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# MACQUARIE CONFERENCE AUSTRALIA 2021

5 MAY 2021

ASX **MIN**





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# INTRODUCTION TO MINERAL RESOURCES



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 highly prospective gas permits



# OUR BUSINESS **4 CORE PILLARS**



## **MINING SERVICES**

- Construction
- Mining
- Crushing
- Processing
- Infrastructure
- Logistics
- Accommodation

## **COMMODITIES**

### **Iron Ore**

- Yilgarn Hub
- Utah Point Hub
- Ashburton Hub
- South West Creek Hub

### **Lithium**

- Mt Marion
- Wodgina
- Kemerton

## **INNOVATION**

### **Proprietary**

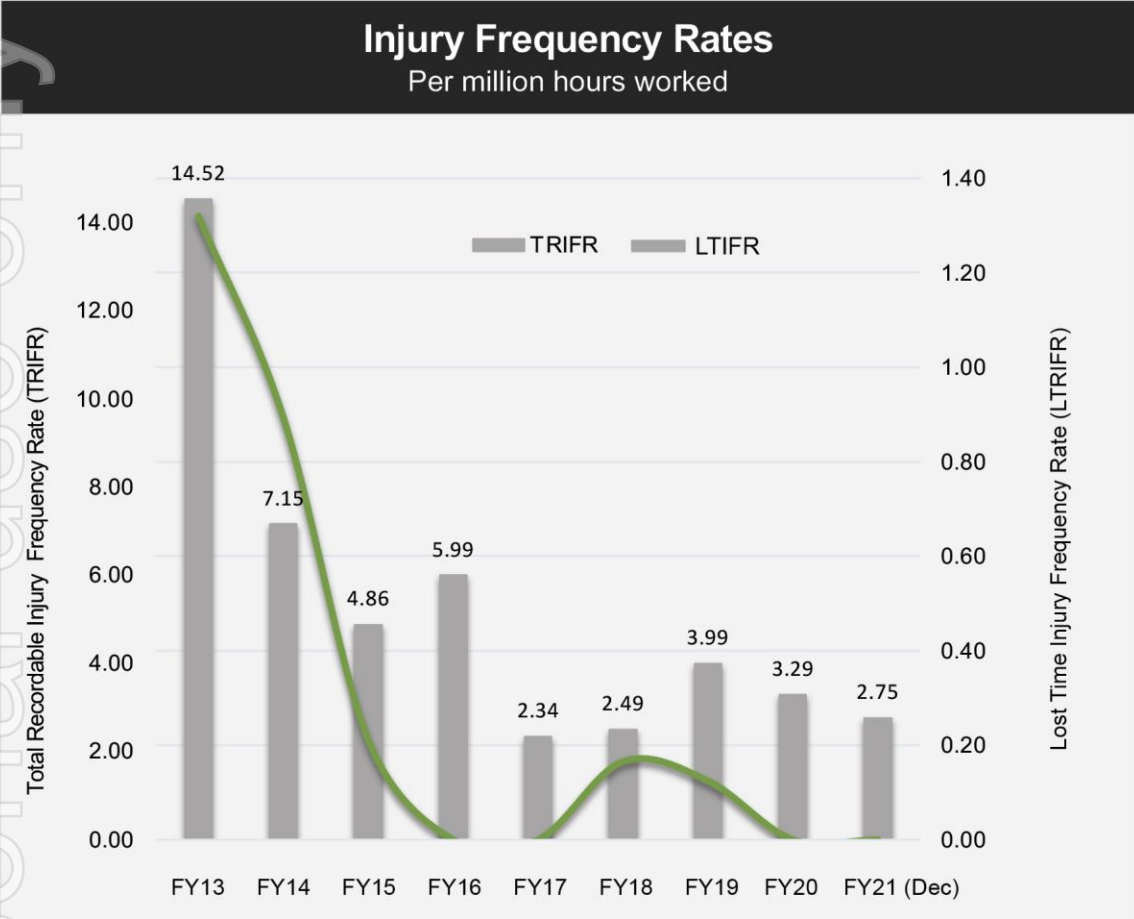
- Transhippers
- 300 tonne road trains
- Next Gen modular crushing plants
  - Next Gen 1 - 5 to 8Mtpa
  - Next Gen 2 - 15Mtpa
- Carbon fibre screens

## **ENERGY**

- Transitioning to lower cost greener energy sources
- Largest acreage holder in Perth Basin
- Carnarvon Basin JV
- Design, own and operate power stations
- Long term energy security



# SAFETY OF OUR PEOPLE



2.75 TRIFR<sup>1</sup>

0.00 LTI<sup>1</sup>

4,400+ Employees and Contractors<sup>2</sup>

53 Apprentices

95 Trainees/Graduates

1. Total Recordable Injury Frequency Rate calculations measure the total number of injuries (excluding first aid) per million hours worked as at 31 March 2021.  
Lost Time Injury Frequency Rate calculation measures the number of lost time injuries per million hours work as at 31 December 2020.  
2. Total employees and contractors as at 28 February 2021.

