

**ASX**MIN



# **1H21 RESULTS**

10 FEBRUARY 2021

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# CONTENTS

01	Highlights	3
02	Safety and Sustainability Performance	4
03	Financial Performance	6
04	Operating Performance	16
05	Future Direction	21
06	Appendix	28

# 1H21 HIGHLIGHTS

- Remained COVID and LTI free
- TRIFR 2.75, 16% improvement
- Revenue \$1.5bn, up 55% pcp
- Underlying EBITDA \$763m, up 131% pcp
- Continued mining services growth, up 23% pcp
- Wonmunna development commenced
- Cash \$1.1bn
- Dividend declared 100 cps

## Mining Services

- Production volume up 23% pcp
- EBITDA up 37% pcp
- Commissioning three crushing plants this month – 31Mtpa capacity

## Iron Ore

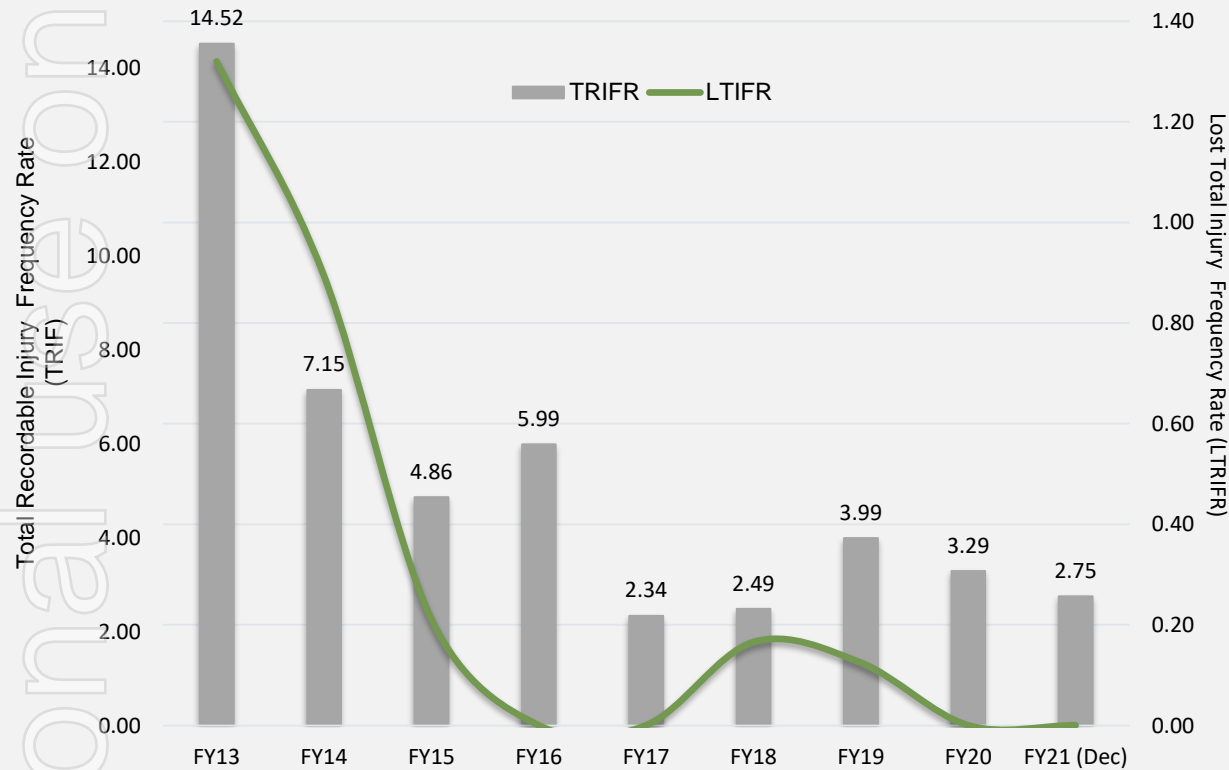
- Production 9.3Mt, up 38% pcp
- Shipped 7.9Mt, up 17% pcp
- Revenue US\$119/dmt, up 58% pcp

## Lithium

- Record spodumene production 262kdmt, up 36% pcp
- Best ever cost performance \$457/dmt, down 11% pcp
- Kemerton hydroxide plant construction progressing well

# 1H21 SUSTAINABILITY PERFORMANCE

**Injury Frequency Rates**  
Per million hours worked



**2.75**  
TRIFR<sup>1</sup>  
16% improvement<sup>2</sup>

**0.00**  
LTI<sup>1</sup>

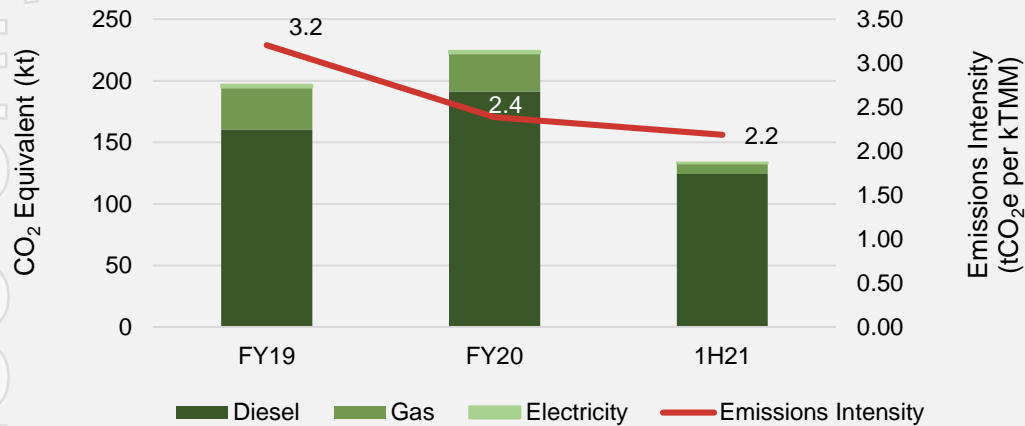


**3,900+**  
Employees & Contractors<sup>3</sup>

1. Total Recordable Injury Frequency Rate calculations measure the total number of injuries (excluding first aid) per million hours worked as at 31 December 2020. Lost Time Injury Frequency Rate calculation measure the number of lost time injuries per million hours work as at 31 December 2020.
2. Calculated from end of 1Q21
3. Total employees and contractors as at 31 December 2020.

# 1H21 SUSTAINABILITY PERFORMANCE

## Greenhouse Gas (GHG) Emissions<sup>1</sup>



MRL is committed to **Net Zero Emissions** by 2050

We are focused on eliminating diesel usage and are working on a range of alternative fuels to achieve Net Zero Emissions sooner than 2050

We will develop a roadmap and provide updates in our 2021 Sustainability Report



**54**

Apprentices<sup>2</sup>

**72**

Trainees/Graduates<sup>2</sup>



**\$473m**

Taxes and Royalties Paid



**\$528m**

WA Procurement Spend

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# FINANCIAL PERFORMANCE





# 1H21 FINANCIAL PERFORMANCE SUMMARY



**100 cps**

Dividends

↑335% on 1H20



**\$1.5bn**

Revenue

↑55% on 1H20



**23.4%**

ROIC

After Tax



**\$516m**

Operating Cash  
Flow<sup>1</sup>

↑\$303m on 1H20



**\$763m**

EBITDA  
(underlying)

