

ASX ANNOUNCEMENT

02 March 2021

JP Morgan - Global High Yield Conference Presentation

The following presentation will be made by Chris Ellison, Managing Director of Mineral Resources Ltd on Tuesday 2 March 2021 to the JP Morgan Global High Yield Conference.

A copy of the presentation has been provided to the ASX in advance of this presentation.

This announcement dated 2nd March 2021 has been authorised for release to the ASX by Mark Wilson, Chief Financial Officer/Company Secretary of Mineral Resources Limited.

Ends

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About Mineral Resources

Mineral Resources Limited (ASX: MIN) is a Perth-based leading mining services provider, with a particular focus on the iron ore and hard-rock lithium sectors in Western Australia. Using technical know-how and an innovative approach to deliver exceptional outcomes, Mineral Resources has become one of the ASX's best-performing contractors since listing in 2006.

To learn more, please visit www.mineralresources.com.au.

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ASXMIN



Global High Yield Conference

JP Morgan

2 March 2021

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OUR BUSINESS



World's largest crushing contractor



Leading pit-to-port mining services provider



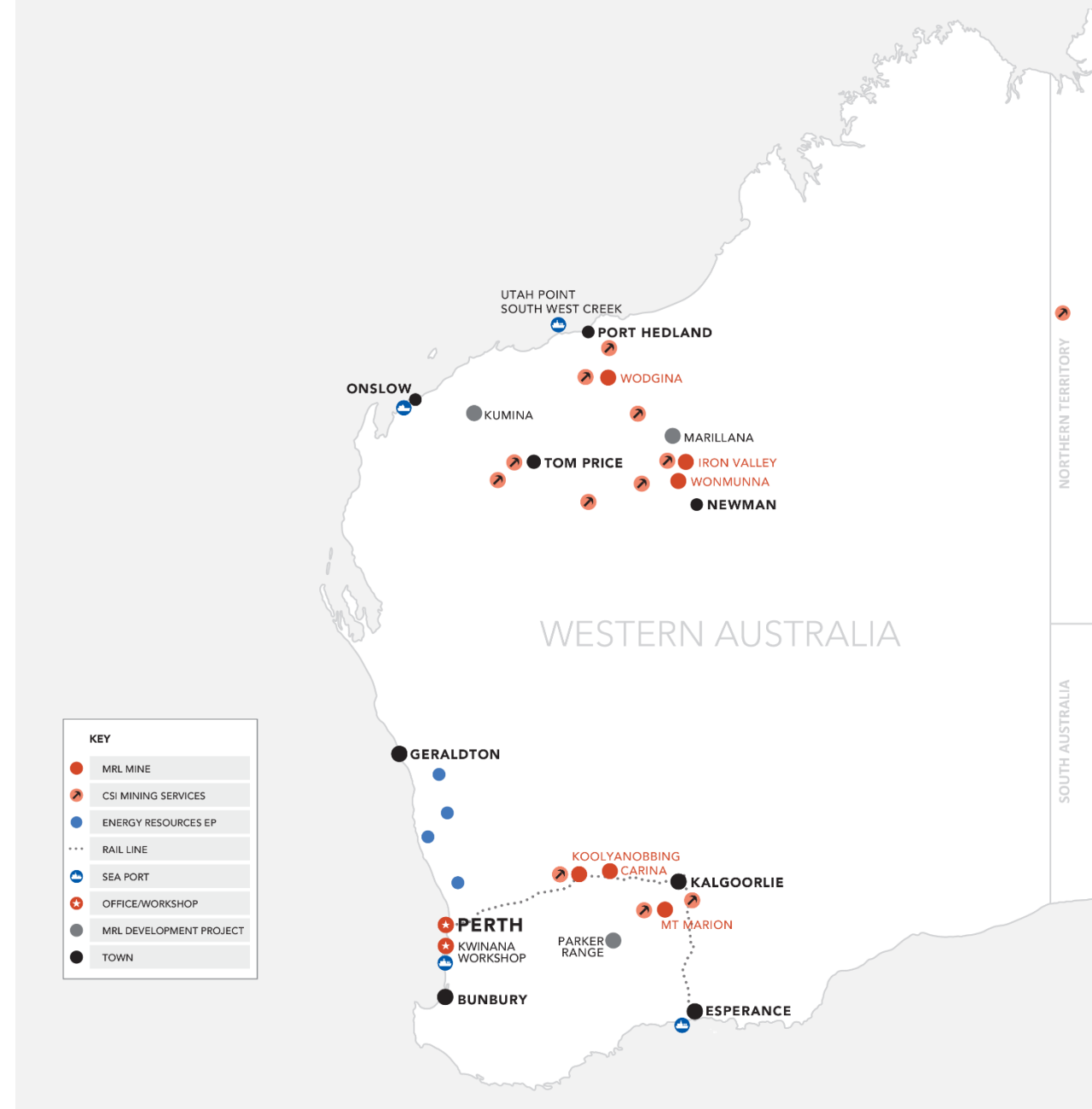
World's top 5 lithium miner with joint ownership of the largest hard rock lithium deposit



Australia's 5th largest iron ore producer



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



RECENT HIGHLIGHTS

- Remained COVID and LTI free
- Improved safety performance
- Increased production
- Lowered carbon emissions intensity
- Created consistently high returns
- Maintained a conservatively geared balance sheet
- Enhanced our corporate governance

Mining Services

- Predictable EBITDA margins
- Four plants commissioned, >38Mtpa in past 12 months
- Completed 15Mtpa NextGen2 plant