# OUR PEOPLE **WELLBEING**

**OUR AIM** IS TO SEND PEOPLE HOME **BETTER** THAN WHEN THEY CAME TO WORK

- Physically safe
- Mentally well
- Nutritionally healthy

## **MENTAL HEALTH FOCUS**

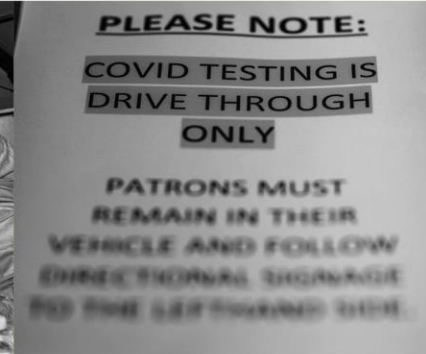
- Health and Wellbeing Advisors on site
- Full time Psychologist on staff

## **IMPROVING WORK ENVIRONMENTS THROUGH**

- New head office – Platinum v2 WELL rating
- Resort style accommodation to replace mining camps
- Best quality camp food, with highest catering budget in industry
- Facilities to occupy our people in a positive way – gym, wellness centre

## **INDUSTRY-LEADING COVID-19 RESPONSE**

- Gold-standard, world-class testing facilities
- 60 resource companies – over 100,000 tests

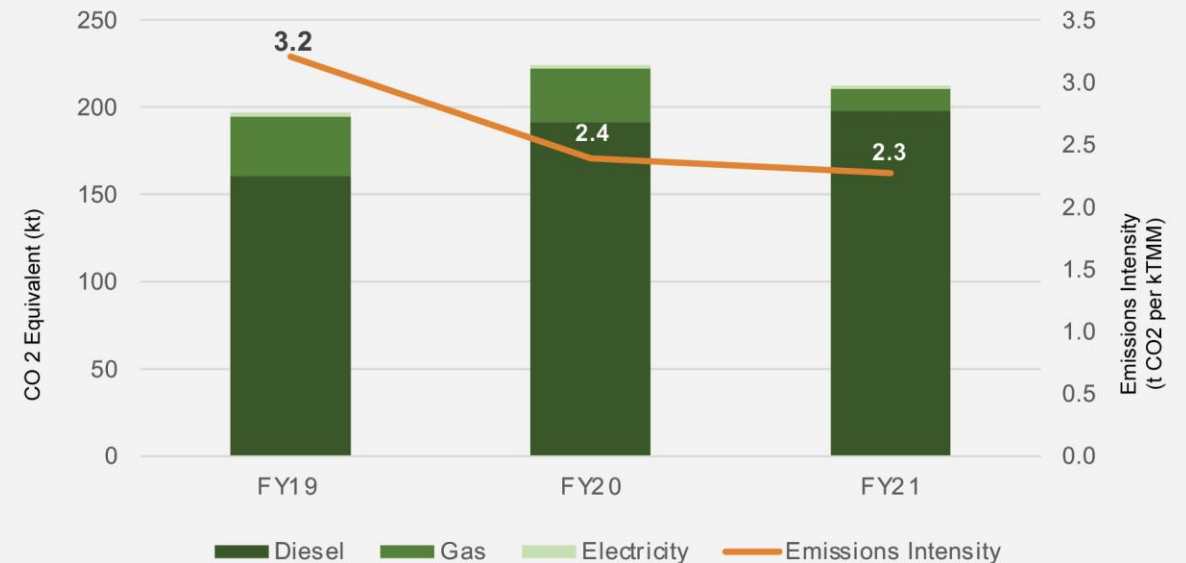




# SUSTAINABILITY **PERFORMANCE**

- 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
- We are working on a range of alternative fuel sources including:
  - Natural Gas
  - LNG
  - Solar and wind power