↑131% on 1H20



**\$1.1bn**

Cash

↓\$193m on 1H20



**\$351m**

Capex

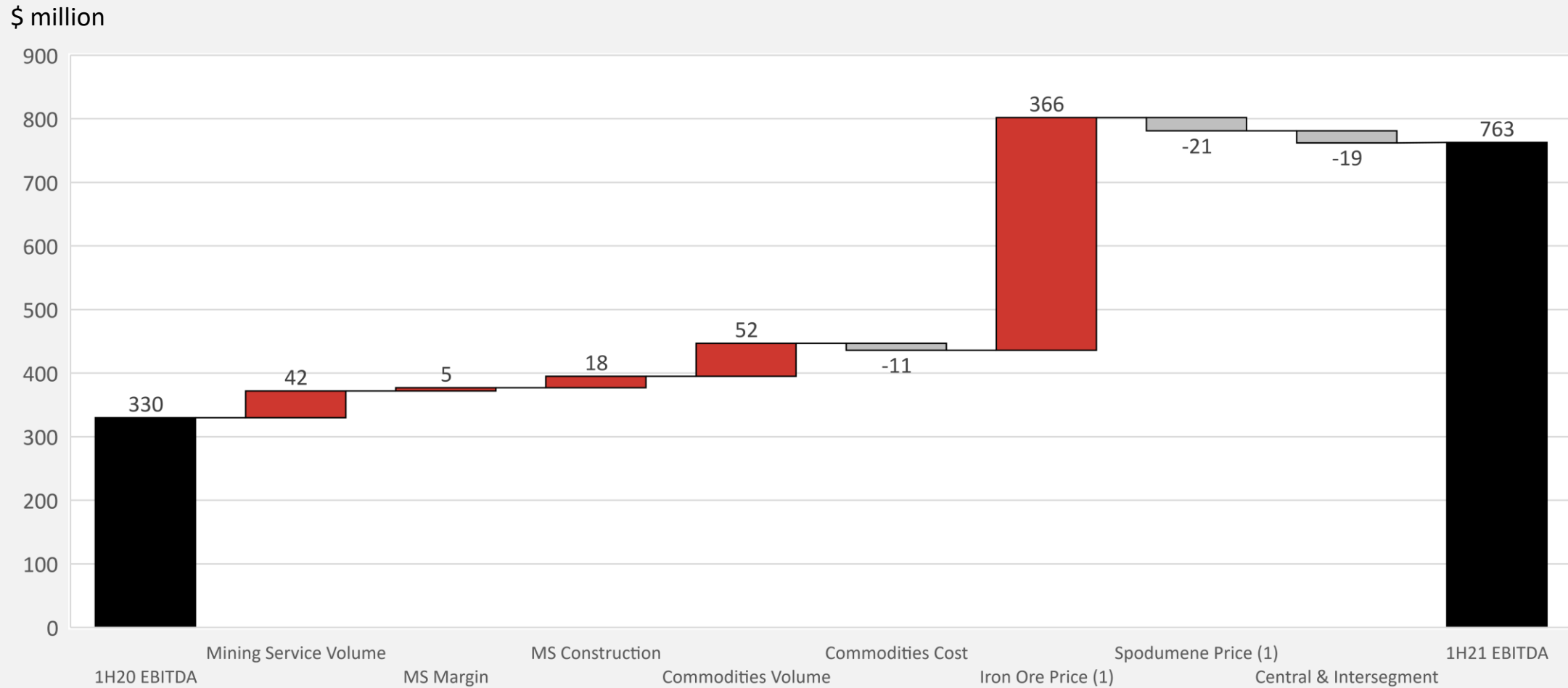
# 1H21 UNDERLYING PROFIT & LOSS

- Revenue of \$1.5bn up 55% on prior corresponding period (pcp) and EBITDA of \$763m up 131% on pcp
- 1H21 Revenue and EBITDA driven by:
  - Mining services growth from the Yilgarn Hub and additional tonnes in existing external contracts
  - Record iron ore sales of 7.9Mt following growth of operations in the Yilgarn Hub
  - Strong iron ore pricing
  - Partially offset by reduction in lithium revenue from lower pricing for spodumene concentrate
- Depreciation and amortisation increased due to higher production in both mining services and commodities
- Effective tax rate of 30% in 1H21

Underlying Profit & Loss (\$ million)	1H20	1H21	Variance
<b>Revenue</b>	<b>987</b>	<b>1,531</b>	<b>544</b>
Operating costs	(656)	(768)	(112)
<b>EBITDA</b>	<b>330</b>	<b>763</b>	<b>433</b>
<i>EBITDA margin (%)</i>	33%	50%	16%
Depreciation and amortisation	(92)	(104)	(11)
<b>EBIT</b>	<b>238</b>	<b>659</b>	<b>421</b>
<i>EBIT margin (%)</i>	24%	43%	19%
Net finance costs	(46)	(43)	3
<b>PBT</b>	<b>191</b>	<b>616</b>	<b>424</b>
Tax	(62)	(186)	(124)
<i>Effective tax rate (%)</i>	33%	30%	-2%
<b>NPAT</b>	<b>129</b>	<b>430</b>	<b>301</b>
<i>NPAT margin (%)</i>	13%	28%	15%



# 1H21 UNDERLYING EBITDA 1H20 TO 1H21



Notes:

1. Iron ore price and spodumene price variances include the impact of changes in royalty costs.

# 1H21 CASH FLOW

Working capital outflow of \$108m in 1H21 as a result of:

- Increase in trade receivables due to higher iron ore sales, combined with higher pricing
- Build up of inventory levels due to increased production for iron ore and spodumene
- Offset by an increase in trade payables due to business growth and timing of payments

Capex of \$351m in 1H21 includes:

- Growth from the Yilgarn Hub
- Investment in Wonmunna Iron Ore Project
- New mining services contracts

Final tax instalment of \$332m on the sale of 60% interest in Wodgina Lithium Project was paid during the period, making up the majority of the net decrease in cash and cash equivalents during the period

Cash Flow (\$ million)	1H20	1H21	Variance
<b>Underlying EBITDA</b>	<b>330</b>	<b>763</b>	<b>433</b>
Movement in working capital	(13)	(108)	(95)
<b>Net cash flow from operating activities before financing and tax</b>	<b>317</b>	<b>654</b>	<b>337</b>
Deferred stripping capex	(30)	(53)	(23)
Maintenance capex	(93)	(47)	47
Growth capex	(68)	(251)	(183)
<b>Net free cash flow (before financing and tax)</b>	<b>125</b>	<b>303</b>	<b>178</b>
Tax paid	(60)	(99)	(39)
Net interest paid	(44)	(40)	4
Dividends paid	(54)	(142)	(88)
Amounts advanced to joint operations	(6)	(11)	(5)
Net change in borrowings	(27)	(49)	(21)
Disposal of 60% interest in Wodgina	1,174	-	(1,174)
Tax paid on Wodgina disposal	(52)	(332)	(280)
Unrealised FX	(11)	(49)	(38)
Other	(2)	9	12
<b>Movement in cash and cash equivalents</b>	<b>1,041</b>	<b>(408)</b>	<b>(1,450)</b>

# 1H21 CAPITAL EXPENDITURE

Capital expenditure \$351m in 1H21 as a result of:

- Deferred stripping with further development of the Yilgarn Hub and Utah Point Hub to ensure future iron ore production
- Sustaining capex to continue to deliver earnings from existing mining services contracts and commodities business
- Growth capex to develop new projects including:
  - Wonmunna project, which is expected to start exporting ore in FY21
  - New external Mining Services contracts
  - Investment in the new Head Office land, building and fit out

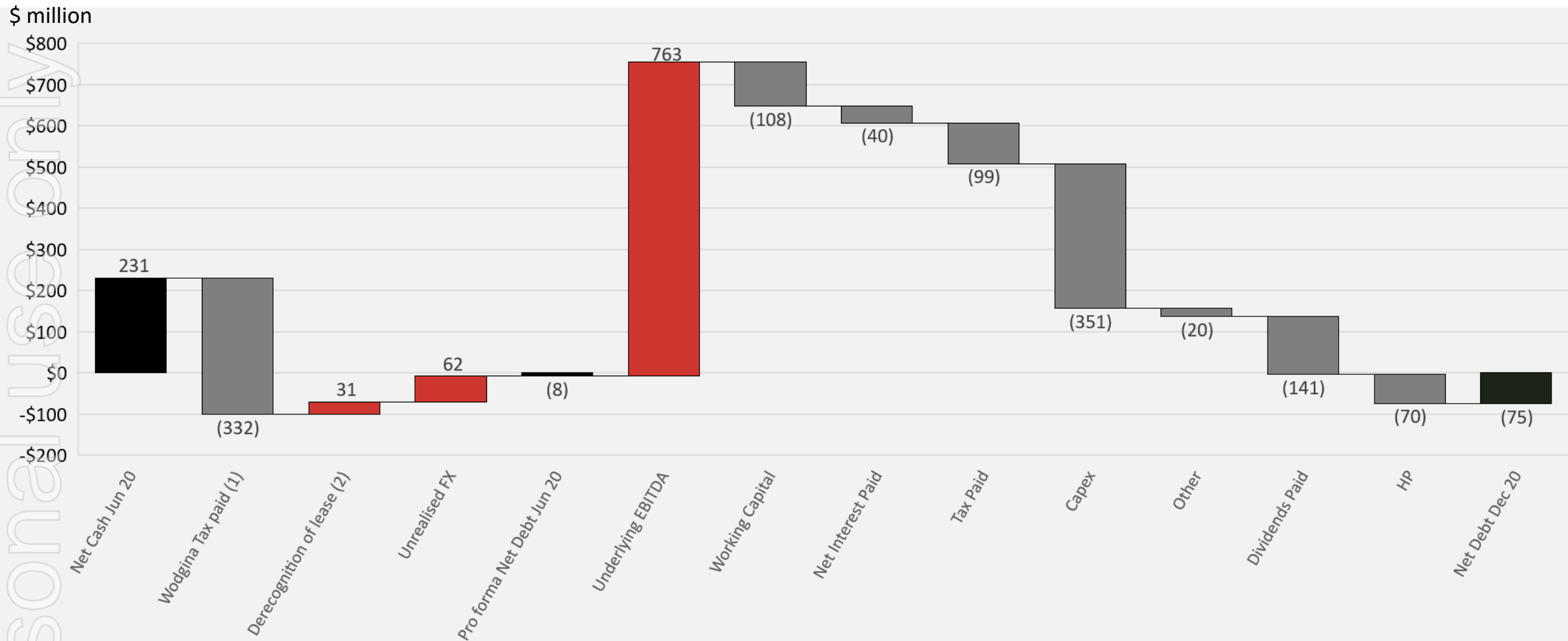
CAPEX (\$ million)	1H21
<b>Sustaining Capex</b>	
Deferred stripping	53
Commodities	34
Other	13
<b>Total Sustaining Capex</b>	<b>100</b>
<b>Growth Capex</b>	
Commodities	72
Mining Services	87
Central, Corp Office & Other	92
<b>Total Growth Capex</b>	<b>251</b>
<b>Total Capex</b>	<b>351</b>