Iron Ore

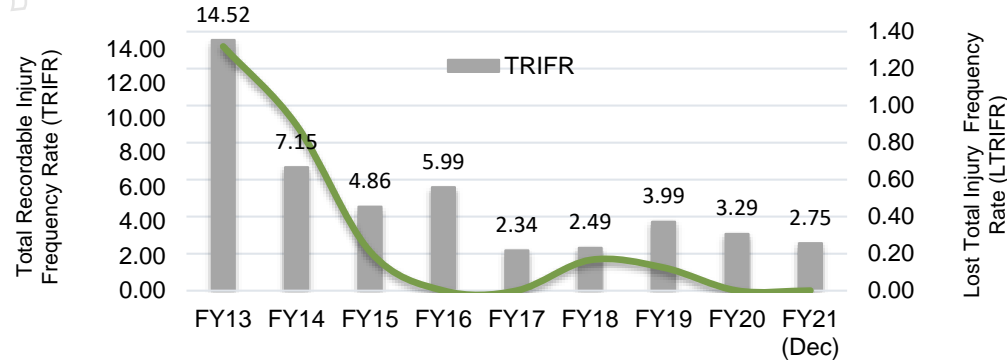
- Jan to Dec 2020 shipped 15.2Mt
- Increased production 14% on CY2019
- Acquired and developed 5Mtpa Wonmunna Mine

Lithium

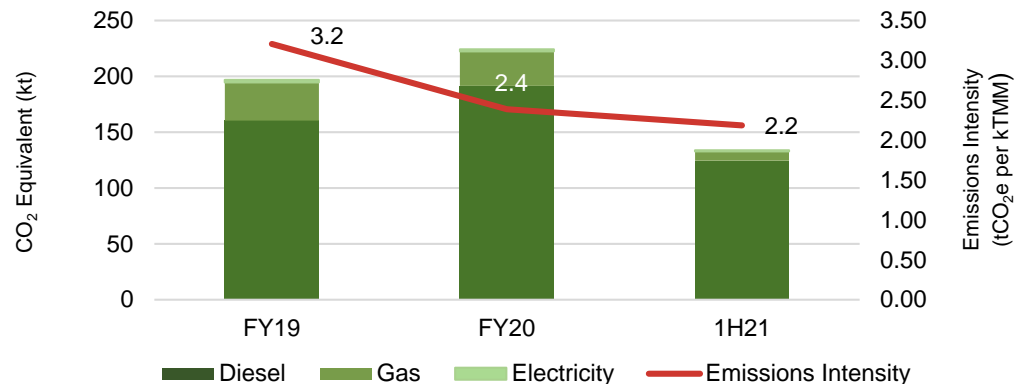
- Record spodumene production
- Best ever cost performance
- Kemerton hydroxide plant construction progressing well

1H21 SUSTAINABILITY PERFORMANCE

Injury Frequency Rates Per million hours worked



Greenhouse Gas (GHG) Emissions³ MRL is committed to **Net Zero Emissions** by 2050



2.75

TRIFR¹
16% improvement²

0.00

LTI¹



3,900+

Employees and Contractors²



\$473m

Taxes and Royalties Paid



\$528m

WA Procurement Spend

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. Total employees and contractors as at 31 December 2020.
3. Greenhouse gas emissions intensity defined as tonnes CO₂ equivalent per thousand tonne total material mined.

