

QUARTERLY ACTIVITY REPORT

July to September 2024 (Q1 FY25)



31 October 2024

Mineral Resources Limited (**ASX: MIN**) (**MinRes** or **the Company**) is pleased to present its Quarterly Activity Report for the period to 30 September 2024.

Q1 FY25 **KEY POINTS**

BOARD INVESTIGATION

- Following the end of the quarter on 20 October 2024, the MinRes Board confirmed in response to media speculation that external legal counsel had been engaged to conduct an investigation into matters relating to Managing Director Chris Ellison. The Board intends to issue an announcement to the market regarding the conclusions it has reached and the actions it will take by 4 November 2024.¹

SIGNIFICANT PROGRESS, WITH FY25 GUIDANCE REITERATED FOR ALL OPERATIONS

- FY25 volume and cost guidance maintained for all operations, with higher costs expected in the first half.
- Lost Time Injuries Frequency Rate (LTIFR) of 0.17 and a rolling 12-month Total Reportable Injury Frequency Rate (TRIFR) of 3.40.
- Significant progress during the quarter on plan to reduce operating costs and strengthen balance sheet:
 - Completed the sale of a 49% interest in the Onslow Iron Haul Road to Morgan Stanley Infrastructure Partners for up to \$1.3 billion. The upfront cash consideration of \$1.1 billion was received.²
 - As previously announced, approximately \$300 million of FY25 operational and capital expenditure reductions have been identified.³ This includes roster changes, sale of surplus fleet equipment and changes to mine plans to optimise for current market conditions.
 - Since the start of FY25, there has been a reduction of 570 roles across head office and sites. These changes reflect the wind down of Onslow Iron construction, roster changes in the Lithium division and a workforce reduction at head office.

MINING SERVICES

- Quarterly production volumes were 68 million tonnes (Mt), up 11% quarter on quarter (qoq). FY25 mining services production volumes will be weighted to the second half, aligned with the ramp up of Onslow Iron.

IRON ORE

- Onslow Iron progress:
 - Remains on track to reach its nameplate 35Mtpa run rate from June 2025.
 - Produced 1.9M wet metric tonnes (wmt) and shipped 1.4M wmt over the quarter (100% basis).
 - Mining is at steady state, with 15.6M wmt of total material moved and 3.5M wmt of ore mined.
 - Since quarter end and in line with the ramp up schedule:
 - The Haul Road has commenced full operational use by our road train fleet across the entire 150km route
 - The third transhipper began operating at the Port of Ashburton, with the fourth vessel scheduled to arrive in Australia in early 2025
 - Including Mining Services, Onslow Iron was operating cash flow positive in the month of October

¹ ASX Announcement 28 October 2024

² ASX Announcement 25 September 2024

³ ASX Announcement 10 September 2024

- The project was on track to ship circa 880k wmt in the month of October, representing an annualised run-rate of 10.6Mt.
- Total attributable iron ore shipments across all three hubs – Onslow Iron, Pilbara and Yilgarn – were 4.5M wmt.
- The average quarterly realised price across all hubs was US\$82 per dry metric tonne (dmt), a 15% decrease qoq and representing an 82% realisation of the Platts 62% IODEX.

LITHIUM

- The Lithium division is focused on transitioning to lower-volume, higher-quality production to meet current market conditions.
- This transition is supported by detailed cost-out programs currently underway. Cost-reduction measures include roster changes, asset rationalisation, contract and overhead reviews, optimised regional synergies and capital deferral. These programs will continue throughout the second quarter.
- Total lithium production across all three sites was 157k dmt, with shipments of 178k dmt.
- The weighted average quarterly realised price achieved across all three sites was US\$815/dmt SC6 equivalent (US\$626/dmt mixed grade basis), a decrease of 32% qoq.

ENERGY

- Transaction entered into with Hancock on the Perth and Carnarvon basin for total consideration of up to \$1.1 billion.⁴
- Announced a maiden resource for the Lockyer Gas Project and the Erregulla Oil Project, both located on Exploration Permits (EP) 368 and 426.⁵

⁴ ASX Announcement 31 October 2024

⁵ ASX Announcement 16 September 2024

IRON ORE

ONSLow IRON

	UNITS	Q1FY25	QOQ VAR	PCP VAR
(100% basis, unless otherwise indicated. Attributable volumes are expected to average at MinRes' 57% direct equity share over the life of the project) ⁶				
Ore mined	k wmt	3,455	298%	N/A
Produced	k wmt	1,877	386%	N/A
Shipped	k wmt	1,379	332%	N/A
Shipped (Attributable)	k wmt	799	402%	N/A

Onslow Iron shipped its first full quarter of production. The average realised iron ore price for the quarter was US\$88 per dmt, representing an 89% realisation of the Platts 62% IODEX.