# 1H21 SUMMARY BALANCE SHEET

- Current tax payable decreased \$348m from final Wodgina tax payment
- Financial assets increased \$101m from fair value adjustment of MRL's holding in Pilbara Minerals (ASX: PLS)
- Exploration and mine development increased \$130m from deferred stripping expenditure and additional rehabilitation assets as new areas are mined
- Intangibles decreased \$25m from impairment of development costs
- Provisions increased \$33m from increased rehabilitation liabilities as a result of acquisition of Wonmunna tenements and increased mine development in the half

Summary Balance Sheet (\$ million)	FY20	1H21	Variance
Inventories	156	142	(14)
Trade and other receivables	178	356	178
Trade and other payables	(319)	(369)	(50)
Current tax payable	(416)	(68)	348
Other	(50)	(44)	6
<b>Net working capital</b>	<b>(451)</b>	<b>17</b>	<b>469</b>
Non-current receivables and inventory	684	708	23
Non-current trade and other payables	-	(15)	(15)
Financial assets	42	143	101
Property, plant and equipment	1,366	1,542	176
Intangibles	48	23	(25)
Exploration and mine development	476	606	130
Provisions	(98)	(132)	(33)
Net deferred tax liability	(3)	(145)	(143)
<b>Capital employed</b>	<b>2,065</b>	<b>2,748</b>	<b>683</b>
Cash and cash equivalents	1,522	1,113	(408)
Borrowings	(1,291)	(1,188)	102
<b>Net cash / (debt)</b>	<b>231</b>	<b>(75)</b>	<b>(306)</b>
<b>Total net assets</b>	<b>2,296</b>	<b>2,673</b>	<b>377</b>

# 1H21 NET DEBT WATERFALL

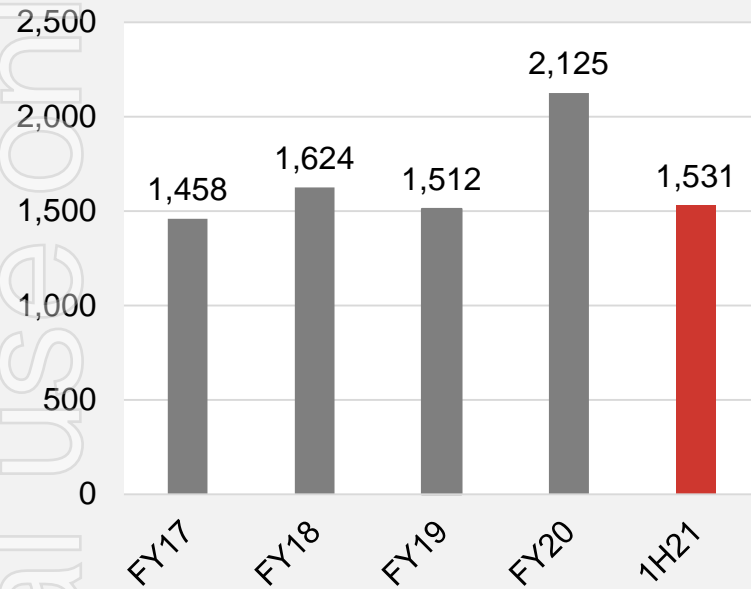


Notes:

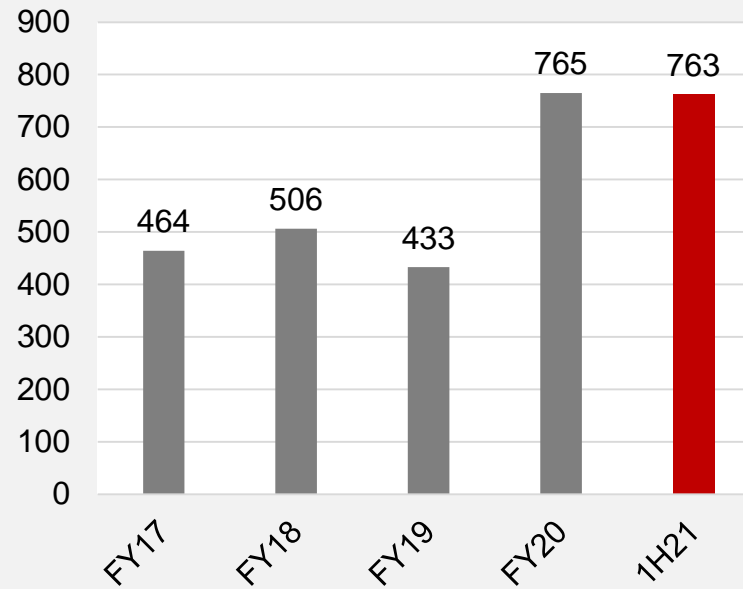
1. Final tax payment of \$332m on sale of 60% interest in Wodgina Lithium Project.
2. Derecognition of Perth metro office lease.
3. Other comprises: amounts advanced to joint venture partners (\$30m); payments for financial assets (\$12m); less proceeds from disposal of financial assets \$10m; proceeds from disposal of PPE \$8m.

# REVENUE AND EARNINGS

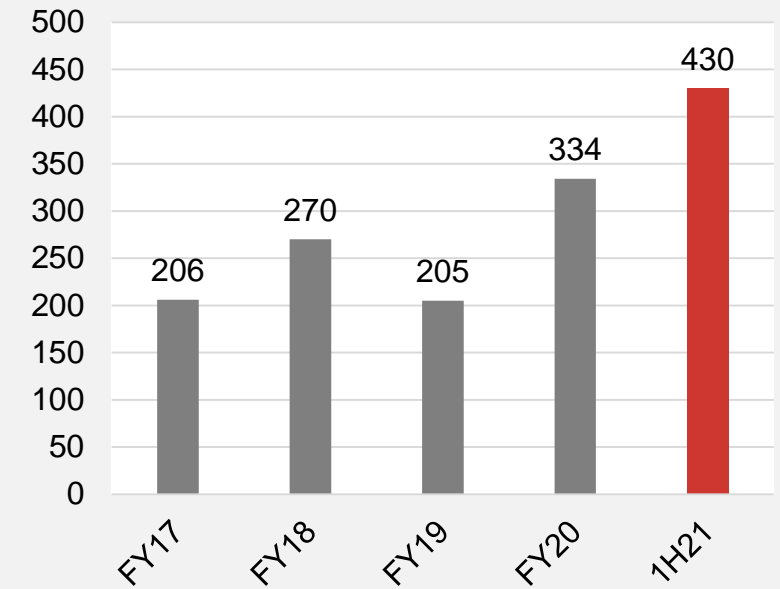
## Revenue (\$m)