## GREENHOUSE GAS (GHG) EMISSIONS<sup>1</sup>



OUR **STRATEGY** IS TO CONTROL OUR ENERGY INPUTS  
AND TARGET **NET ZERO EMISSIONS BY 2050**

# 1H21 **FINANCIAL PERFORMANCE SUMMARY**



**100cps**  
Dividend  
↑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



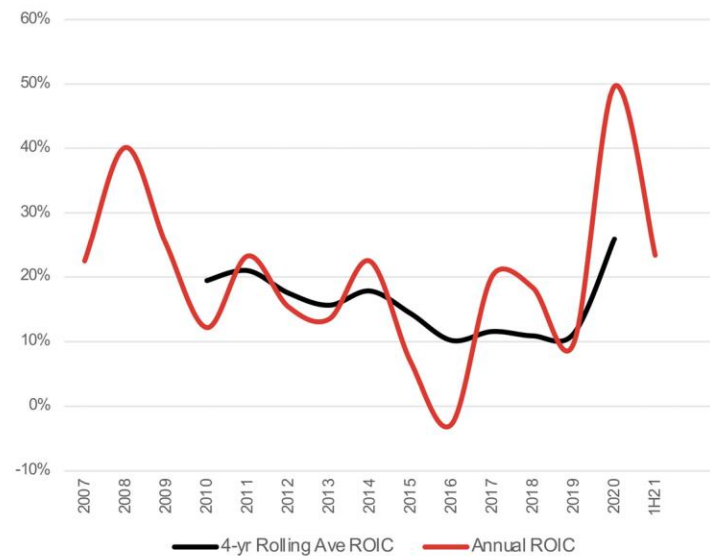
**\$351m**  
Capex



# VALUE CREATION **OUTCOMES**

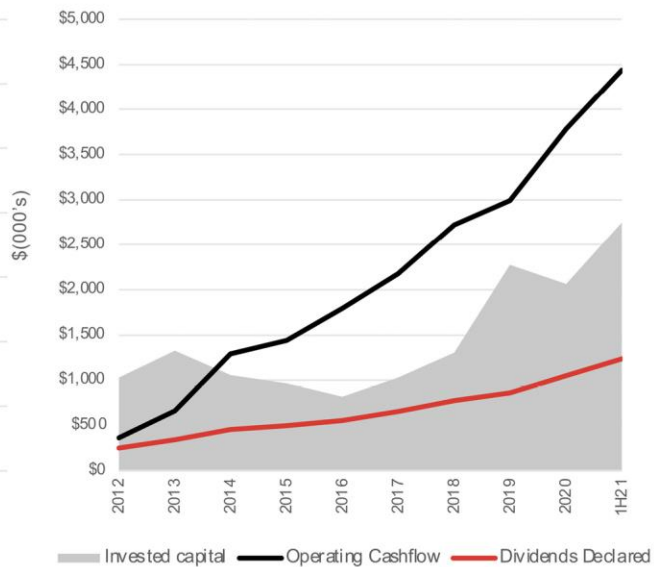
## Return on Invested Capital After Tax

Since Listing



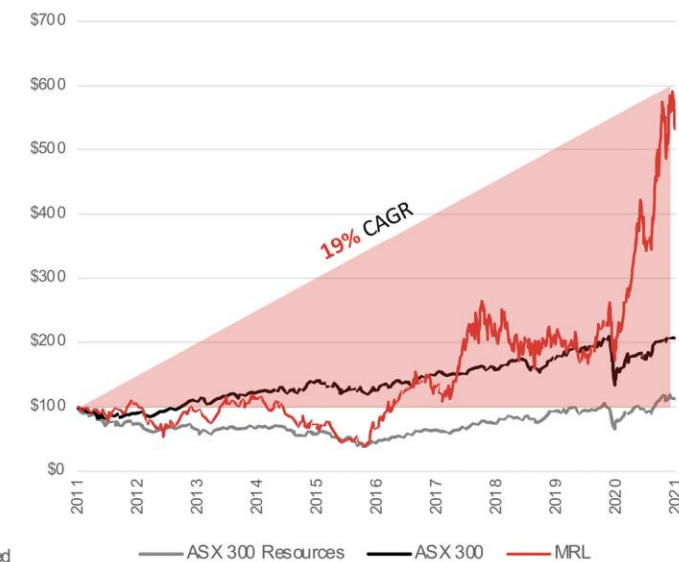
## Cumulative Returns to Shareholders

Growth in Dividends



## Share Price Performance

Total Shareholder Returns  
10 years to 31 March 2021



# GROWTH STRATEGY OVERVIEW **NEXT 5 YEARS**

## **MINING SERVICES**

Significant growth – more than double

## **IRON ORE**

Increase from 20 to 90Mtpa

## **LITHIUM**

Convert all spodumene to hydroxide

## **ENERGY**

Pursue natural gas exploration and development

## **INNOVATION**

Monetise opportunities





# MINING SERVICES **NEXT 5 YEARS**



- Grow crushing contracts with external mining companies
- Build, own and and operate stranded iron ore projects
- Develop and own supply chain infrastructure
  - Ports
  - Transshipping
  - Private haul roads with 300 tonne trucks
  - Resort style camp accommodation
- Grow the Next Gen 2 business model internationally