1H21 FINANCIAL PERFORMANCE



A\$1.5bn

Revenue

↑55% on 1H20



A\$763m

Underlying EBITDA

↑131% on 1H20



A\$75m

Net Debt



A\$1.1bn

Cash

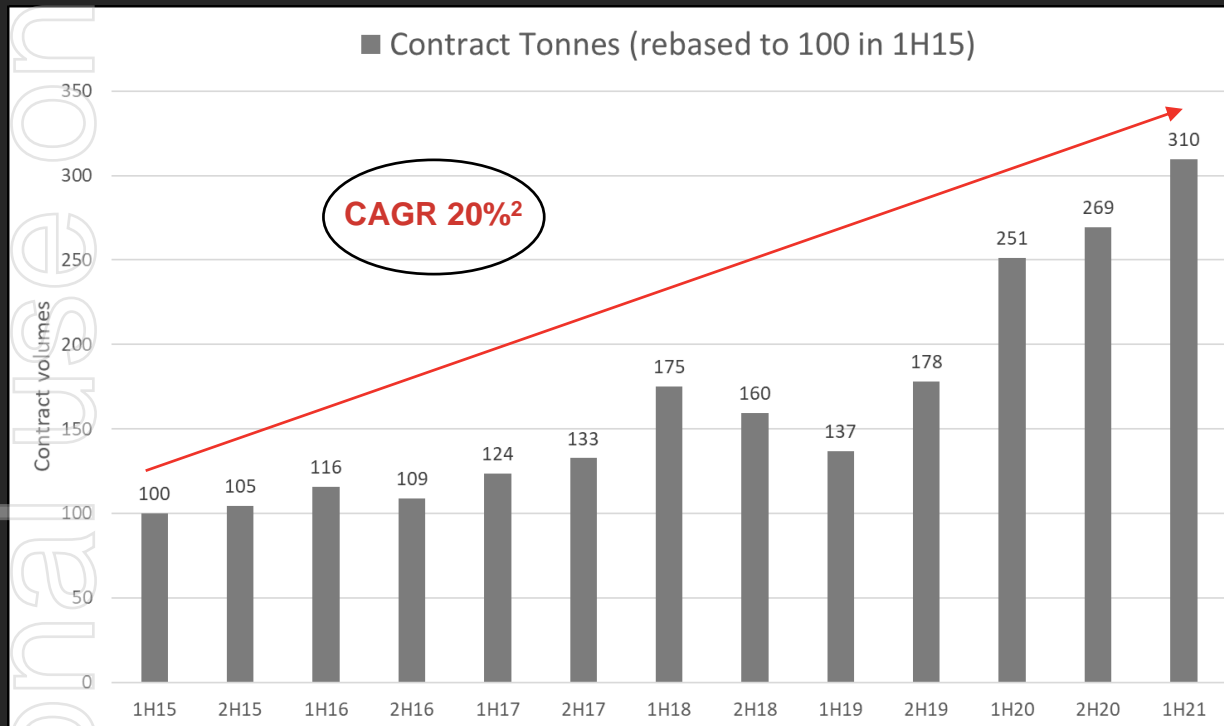


A\$516m

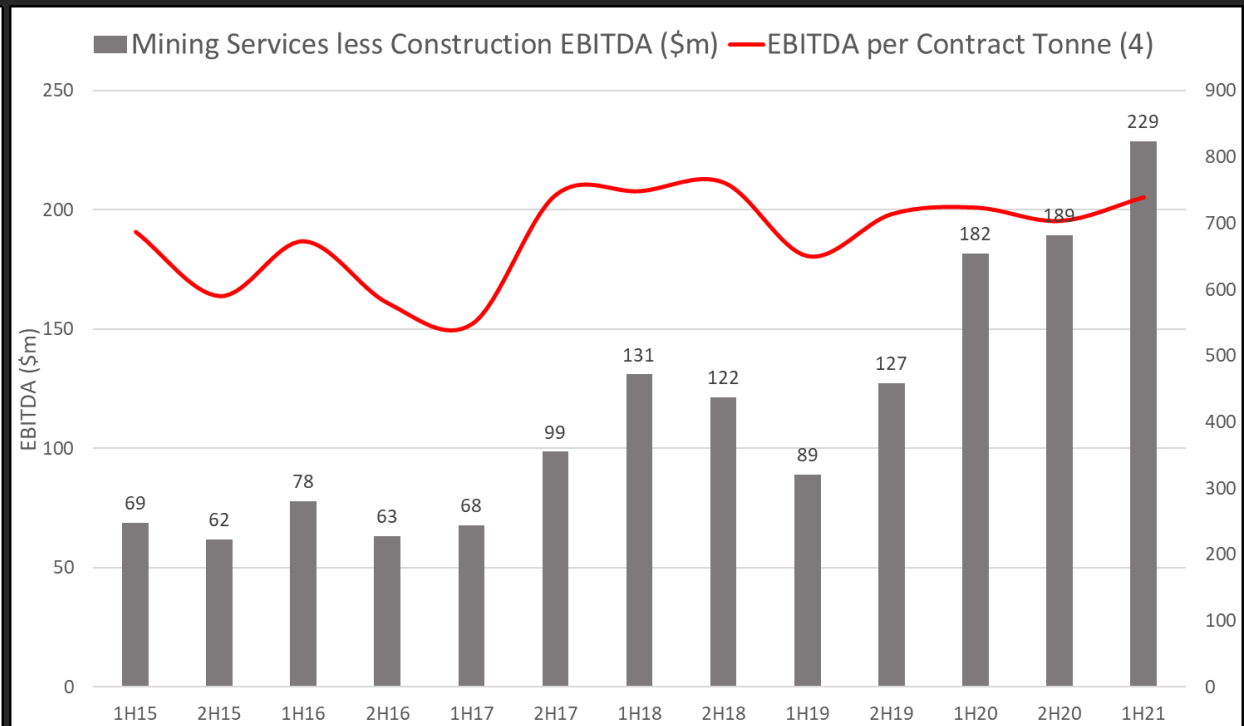
Operating Cash Flow

MINING SERVICES PERFORMANCE

Mining services production-related contract tonnes¹



Mining services less construction EBITDA³



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

5.6Mt produced

5.0Mt shipped

Revenue \$155.0/t

Cost \$76.5/t CFR



Utah Point Hub Iron Ore

3.7Mt produced

2.9Mt shipped

Revenue \$152.5/t

Cost \$87.4/t CFR



Mt Marion Spodumene

262kdmt produced

203kdmt shipped

Revenue \$458.8/dmt

Cost \$457.4/dmt CFR



Wodgina Spodumene

Care and maintenance

Three 250ktpa trains



Kemerton Lithium Hydroxide

Construction ongoing

1,250 people on site

Two 25 ktpa trains

DELIVERING ON OUR COMMITMENTS

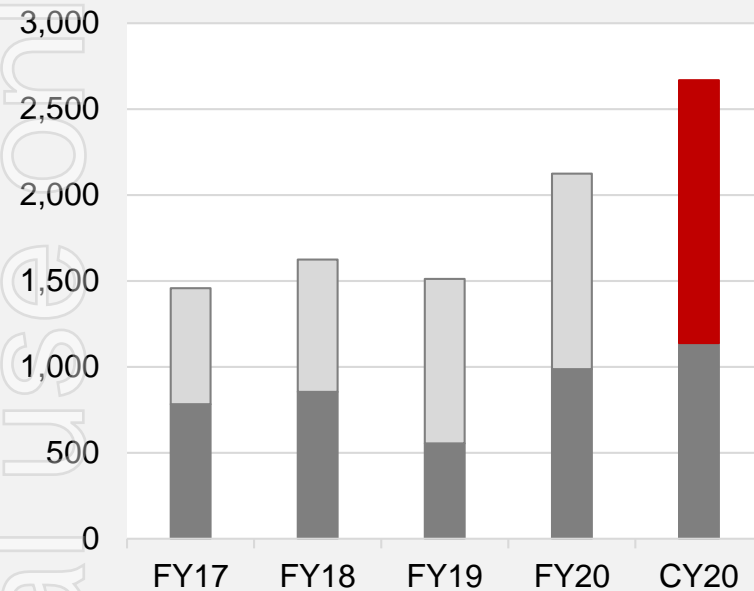
COMMITMENTS	WHAT WE SAID	WHAT WE DID	
Grow mining services	<ul style="list-style-type: none"> Double mining services EBITDA in 3 years from CY19 baseline of A\$293m 	<ul style="list-style-type: none"> CY20 mining services EBITDA \$422m (up 44%) 	✓
Create one of the world's top lithium businesses	<ul style="list-style-type: none"> Construct and commission Wodgina Complete Albemarle transaction Progress construction of lithium hydroxide plant 	<ul style="list-style-type: none"> Completed construction of 750Ktpa Wodgina spodumene plant Created MARBL JV: received US\$820m cash and 40% of Kemerton lithium hydroxide plant Fast tracked downstream strategy through free carried interest in Kemerton Kemerton commissioning in 2H21 	✓
Grow commodity exports	<ul style="list-style-type: none"> Grow Koolyanobbing iron ore production and exports from 6Mtpa to 12Mtpa run rate 	<ul style="list-style-type: none"> Developed 10 year strategy for Yilgarn region Koolyanobbing FY21 export range of 11 – 11.5Mt Acquired Wonmunna and developed a 5Mtpa operation 4 months after purchase 	✓
Innovation	<ul style="list-style-type: none"> Continue to deliver client value through innovation 	<ul style="list-style-type: none"> 15Mtpa NextGen2 crushing plant developed in partnership with Metso First plant operating at BHP site 	✓
Financial strength	<ul style="list-style-type: none"> Maintain financial discipline Retain cash for reinvestment 	<ul style="list-style-type: none"> A\$75m net debt at Dec 2020 A\$1.1bn cash for reinvestment in business Average ROIC of 23% in CY20 and 20% pa over 7 years 	✓