## Underlying EBITDA (\$m)

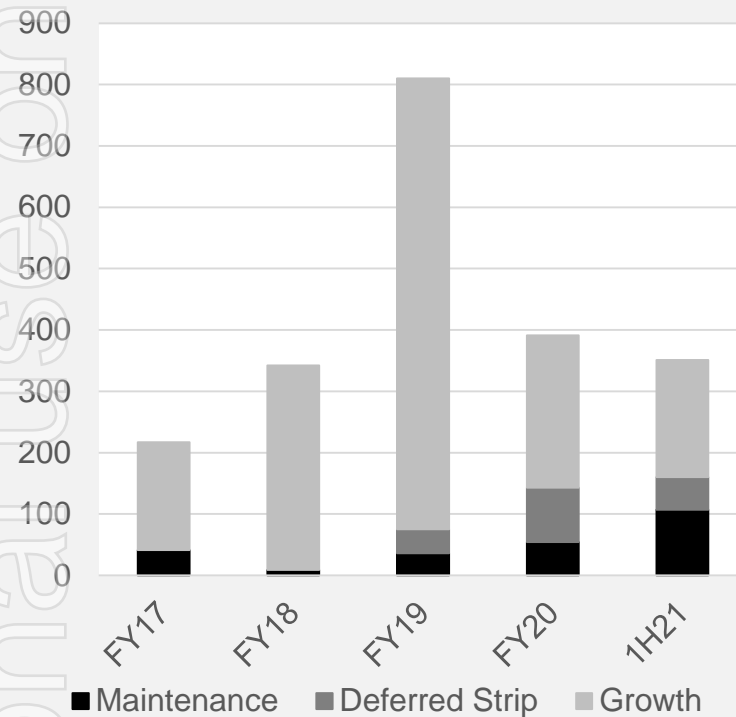


## Underlying NPAT (\$m)

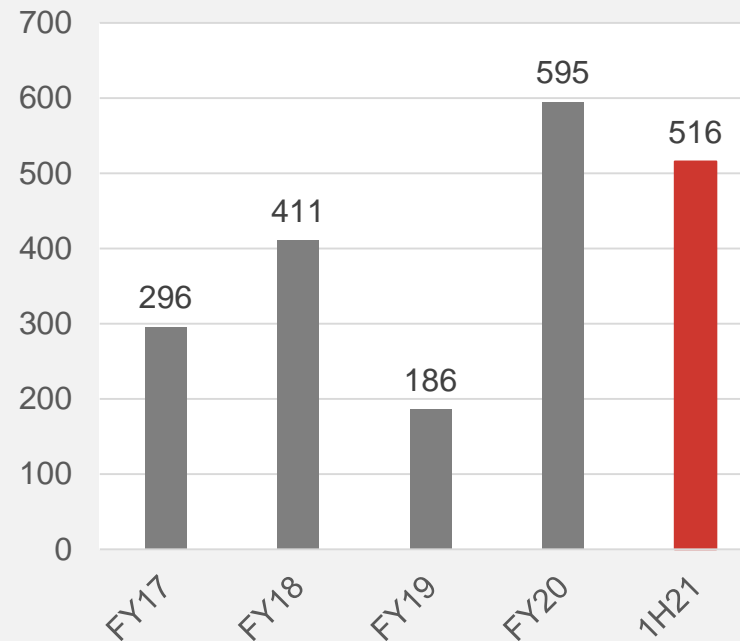


# FREE CASHFLOW GENERATION

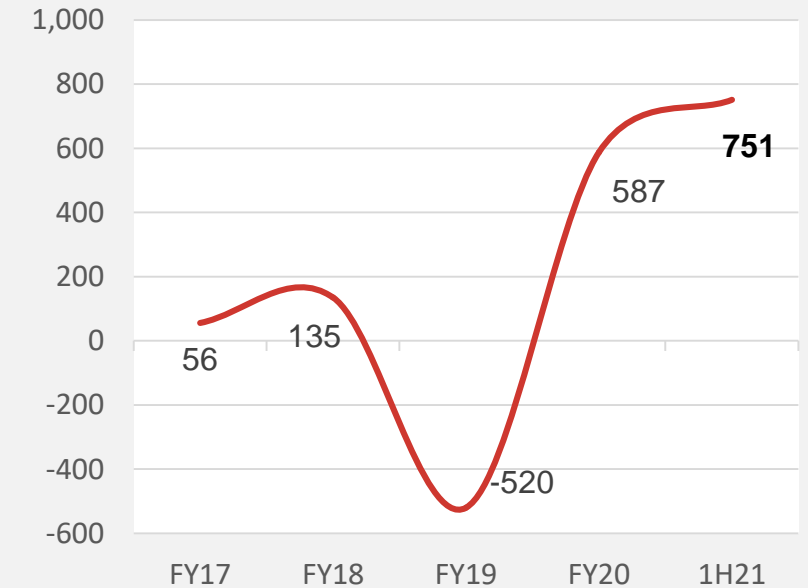
## Capex (\$m)



## Operating Cash Flow<sup>1, 2</sup> (\$m)



## Cumulative Free Cash Flow (\$m)<sup>3, 4</sup>



### Notes:

1. FY19 includes \$163m working capital cash outflow from inventory build at Koolyanobbing iron ore and Wodgina spodumene concentrate projects to allow ramp-up in production and exports. Subsequent to inventory build, Wodgina was placed in care & maintenance.
2. Operating cash flow excludes tax paid of \$332m and \$79m in 1H21 and FY20 respectively on sale of 60% interest in Wodgina Lithium Project.
3. Cumulative Free Cash Flow tracks the cumulative cash flow from Operating and Investing activities from FY17 onwards.
4. FY20 Free Cash Flow has been adjusted to include tax paid of \$332m in 1H21 on sale of 60% interest in Wodgina Lithium Project. This adjustment ensures that all Wodgina proceeds and tax paid are included in the same period. 1H21 Free Cash Flow therefore excludes \$332m of Wodgina tax paid.



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# OPERATIONAL PERFORMANCE



# OUR BUSINESS



World's largest crushing contractor



Leading pit-to-port mining services provider



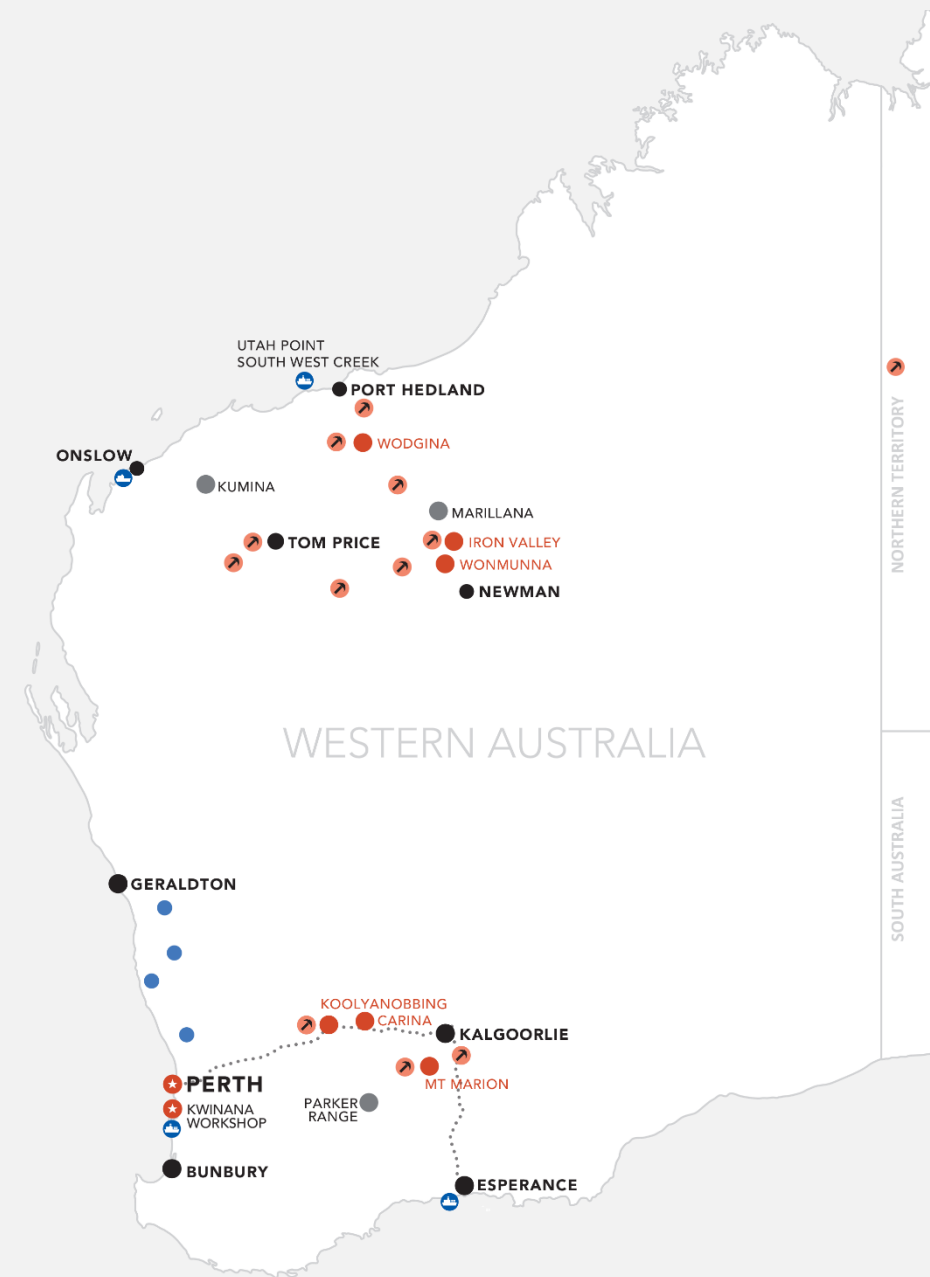
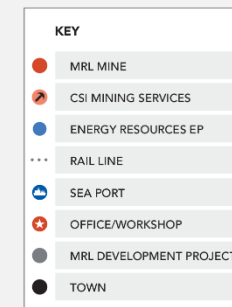
World's top 5 lithium miner with joint ownership of the largest hard rock lithium deposit



Australia's 5<sup>th</sup> largest iron ore producer



Major holder of exploration permits in Perth Basin's highly prospective gas acreage