# COMMODITIES IRON ORE **NEXT 5 YEARS**

## **YILGARN HUB**

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

## **UTAH POINT HUB**

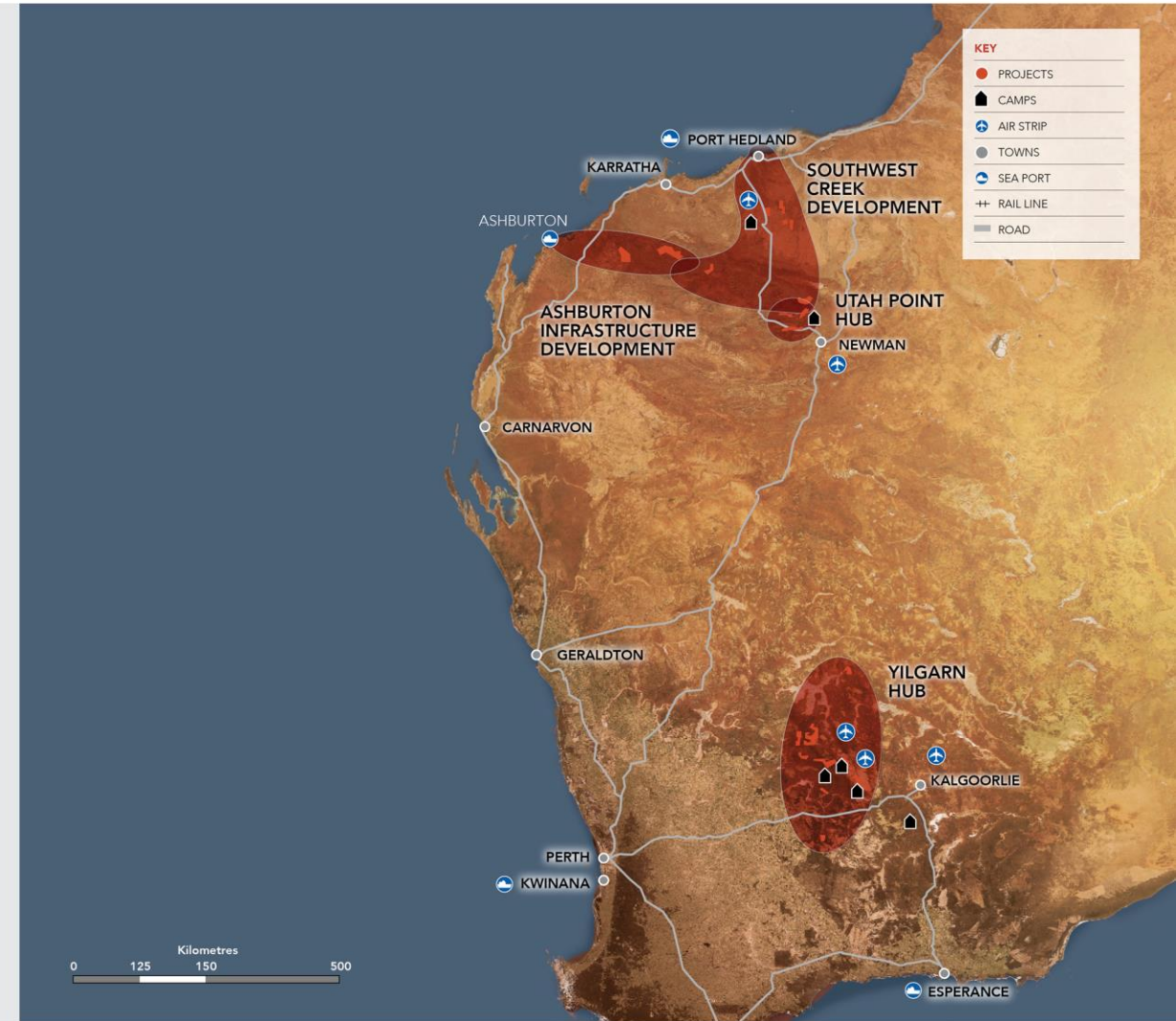
- Develop 10 year mine plan
- Iron Valley
- Ramp up Wonmunna
- Develop Lamb Creek and Wedge