MANAGING RISK

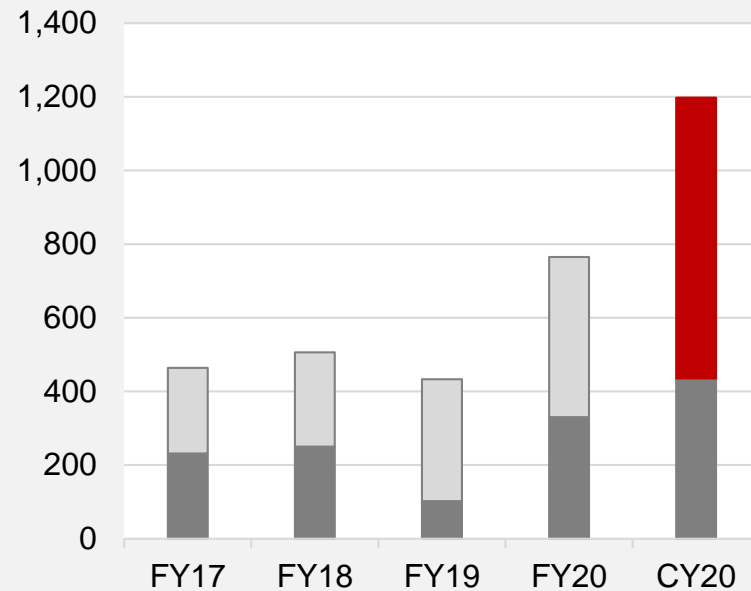
MATERIAL RISK THEME	MATERIAL TOPIC	WHAT WE ARE DOING
Health and Safety	<ul style="list-style-type: none"> COVID-19 	<p>MRL COVID-19 response:</p> <ul style="list-style-type: none"> Identified the risk – we purchased PCR testing units and operate the southern hemisphere's largest private industry screening facilities – 100k tests completed Our focus is the safety and wellbeing of our workforce, their families, communities where we operate as well as the WA resources industry Trained 40 nurses in the swab-screening process Provide mental health and wellbeing support for all our people – psychologist and medical staff employed and medical facilities upgraded
Climate Change	<ul style="list-style-type: none"> Managing our climate-related obligations, risks and opportunities 	<p>Our commitment to net zero emissions by 2050:</p> <ul style="list-style-type: none"> Transition away from diesel to natural gas/LNG, solar wind Technology advances make the energy transition economically rational Dedicated energy team
Social	<ul style="list-style-type: none"> Maintaining strong community and stakeholder relationships 	<p>Our approach to stakeholder engagement:</p> <ul style="list-style-type: none"> Our continuing philosophy is to be respectful to all communities in which we work To build relationships with local communities and Traditional Owners To proceed having agreed mutual outcomes

REVENUE AND EARNINGS

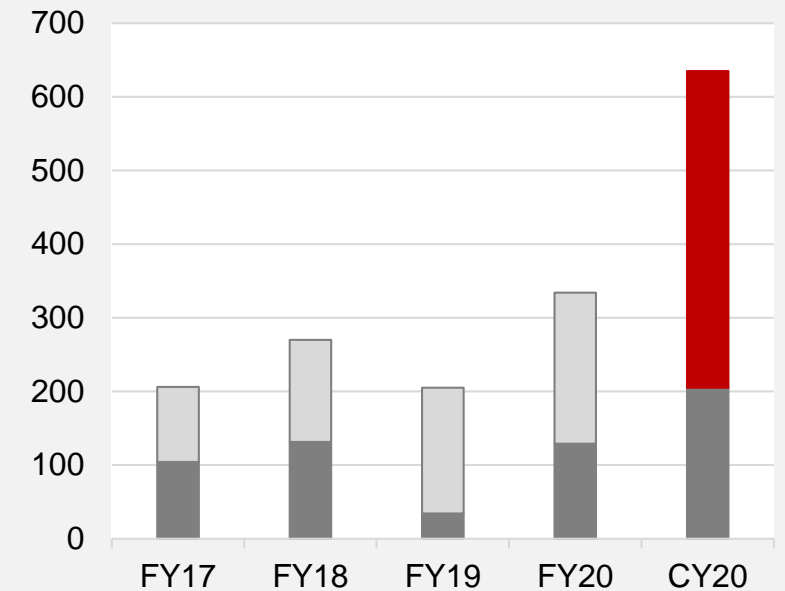
Revenue (\$m)



Underlying EBITDA (\$m)