# 1H21 MINING SERVICES PERFORMANCE



## Mining Services Contracts

- 2 new contracts
- 2 renewals
- Volumes increased 23% pcg



## Crushing and Processing

- 23 operating plants
- 3 crushers commissioning including NextGen2



## Contract Mining

- 19 open pits



## Construction

- Wonmunna infrastructure and mine development
- Carina restart and mobilisation
- Completed 15Mt NextGen2 plant
- MRL crane fleet and crew at Kemerton

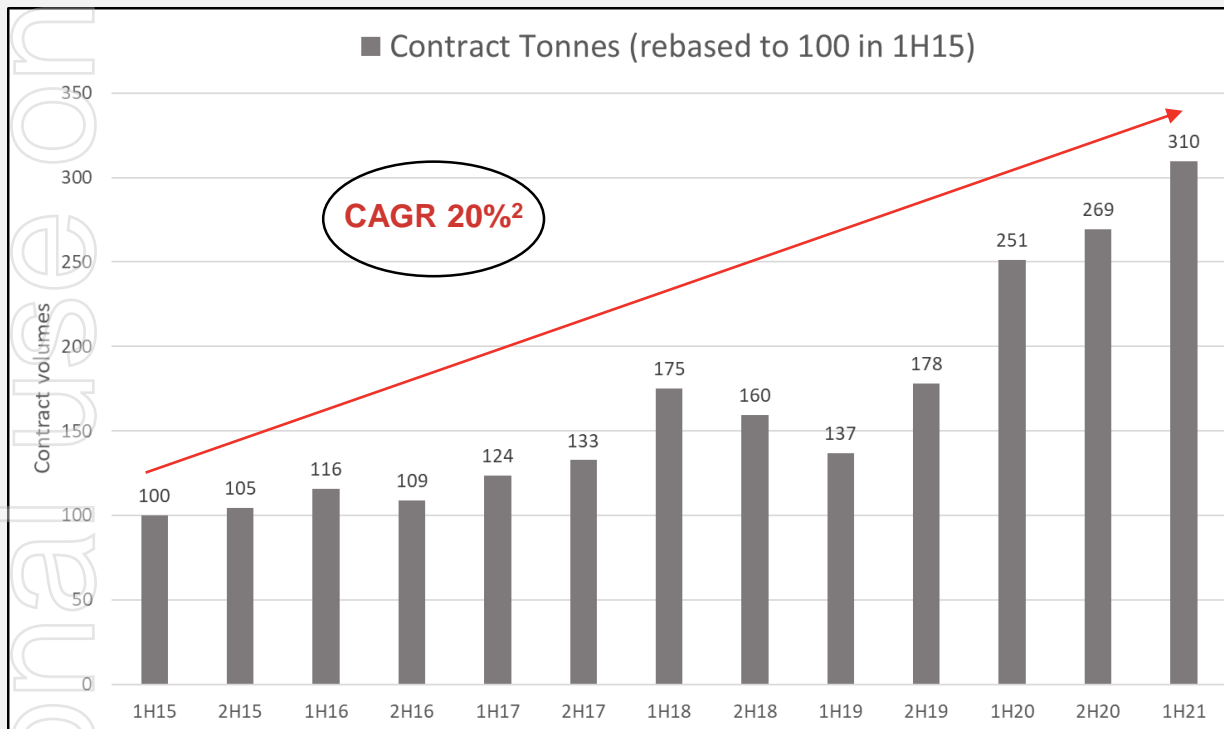


## Energy

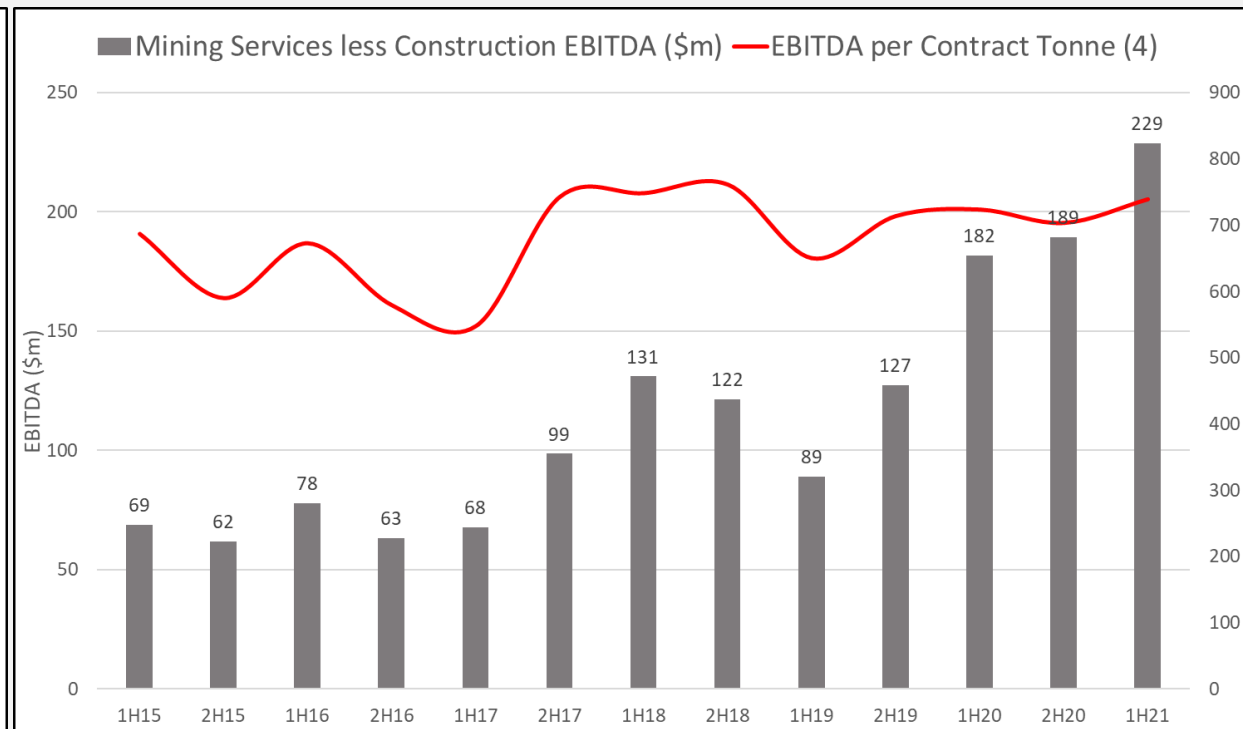
- Perth Basin exploration activities progressed
- Feasibility study completed for 2.1MW solar power at Wonmunna

# 1H15 TO 1H21 MINING SERVICES PERFORMANCE

Mining services production-related contract tonnes<sup>1</sup>



Mining services less construction EBITDA<sup>3</sup>



1. Contract tonnes include production-related Ore Mined, Crushed, Processed and other mining services where MRL owns the underlying assets delivering the service.
2. CAGR since 1H15 calculated as the CAGR for the successive 6-month periods from 1H15 to 1H21 multiplied by 2.
3. Mining Services less construction EBITDA reflects MRL's annuity style production-related earnings.
4. Mining Services less construction EBITDA divided by contract tonnes rebased to 100 in 1H15.

# 1H21 COMMODITIES PERFORMANCE



## Yilgarn Hub Iron Ore

TMM 29.6Mt

5.6Mt produced

5.0Mt shipped

Revenue \$155.0/t

Cost \$76.5/t CFR



## Utah Point Hub Iron Ore

TMM 17.1Mt

3.7Mt produced

2.9Mt shipped

Revenue \$152.5/t

Cost \$87.4/t CFR



## Mt Marion Spodumene

TMM 14.7Mt

262kdmT produced

203kdmT shipped

Revenue \$458.8/dmT

Cost \$457.4/dmT CFR



## Wodgina Spodumene

Care and maintenance



## Kemerton Lithium Hydroxide

Construction ongoing

1,250 people on site



# FUTURE DIRECTION



# GROWTH STRATEGY – CY21 to CY23

- Grow our mining services business
- Own and operate critical supply chain infrastructure
- Develop longer-life, higher quality commodity projects
- Grow our lithium hydroxide capacity
- Own natural gas
- Generate high ROIC and predictable cash flow