## **ASHBURTON HUB**

- Construction ready August 2021 – 2 year build
- 30Mtpa

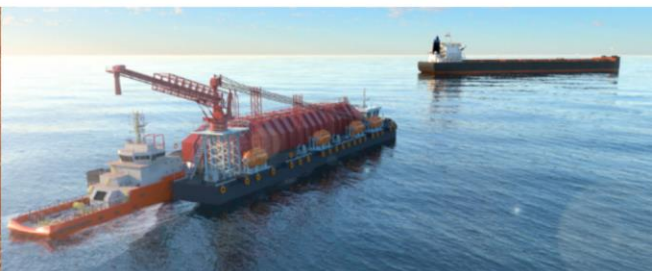
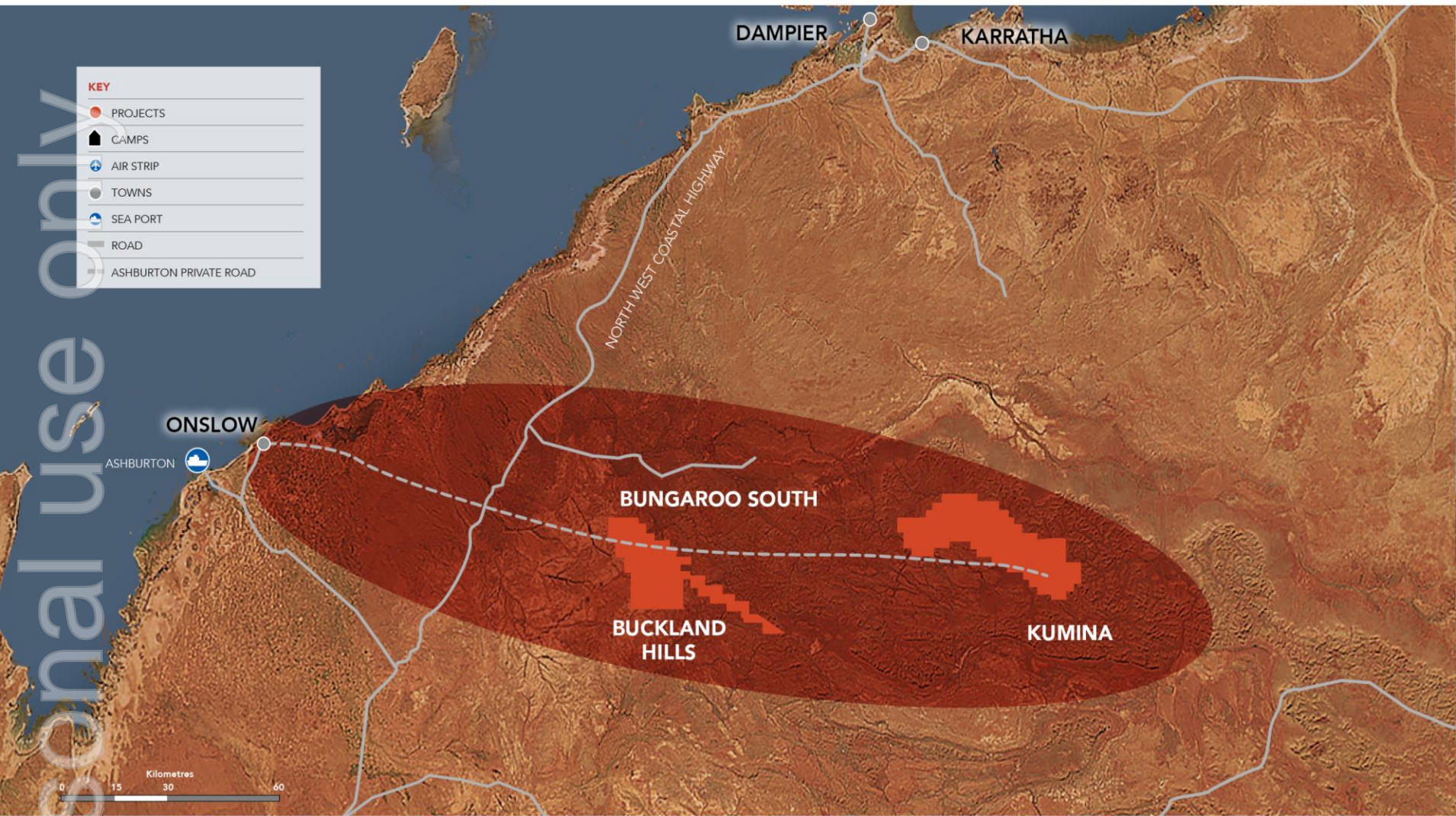
## **SOUTH WEST CREEK**

- Awaiting approvals – Berths 3 and 4
- 50Mtpa
- Marillana and Ophthalmia– ready to develop