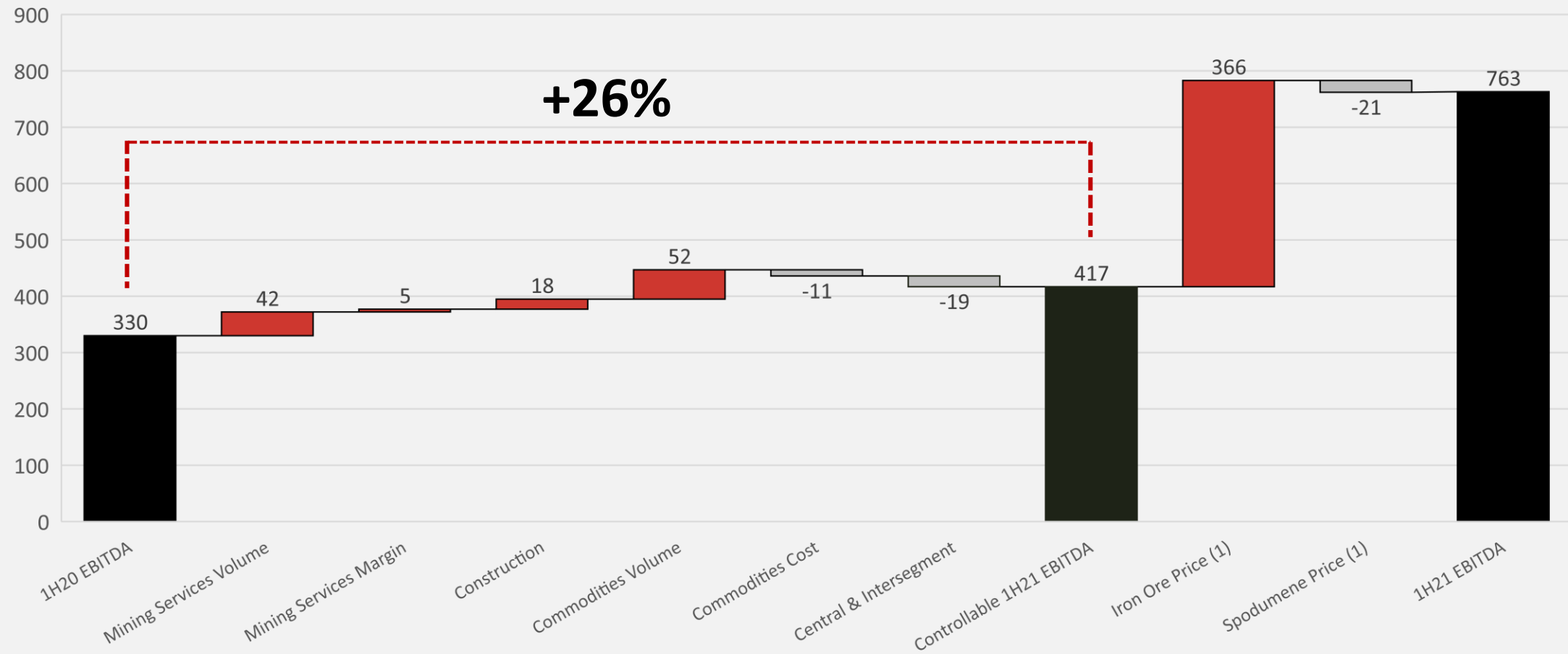
Underlying NPAT (\$m)