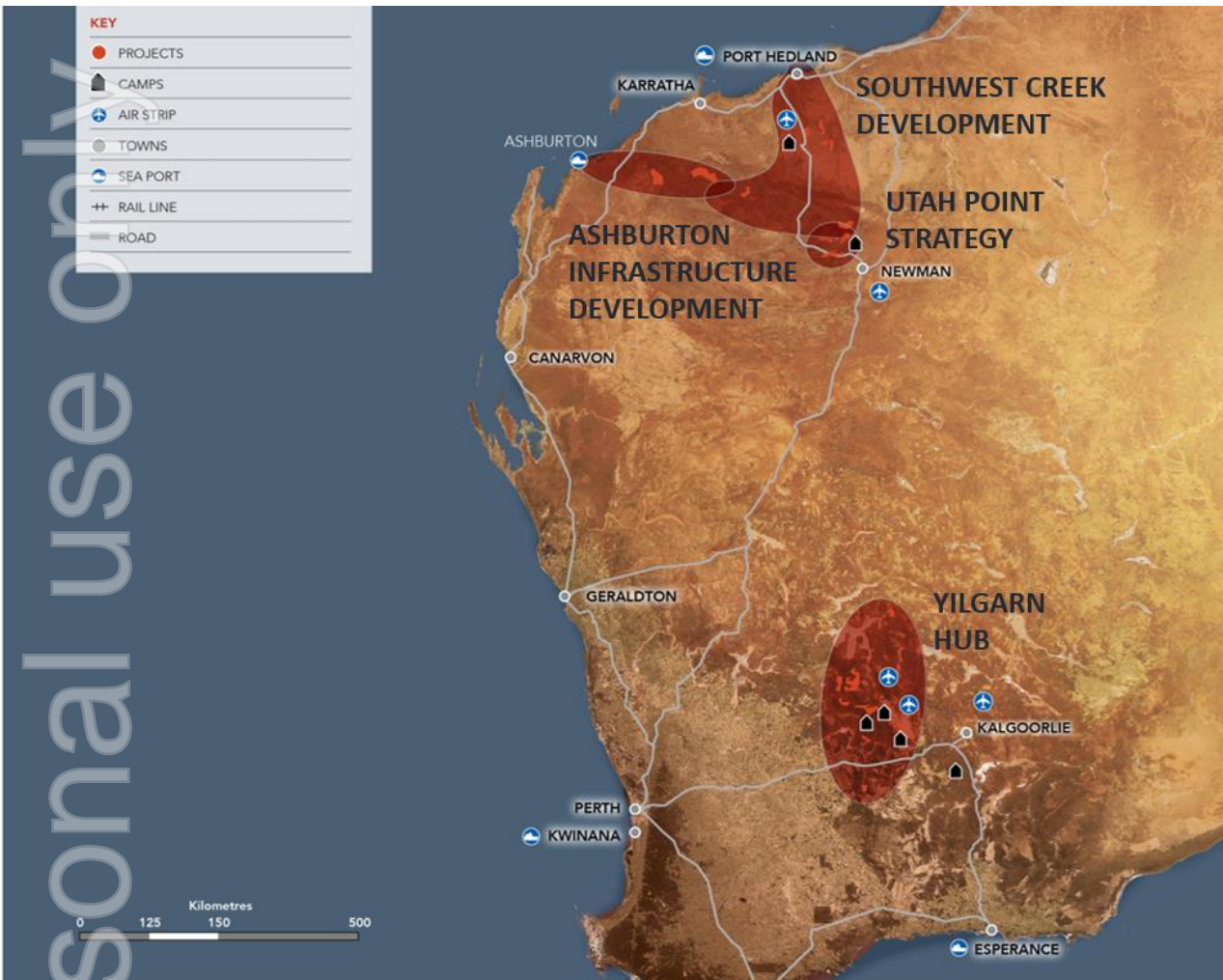


# MINING SERVICES



- Continue growth with external clients for crushing and haulage
- Develop and own supply chain infrastructure
  - Ports
  - Private haul roads
  - Innovative transport systems
  - Transshipping
- Support execution of internal development projects
- Pursue energy opportunities to reduce carbon footprint and reliance on market prices

# COMMODITIES **IRON ORE**



- **Yilgarn Hub**
  - 10 year mine plan being finalised
  - Parker Range – online mid 2021
  - Developing Mt Richardson
- **Utah Point Hub**
  - Wonmumma – first ore February 2021
  - Lamb Creek – construction ready by 2H22
  - Wedge – construction ready by 2H23
- **Ashburton**
  - Kumina/Bungaroo South - finalising approvals – targeting to commence construction mid 2021
  - 2 year development – 25-30Mtpa
- **South West Creek**
  - Awaiting approvals – Berths 3 and 4
  - Marillana – ready to develop



# COMMODITIES LITHIUM



- Mt Marion at full production
- Wodgina on care and maintenance
- Improving lithium market
- Evaluating opportunities to access additional conversion capacity

# 1H21 FY21 GUIDANCE

	YILGARN HUB <sup>1</sup>	UTAH POINT HUB <sup>1</sup>	MT MARION <sup>2</sup>	WODGINA	KEMERTON
<b>Commodity</b>	Iron ore	Iron ore	Spodumene	Spodumene	Lithium Hydroxide
<b>Ownership</b>	100%	100%	50%	40%	40%
<b>Exports</b>	11.0 to 11.5 Mt	8.5 to 9.0 Mt	450 to 475 Kt	Care & maintenance	Under construction
<b>Costs</b>	Similar to FY20	Similar to FY20	10 to 15% Lower than FY20	Not applicable	Not applicable
<b>Mining Services</b>	Mining Services volumes expected to increase 20-25% <sup>3</sup>				
<b>Capex</b>	\$600m <sup>4</sup>				

Notes:

1. Wet metric tonnes for 100% of project output.
2. Dry metric tonnes for 100% of project output.
3. Mining Services guidance expected to be at the upper end of the 20-25% range as stated in the 2Q21 Quarterly Report.
4. FY21 Capex inclusive of Wommunna acquisition and development costs of \$126m.

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# THANKYOU

ANY QUESTIONS?





# APPENDIX

ADDITIONAL INFORMATION



# RECONCILIATION OF NON-IFRS FINANCIAL INFORMATION

Reconciliation of Non-IFRS Financial Information (\$ million)	1H20	2H20	FY20	1H21
<b>Statutory Revenue</b>	<b>987</b>	<b>1,138</b>	<b>2,125</b>	<b>1,531</b>
<b>Statutory EBITDA</b>	<b>1,575</b>	<b>431</b>	<b>2,006</b>	<b>927</b>
Less: gain on disposal of 60% interest in Wodgina <sup>1</sup>	(1,290)	(8)	(1,298)	-
Less: realised FX gain on translation of Wodgina disposal proceeds <sup>2</sup>	-	(24)	(24)	-
Less: gain on bargain purchase on acquisition of Resource Development Group <sup>2</sup>	-	(4)	(4)	-
Less: unrealised fair value loss/(gain) on investments <sup>2</sup>	32	8	40	(102)
Less: unrealised FX translation loss/(gain) on US Bond <sup>2</sup>	1	21	22	(111)
Less: unrealised FX translation loss on US cash holdings <sup>2</sup>	12	11	23	49
<b>Underlying EBITDA</b>	<b>330</b>	<b>435</b>	<b>765</b>	<b>763</b>
Less: depreciation and amortisation	(92)	(102)	(194)	(104)
<b>Underlying EBIT</b>	<b>238</b>	<b>334</b>	<b>572</b>	<b>659</b>
Add: interest income	4	10	14	6
Less: finance costs	(51)	(54)	(105)	(49)
<b>Underlying PBT</b>	<b>191</b>	<b>290</b>	<b>481</b>	<b>616</b>
Less: adjusted tax	(62)	(85)	(147)	(186)
<b>Underlying NPAT</b>	<b>129</b>	<b>205</b>	<b>334</b>	<b>430</b>
Add: adjustments to Statutory EBITDA listed above (net of tax at 30%)	869	-	869	115
Add: impairments (net of tax at 30%)	(114)	(86)	(200)	(26)
<b>Statutory NPAT</b>	<b>884</b>	<b>118</b>	<b>1,002</b>	<b>519</b>



# OPERATING SEGMENTS

- Mining services provides pit-to-port infrastructure services across the mining supply chain to Australia's blue chip mining companies and MRL's own and joint venture projects
- Mining services contracts are paid per unit of production and are not subject to commodity price movements. Sliding scale contractual rates provide downside protection in the event the client requires lower production
- Mining services growth in 1H21 continued to be driven by growth of the Yilgarn Hub, higher tonnes in existing external contracts and new external contracts won during the year
- Commodities growth in 1H21 was driven by record iron ore exports and higher iron ore revenues per tonne
- MRL has centralised the majority of corporate and support functions. Costs for centralised services are allocated to projects monthly based on usage and are included in the mining services and commodities segments. Unallocated costs remain in central. Approximately half of 1H21 central costs, which include costs relating to COVID-19, are considered to be non-recurring.
- Inter-segment EBITDA represents mining services EBITDA earned on MRL's commodity projects where the underlying commodity has not yet been sold