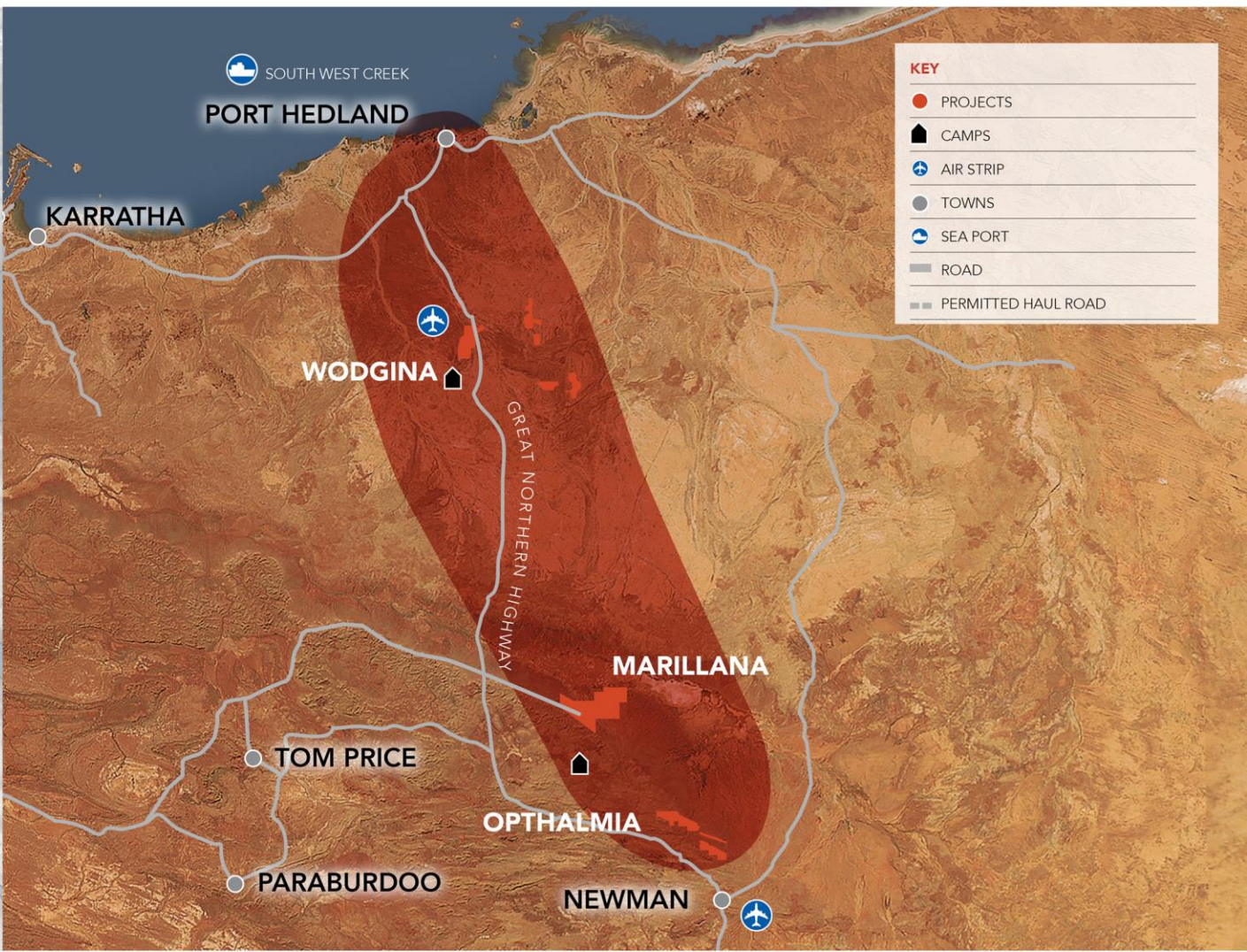