1st Half
2nd Half
1st Half FY21

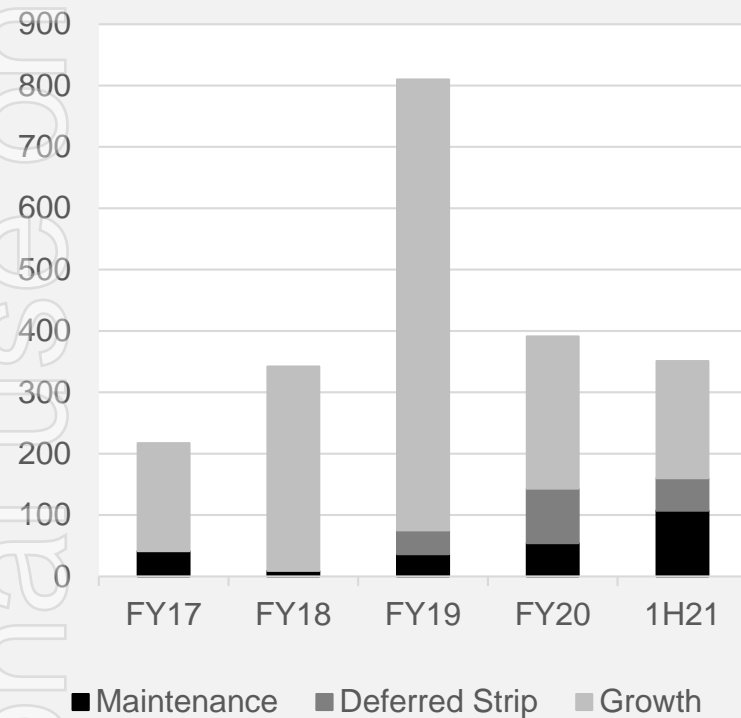
1H21 UNDERLYING EBITDA 1H20 TO 1H21

\$ million

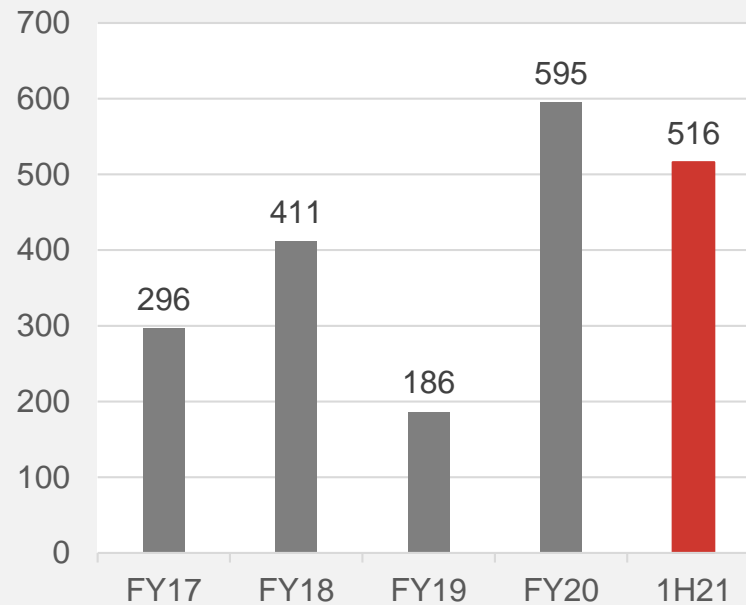


FREE CASHFLOW GENERATION

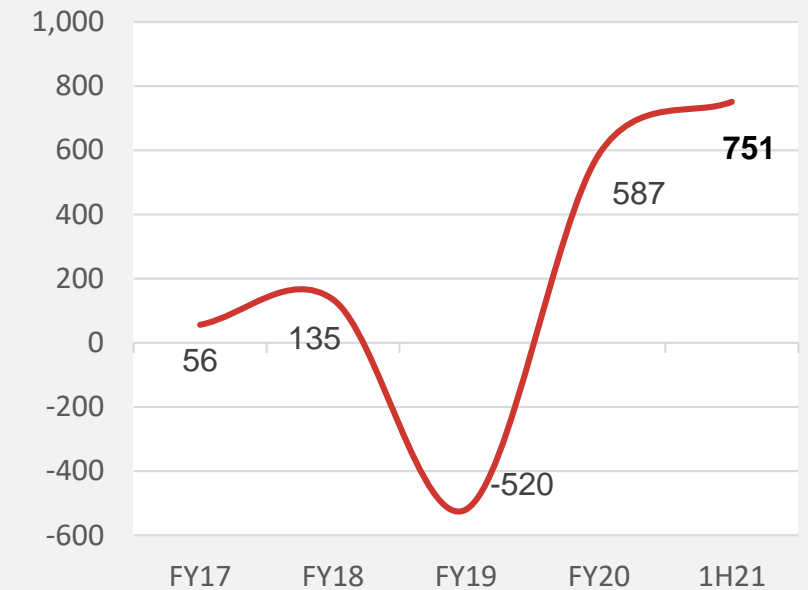
Capex (\$m)



Operating Cash Flow^{1,2} (\$m)



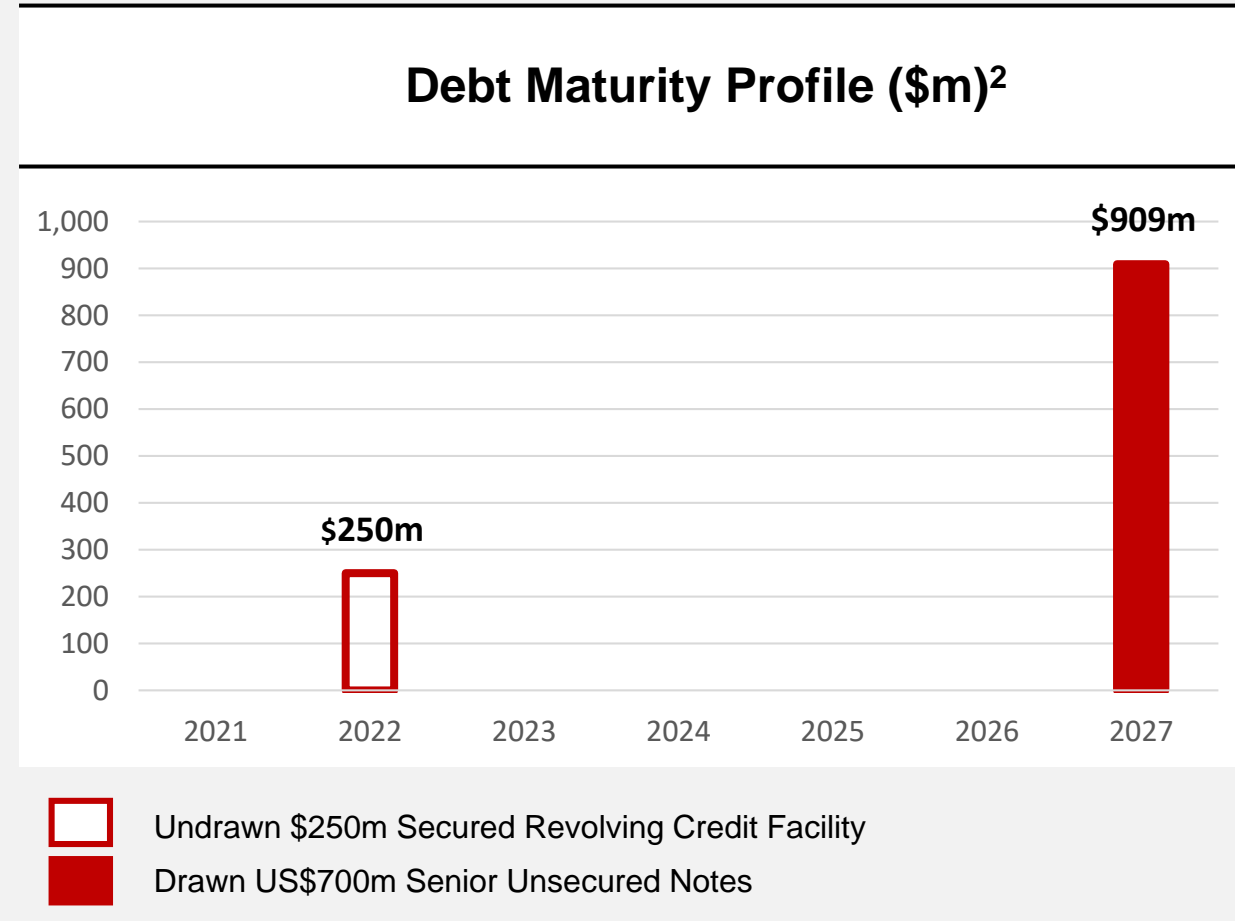
Cumulative Free Cash Flow (\$m)^{3,4}



1. FY19 includes \$163m inventory build at Koolyanobbing and Wodgina projects to allow ramp-up in production. Subsequent to inventory build, Wodgina was placed in care & maintenance.
2. Operating cash flow excludes tax paid of \$332m in 1H21 and \$79m in FY20 on sale of 60% interest in Wodgina Lithium Project.
3. Cumulative Free Cash Flow tracks cumulative cash flow from Operating and Investing activities from FY17 onwards.
4. FY20 Free Cash Flow adjusted to include tax paid of \$332m in 1H21 on sale of Wodgina to ensure all proceeds and tax paid included in same period. 1H21 Free Cash Flow excludes \$332m of Wodgina tax paid.

