted by law, MRL and its affiliates and their respective officers, directors, employees and agents, accept no responsibility for any information provided in this presentation, including any forward looking information and disclaim any liability whatsoever (including for negligence) for any loss howsoever arising from any use of this presentation or reliance on anything contained in or omitted from it or otherwise arising in connection with this. In addition, MRL accepts no responsibility to update any person regarding any inaccuracy, omission or change in information in this presentation or any other information made available to a person, nor any obligation to furnish the person with any further information.



ASXMIN

OFFICE: 1 Sleaford Road, Applecross, WA 6153

POSTAL: PO Locked Bag 3, Canning Bridge LPO,
Applecross, WA 6153

P +61 8 9329 3600

F +61 8 9329 3601

www.mrl.com.au