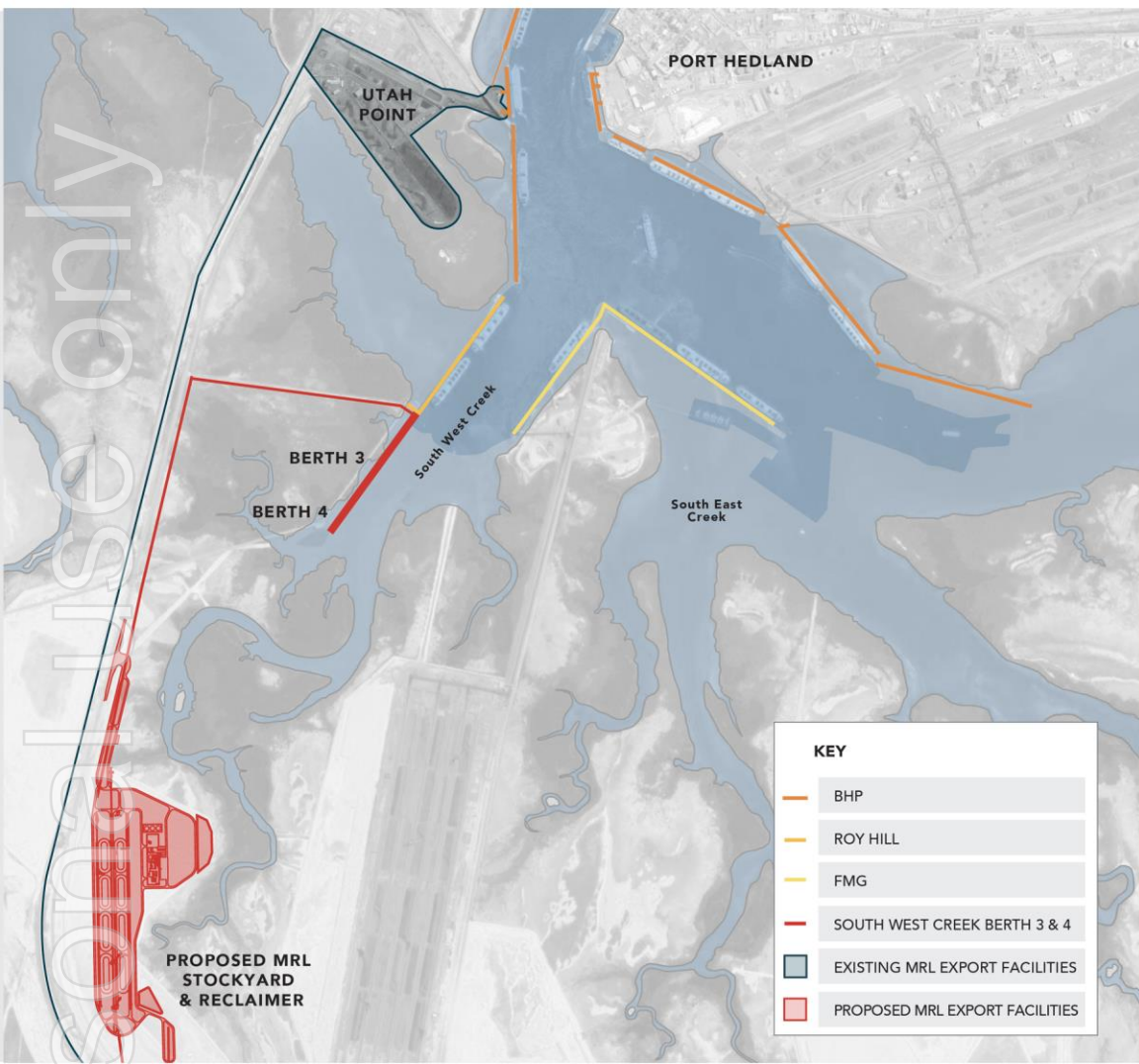