1H21 SUMMARY BALANCE SHEET

Credit Metrics ¹	Units	FY20	1H21
Cash and equivalents	\$m	1,522	1,113
Total assets	\$m	4,631	4,732
Debt	\$m	(1,291)	(1,188)
Total liabilities	\$m	(2,335)	(2,059)
Total equity	\$m	2,296	2,673
Net debt / (cash)	\$m	(231)	75
Net gearing	%	(11%)	3%
Gross gearing	%	36%	31%
Net debt / (cash) to EBITDA	X	(0.3)	0.1
Gross debt to EBITDA	X	1.7	1.0
EBITDA to net interest	X	8.4	13.8
EBITDA to gross interest	X	7.3	11.7



1. Where applicable, on a rolling 12 month basis.
 2. Excluding capital repayments on Hire Purchase arrangements.

FUTURE DIRECTION



GROWTH OPPORTUNITIES



Mining Services

- Currently commission 3 crushing plants – 31Mtpa
- Significant enquiries for additional services and capacity
- Develop infrastructure to unlock stranded deposits



Iron Ore

- Ramp up Utah Point Hub to 14Mtpa
- Ramp up Yilgarn Hub to 12Mtpa
- Finalising 10 year plan for each hub



Lithium

- Mt Marion 450 - 475kdt
- Kemerton plant commissioning
- Opportunistic on Wodgina restart



Energy & Innovation

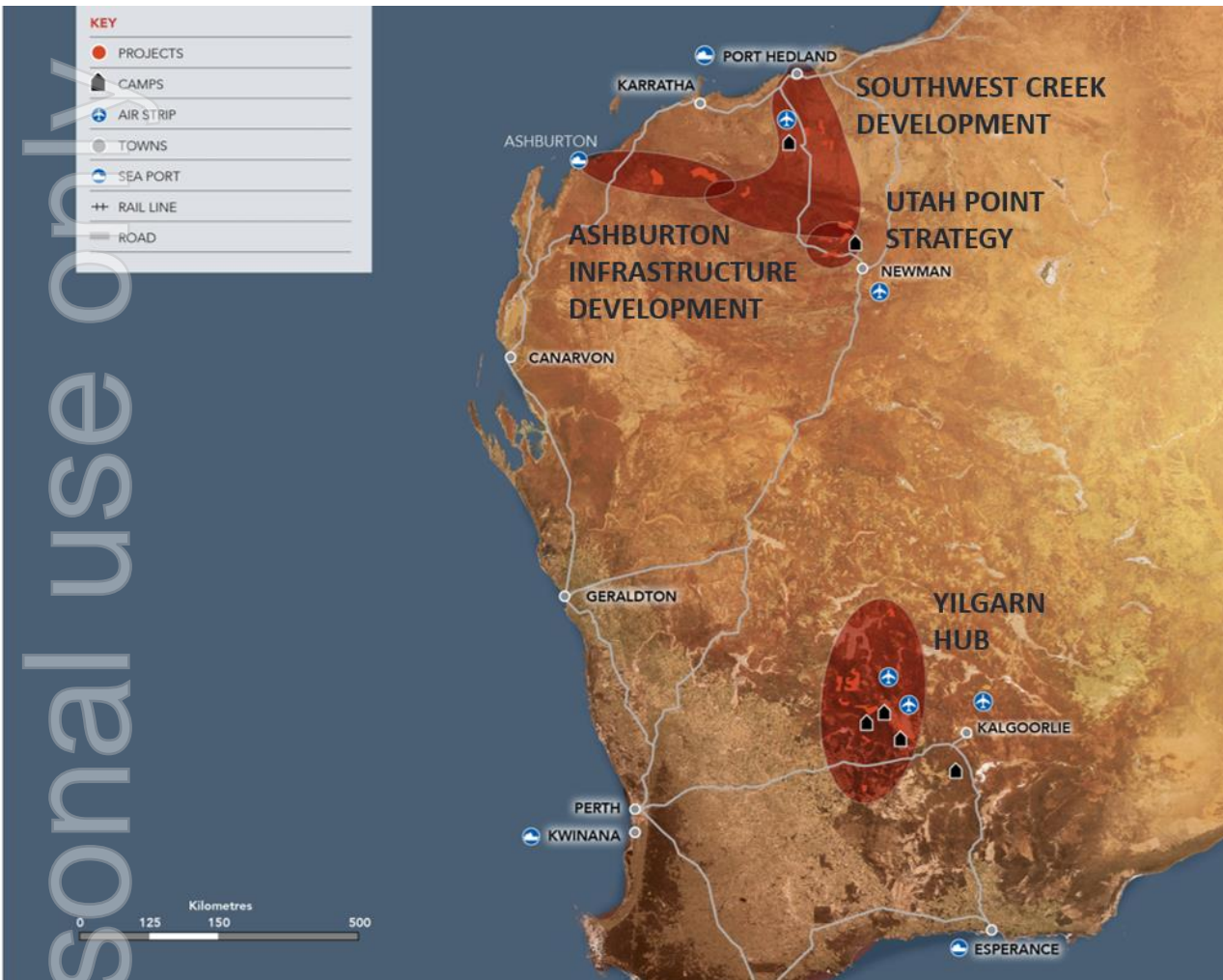
- Drill a 4.5km well in Perth Basin
- Self sustaining with natural gas