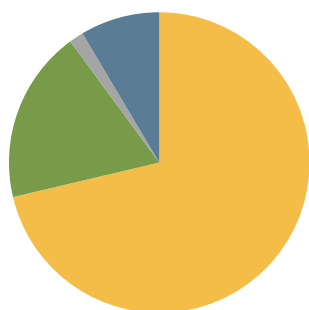
Operating Segments (\$ million)	1H20 Revenue	1H20 Underlying EBITDA	1H20 Margin	1H21 Revenue	1H21 Underlying EBITDA	1H21 Margin
Mining Services	613	172	28%	784	235	30%
Commodities	770	184	24%	1,266	571	45%
Central	-	(11)		-	(26)	
Inter-segment	(396)	(14)		(520)	(18)	
<b>MRL Group</b>	<b>987</b>	<b>330</b>	<b>33%</b>	<b>1,531</b>	<b>763</b>	<b>50%</b>

# MINING SERVICES KEY BUSINESS METRICS

## Major external contract<sup>1</sup> win/renewal metrics

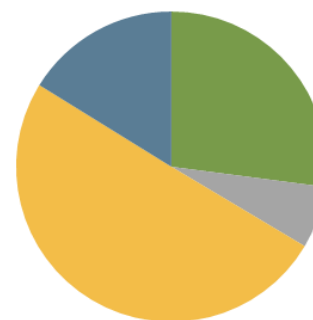
Metrics	FY15	FY16	FY17	FY18	FY19	FY20	1H21
New contracts commenced	-	-	3	1	3	2	2
Ore bodies exhausted early, contracts ended due to end of life-of-mine or completion of scope	-	(1)	-	(1)	-	(1)	(1)
Existing contracts renewed	7	1	3	4	7	4	2
Existing contracts lost on renewal to alternative provider	-	-	-	(1)	-	-	(1)
Retention rate of existing contracts on renewal	100%	100%	100%	80%	100%	100%	67%

## Revenue<sup>2,3</sup> by end user



Iron ore Lithium Gold Construction and Other

## Revenue<sup>2</sup> by length of contract



< 3 yrs 3-5 yrs 5-10 yrs >10 yrs

### Notes:

1. External contract with annual revenues greater than \$5m.
2. 1H21 Mining Services Segment Revenue (External and Inter-segment).
3. MRL's Mining Services contract rates are not linked to commodity prices. There are no commodity price related revenues in the Mining Services segment.

# COMMODITIES SEGMENT

## Iron Ore

- Record exports of 7.9Mt up 17% pcp due to growth of the Yilgarn Hub
- Material increase in Platts index has driven higher Revenue and EBITDA

## Spodumene Concentrate

- EBITDA loss of \$5m in 1H21, down \$9m pcp
- At Mt Marion, higher yield resulted in record low costs per tonne, which was offset by low market prices
- Wodgina continues in care and maintenance in period incurring costs of \$5m

Commodities Segment (\$ million)	1H20 Revenue	1H20 Underlying EBITDA	1H20 Margin	1H21 Revenue	1H21 Underlying EBITDA	1H21 Margin
Iron Ore	696	185	27%	1,219	582	48%
Spodumene Concentrate	74	4	6%	47	(5)	(10%)
Other	-	(6)		-	(6)	
<b>Commodities</b>	<b>770</b>	<b>184</b>	<b>24%</b>	<b>1,266</b>	<b>571</b>	<b>45%</b>

Commodity Exports (Kwmt)	2H18	1H19	2H19	1H20	2H20	1H21
Iron Ore	4,514	3,965	6,597	6,748	7,326	7,913
Spodumene Concentrate	181	186	192	198	213	210
Lithium Direct Ship Ore	1,710	422	-	-	-	-
<b>Commodities</b>	<b>6,404</b>	<b>4,573</b>	<b>6,789</b>	<b>6,945</b>	<b>7,539</b>	<b>8,123</b>

# COMMODITIES YILGARN HUB IRON ORE

- 5.0Mt exported in 1H21, 38% Lump
- Overall revenue per tonne is higher due to the strong Platts index
- CFR Cost per tonne increased in 1H21 primarily due to higher haulage costs, along with higher shipping costs

Yilgarn Hub Iron Ore	1H19	2H19	FY19	1H20	2H20	FY20	1H21
<b>Lump</b>							
Exports (Kwmt)	55	1,216	1,271	1,135	1,824	2,959	1,874
Fe grade (%)	59.7%	59.3%	59.3%	59.7%	59.2%	59.4%	57.8%
Moisture (%)	2.8%	3.1%	3.1%	3.2%	3.7%	3.5%	4.7%
Revenue (\$/wmt)	102.8	143.0	141.3	117.0	128.0	123.8	157.7
<b>Fines</b>							
Exports (Kwmt)	237	1,648	1,885	2,023	2,396	4,419	3,105
Fe grade (%)	58.4%	58.1%	58.2%	59.0%	58.6%	58.8%	56.9%
Moisture (%)	4.3%	4.0%	4.1%	4.5%	5.2%	4.9%	6.7%
Revenue (\$/wmt)	76.0	110.9	106.5	104.1	116.4	110.8	153.4
<b>Weighted Average</b>							
Exports (Kwmt)	292	2,864	3,156	3,158	4,221	7,378	4,979
Revenue (\$/wmt)	81.1	124.5	120.5	108.8	121.4	116.0	155.0
CFR cost (\$/wmt)	83.5	74.6	75.5	73.6	71.1	72.1	76.5
EBITDA (\$/wmt)	(2.4)	49.9	45.0	35.2	50.4	43.9	78.5

# COMMODITIES UTAH POINT HUB IRON ORE

- 2.9Mt exported in 1H21, 49% Lump
- Overall revenue per tonne is higher due to the strong Platts index
- CFR Cost per tonne exported in 1H21 was higher due to royalty costs associated with the higher Platts index

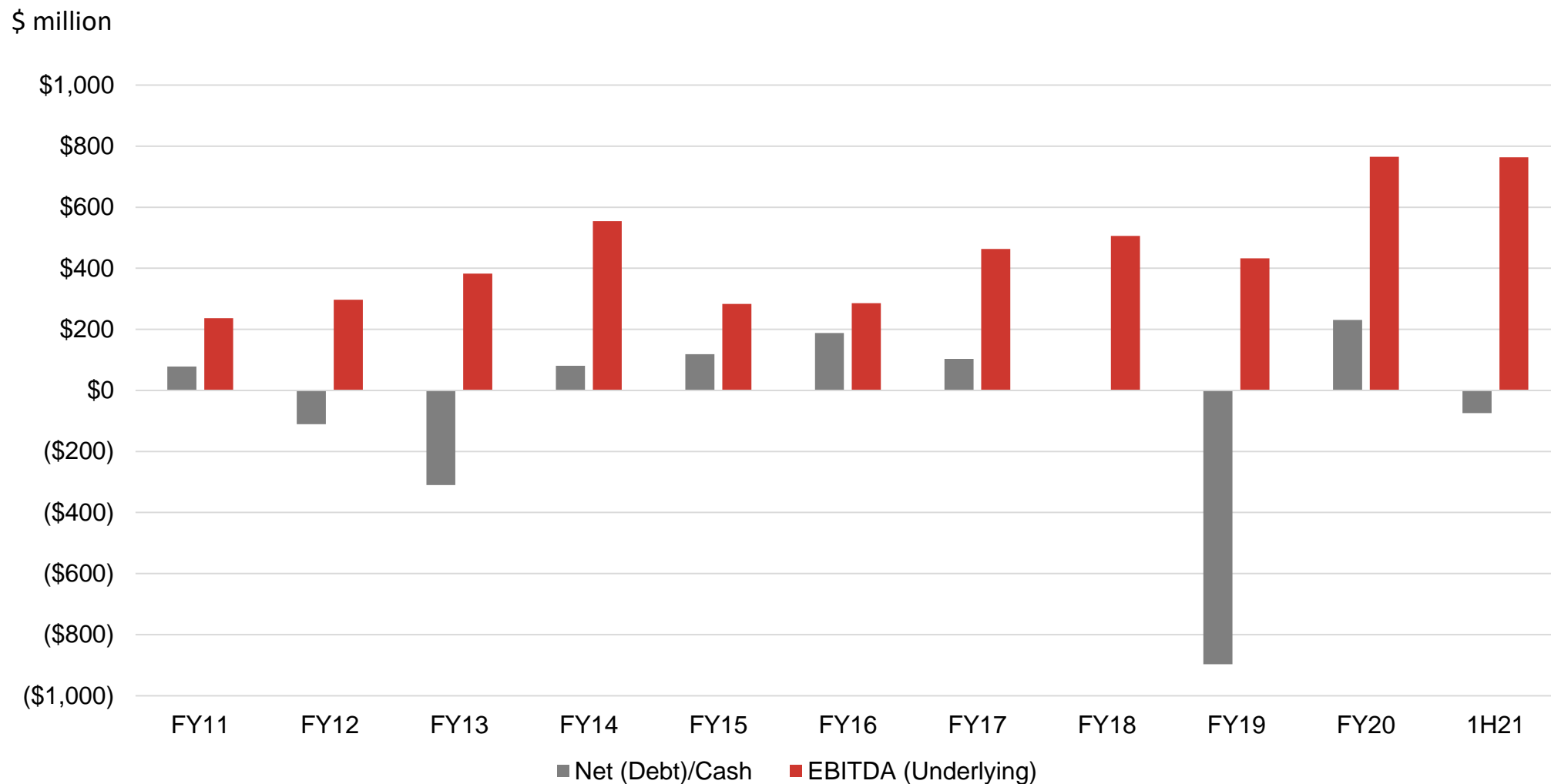
Utah Point Hub	1H19	2H19	FY19	1H20	2H20	FY20	1H21
<b>Lump</b>							
Exports (Kwmt)	1,926	1,187	3,113	1,305	1,417	2,723	1,415
Fe grade (%)	60.1%	60.0%	60.1%	59.6%	59.2%	59.4%	58.5%
Moisture (%)	5.4%	6.7%	5.9%	6.0%	6.5%	6.2%	5.2%
Revenue (\$/wmt)	80.5	129.8	99.3	111.5	112.7	112.1	150.7
<b>Fines</b>							
Exports (Kwmt)	1,747	2,546	4,293	2,285	1,688	3,973	1,519
Fe grade (%)	58.3%	58.5%	58.4%	58.3%	58.7%	58.4%	57.5%
Moisture (%)	8.5%	9.2%	8.9%	9.0%	10.9%	9.8%	9.2%
Revenue (\$/wmt)	45.7	72.6	61.7	90.7	109.1	98.5	154.2
<b>Weighted Average</b>							
Exports (Kwmt)	3,673	3,733	7,406	3,590	3,106	6,696	2,934
Revenue (\$/wmt)	64.0	90.8	77.5	98.2	110.8	104.0	152.5
CFR cost (\$/wmt)	63.2	72.7	68.0	77.3	84.4	80.6	87.4
EBITDA (\$/wmt)	0.7	18.9	9.8	20.9	26.3	23.4	65.1