# ASHBURTON HUB





# SOUTH WEST CREEK HUB





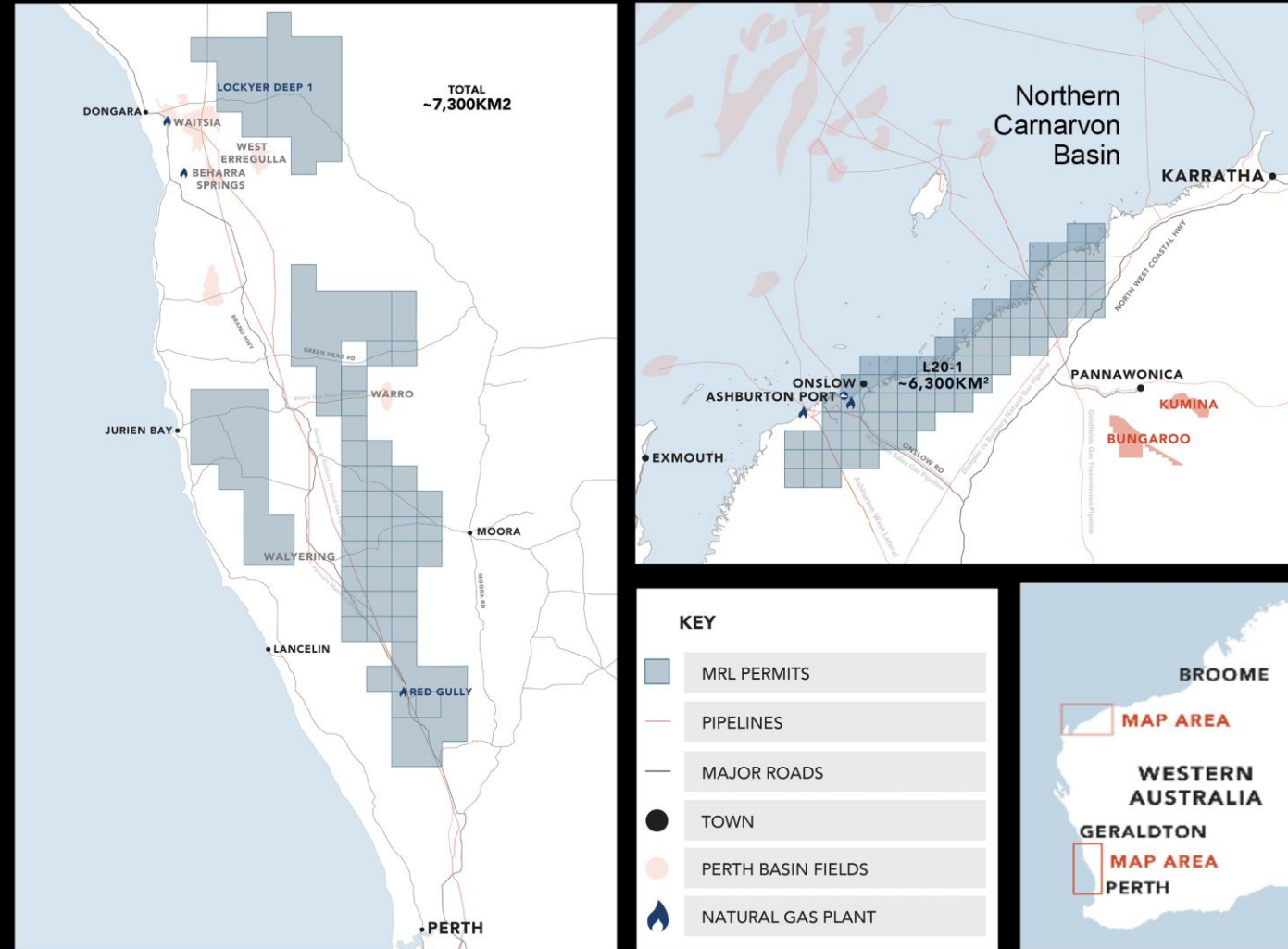
# COMMODITIES LITHIUM **NEXT 3 YEARS**



- Consistent Mt Marion production
- Wodgina restarted
- Kemerton lithium hydroxide plant ramp up to full production 2022
- Convert all spodumene to lithium hydroxide

# ENERGY **NEXT 3 YEARS**

- Find gas to provide energy security for MRL
- Develop lower emissions natural gas and LNG
- Largest Perth Basin acreage holder
- Northern Carnarvon Basin JV
- One well in next 6 months
- Two wells each year





# INNOVATION



## NEXT GEN PLANT

- MRL design and IP
- 5Mtpa Modules
- Rapid deployment
- Plug and play
- Remote operations capability
- Displace higher cost fixed plants

## ROAD TRAINS

- MRL design
- Operating in Yilgarn
- Capacity of 300t each
- Trailers manufactured in Perth
- Leading edge safety features
- Low operating cost
- Lower emissions
- Lower capital cost than rail
- Automation potential

## TRANSHIPPERS

- MRL design
- Articulated tug and barge
- Fully enclosed and dust free
- Self-discharging
- Capacity 8Mtpa each
- Loading capesize vessels
- Lower capital cost port solution

## CARBON FIBRE SCREENS

- MRL design and IP
- Reduced weight
- Zero corrosion
- Reduced cost
- Quick to market
- Longer life

# KEY TAKE-AWAYS

- A 30 year track record of success
- Strong financial position
- Proven capability
- Dynamic and innovative
- Growing production and value
- Executing high quality, high return projects



MRL'S  
CONSISTENTLY  
**STRONG**  
**PERFORMANCE**  
HAS DELIVERED  
A SOLID TRACK  
RECORD OF  
SHAREHOLDER  
RETURNS.



# GLOSSARY

<b>1H, 2H, FY</b>	First half, second half, full year	<b>K</b>	Thousand
<b>\$</b>	Australian dollar	<b>M</b>	Million
<b>US\$</b>	United States dollar	<b>Net debt / (cash)</b>	Gross debt less cash and cash equivalents
<b>CAGR</b>	Compound annual growth rate	<b>NPAT</b>	Net profit after tax
<b>CFR</b>	Cost and freight rate	<b>PBT</b>	Profit before tax
<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>pcp</b>	Prior corresponding period
<b>dmt</b>	Dry metric tonnes	<b>ROIC</b>	Return on invested capital
<b>EBIT</b>	Earnings before interest and tax	<b>T or t</b>	Wet metric tonnes unless otherwise stated
<b>EBITDA</b>	Earnings before interest, tax, depreciation and amortisation	<b>TMM</b>	Total Material Mined
<b>EPS</b>	Earnings per share	<b>TRIFR</b>	Total Recordable Injury Frequency Rate per million hours worked
<b>Gross debt</b>	Total borrowings and finance lease liabilities	<b>TSR</b>	Total Shareholder Return being CAGR in gain from change in share price plus dividends paid
<b>Gross gearing</b>	Gross debt / (gross debt + equity)	<b>Underlying EBIT / EBITDA</b>	EBIT / EBITDA adjusted for impact of one-off, non-cash gains or losses, 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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