MINING SERVICES **NEXT 5 YEARS**



- Develop and own supply chain infrastructure
 - Ports
 - Transshipping
 - Private haul roads
 - Innovative transport systems
 - Top quality, resort style, accommodation
- Unlock stranded deposits
- Enhance build, own, operate capability

COMMODITIES IRON ORE **NEXT 5 YEARS**



Yilgarn Hub

- Finalising 10 year mine plan
- Bring on Parker Range and Mt Richardson

Utah Point Hub

- Develop 10 year mine plan
- Ramp up Wonmunna
- Develop Lamb Creek and Wedge

Ashburton Hub

- Targeting construction mid 2021 – 2 year build
- 25-30Mtpa

South West Creek

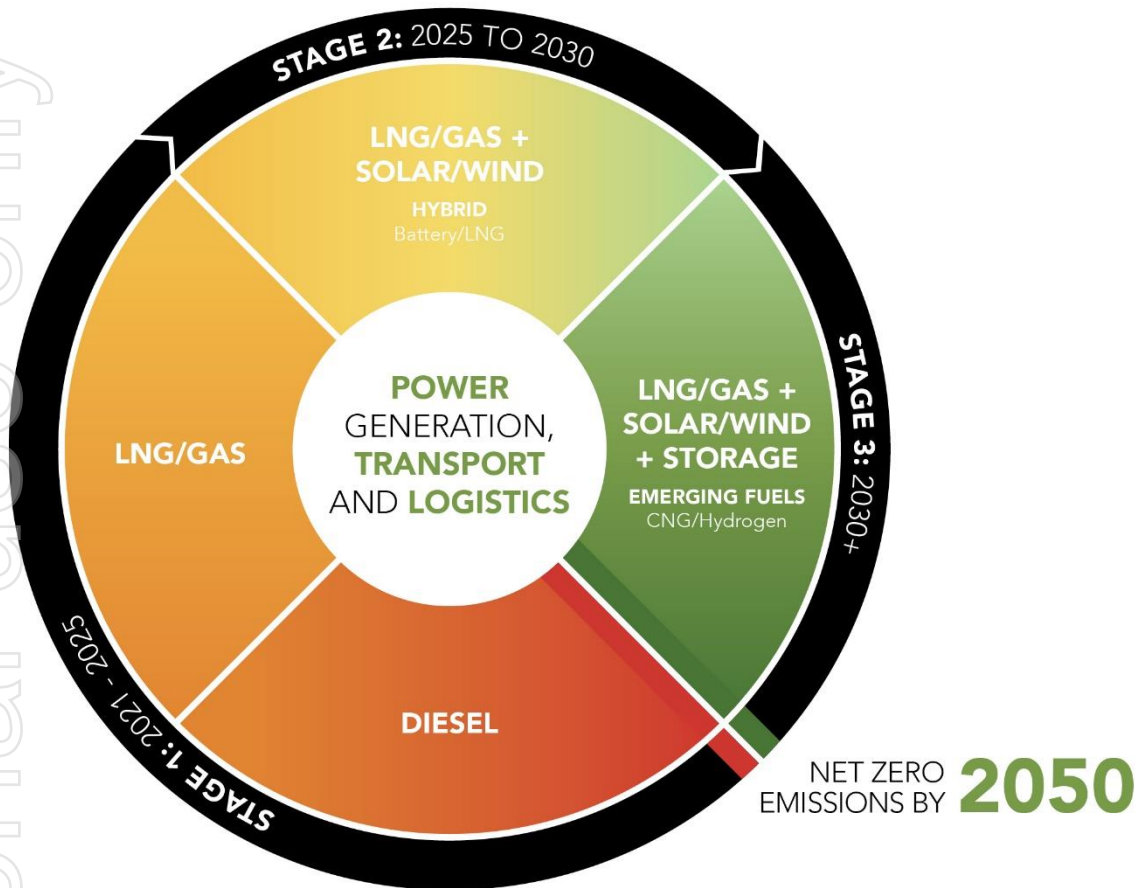
- Awaiting approvals – Berths 3 and 4
- 60Mtpa capacity
- Marillana – ready to develop

COMMODITIES LITHIUM **NEXT 3 YEARS**



- Kemerton Lithium Hydroxide plant ramp up to full production 2022
- Evaluate additional opportunities to convert spodumene concentrate to lithium hydroxide
- Optimistic that lithium will be a major contributor over the next 2 to 3 years

OUR ENERGY FUTURE **NET ZERO BY 2050**



- Provide long-term energy security to achieve lower cost energy and a reduced carbon footprint while generating 20% ROIC
- Technology has advanced to the point where it makes economic sense to deploy capital to reduce emissions while ensuring our energy future
- Reduce reliance on diesel, transition to alternative fuels
- Lower cost and emissions per tonne material mined

FY21 GUIDANCE

	YILGARN HUB ¹	UTAH POINT HUB ¹	MT MARION ²	WODGINA	KEMERTON
Commodity	Iron ore	Iron ore	Spodumene	Spodumene	Lithium Hydroxide
Ownership	100%	100%	50%	40%	40%
Exports	11.0 to 11.5 Mt	8.5 to 9.0 Mt	450 to 475 Kt	Care & maintenance	Under construction
Costs	Similar to FY20	Similar to FY20	10 to 15% Lower than FY20	Not applicable	Not applicable
Mining Services	Mining Services volumes expected to increase 20-25%³				
Capex	\$600m⁴				

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 Womunna acquisition and development costs of \$126m.

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THANKYOU

ANY QUESTIONS?



GLOSSARY

1H, 2H, FY	First half, second half, full year
\$	Australian dollar
US\$	United States dollar
CAGR	Compound annual growth rate
CFR	Cost and freight rate
CFR cost	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
dmt	Dry metric tonnes
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
EPS	Earnings per share
Gross debt	Total borrowings and finance lease liabilities
Gross gearing	Gross debt / (gross debt + equity)

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

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