# COMMODITIES MT MARION LITHIUM

- 1H21 spodumene concentrate exports of 203Kdmt, 76% High Grade
- Weak lithium conditions resulted in a reduction in Revenue per tonne in the year
- CFR Cost per tonne lower in 1H21 due to higher yield and optimised mine plan

Mt Marion Lithium	1H19	2H19	FY19	1H20	2H20	FY20	1H21
<b>Weighted Average</b>							
Exports (at 100%) (Kdmt)	179	187	366	188	206	394	203
High Grade Product contribution (%)	74.5%	69.8%	72.1%	65.6%	62.6%	64.0%	75.7%
Revenue (\$/dmt)	1,247.8	915.8	1,078.4	695.6	546.2	617.5	458.8
CFR Cost (\$/dmt)	615.4	666.2	641.3	521.1	553.8	538.2	457.4
EBITDA (\$/dmt)	632.5	249.6	437.1	174.5	(7.6)	79.3	1.4

# CONSERVATIVELY GEARED THROUGH CYCLES

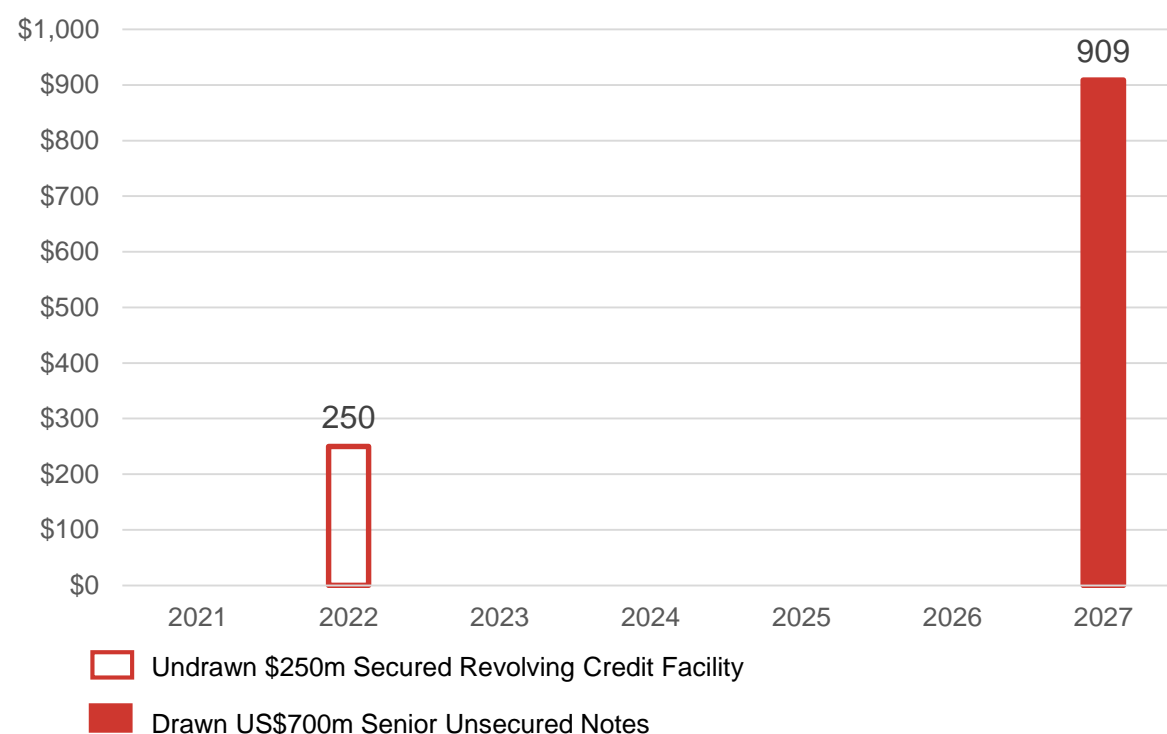




# CREDIT METRICS AND DEBT MATURITY PROFILE

CREDIT METRICS	FY20	1H21
Cash and equivalents	\$1,522m	\$1,113m
Net debt/(cash)	(\$231m)	\$75m
Net gearing	(11%)	3%
Gross gearing	36%	31%
Net debt/(cash) to Underlying EBITDA <sup>1</sup>	(0.3x)	0.1x
Gross debt to Underlying EBITDA <sup>1</sup>	1.7x	1.0x
Underlying EBITDA to net interest <sup>1</sup>	8.4x	13.8x
Underlying EBITDA to gross interest <sup>1</sup>	7.3x	11.7x

## DEBT MATURITY PROFILE<sup>2</sup>



Notes:

1. Based on a rolling 12 month basis.
2. Excluding capital repayments on Hire Purchase arrangements.

# FY21 CAPITAL EXPENDITURE GUIDANCE

CAPEX (\$ million)	FY21
<b>Sustaining Capex</b>	
Deferred Strip	80
Commodities	72
Other	23
<b>Total Sustaining Capex</b>	<b>175</b>
<b>Growth Capex</b>	
Commodities	150
Mining Services	138
Central	43
Corporate Office	60
Other	34
<b>Total Growth Capex</b>	<b>425</b>
<b>TOTAL CAPEX</b>	<b>600</b>

# GLOSSARY

<b>1H, 2H, FY</b>	First half, second half, full year
<b>\$</b>	Australian dollar
<b>US\$</b>	United States dollar
<b>CAGR</b>	Compound annual growth rate
<b>CFR</b>	Cost and freight rate
<b>CFR cost</b>	Operating costs of mining, processing, rail/road haulage, port, freight and royalties, including mining infrastructure service agreements with MRL Group entities, direct administration costs, and apportionment of corporate and centralised overheads
<b>dmt</b>	Dry metric tonnes
<b>EBIT</b>	Earnings before interest and tax
<b>EBITDA</b>	Earnings before interest, tax, depreciation and amortisation
<b>EPS</b>	Earnings per share
<b>Gross debt</b>	Total borrowings and finance lease liabilities
<b>Gross gearing</b>	Gross debt / (gross debt + equity)

<b>K</b>	Thousand
<b>M</b>	Million
<b>Net debt / (cash)</b>	Gross debt less cash and cash equivalents
<b>NPAT</b>	Net profit after tax
<b>PBT</b>	Profit before tax
<b>pcp</b>	Prior corresponding period
<b>ROIC</b>	Return on invested capital
<b>T or t</b>	Wet metric tonnes unless otherwise stated
<b>TMM</b>	Total Material Mined
<b>TRIFR</b>	Total Recordable Injury Frequency Rate per million hours worked
<b>TSR</b>	Total Shareholder Return being CAGR in gain from change in share price plus dividends paid
<b>Underlying EBIT / EBITDA</b>	EBIT / EBITDA adjusted for impact of one-off, non-cash gains or losses, and profit on the Wodgina sale
<b>Underlying NPAT</b>	NPAT adjusted for after tax impact of one-off, non-cash gains or losses
<b>wmt</b>	Wet metric tonnes

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