Key developments in the quarter:

- **Shipments:** Two transhippers loaded nine vessels for a total of 1.4Mt shipped, including 713k wmt shipped in September. Approximately 880k wmt is expected to be shipped in October across five capesize vessels, representing an annualised run rate of 10.6Mtpa.
- **Transhippers:** The first two transhippers are operating at nameplate capacity rates and the third commenced operating in October. The fourth transhipper launched from the Port of Ningbo Zhoushan in September and is due to arrive in Australia in early 2025. The fifth transhipper is due to arrive and begin operating in Q4 FY25.
- **Ken's Bore mine:** A total of 1.9Mt was produced over the quarter. The second NextGen crushing plant and both mine stackers have been commissioned, with production in October of circa 1.4Mt. Mining activities have now achieved a steady state-run rate with total material mined (TMM) during the quarter of 15.6M wmt, including 3.5M wmt of ore.
- Following a period of elevated stripping as multiple ore faces were exposed as planned, strip ratios are reducing in line with additional crushing capacity being commissioned during the second quarter.
- Further significant increases in installed capacity will be delivered in the December quarter with the commissioning of the third crushing plant, reclaimer and truck loadout facility.
- **Accommodation:** The 500 resort rooms at Ken's Bore are now fully occupied, with catering and recreation facilities nearing completion.
- **Airport:** Ken's Bore airport and terminal are now complete and operational.
- **Road trains:** The truck maintenance facility is complete and operational. Commissioning of the road train fleet continues with approximately 60 manned MinRes 330-tonne road trains in operation.
- **Dedicated haul road:** The Haul Road has commenced full operational use by our road train fleet across the entire 150km route. The construction phase is now advancing into final completion stages which will facilitate a seamless transition to the autonomous ramp-up phase in the coming months.
- **Port of Ashburton:** The truck unloading circuit, product handling shed, bridge reclaimer and transhipper loader are operational and have achieved nameplate capacity rates.
- **Inventory:** At quarter end, there was 0.5Mt of crushed ore on site and 0.1Mt in the storage shed at the Port of Ashburton.
- **Solar array:** Installation of a 3.8-megawatt solar array has begun at Ken's Bore. The system is anticipated to reduce emissions by approximately 4,990 tonnes of carbon dioxide per annum.

⁶ MinRes also holds an indirect interest of 3.3% through its shareholding in Aquila Resources



Three crushing trains at Ken's Bore



Ken's Bore resort fully occupied



Onslow Haul Road West



MinRes road train operating on the haul road



Onslow Haul Road East



MinRes Montebello, the third transhipper



The completed Ken's Bore Airport Terminal



Solar array under construction at Ken's Bore

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YILGARN HUB

	UNITS	Q1 FY25	QOQ VAR	PCP VAR
(100% attributable basis, unless otherwise indicated)				
Ore mined	k wmt	882	(45%)	(58%)
Produced	k wmt	1,454	(12%)	(24%)
Shipped	k wmt	1,265	(25%)	(25%)

In line with the staged ramp down of the Yilgarn Hub ahead of the transition to care and maintenance in early 2025, quarterly production decreased 12% qoq to 1.5Mt. Shipments of 1.3Mt (30% lump) were 25% lower qoq.

The average realised iron ore price for the quarter was US\$80 per dmt, 18% lower qoq representing an 81% realisation of the Platts 62% IODEX.

PILBARA HUB

	UNITS	Q1 FY25	QOQ VAR	PCP VAR
(100% attributable basis, unless otherwise indicated)				
Ore mined	k wmt	2,897	21%	(3%)
Produced	k wmt	2,511	16%	(13%)
Shipped	k wmt	2,440	(18%)	9%

The Pilbara Hub's quarterly production, comprised of ore from the Iron Valley and Wonmunna mines, increased 16% qoq to 2.5Mt, with shipments of 2.4Mt.

The average realised iron ore price for the quarter was US\$80 per dmt, 12% lower qoq representing an 81% realisation of the Platts 62% IODEX.

LITHIUM

MT MARION

	UNITS	Q1 FY25	QOQ VAR	PCP VAR
(50% attributable basis, unless otherwise indicated)				
Ore mined (100% basis)	k dmt	604	(24%)	(25%)
Produced	k dmt	68	(24%)	6%
Shipped	k dmt	89	(6%)	38%
Shipped SC6	k dmt	60	(11%)	52%

Production decreased 24% qoq to 68k dmt, consistent with guidance to align spodumene production with current market conditions and to deliver a higher grade product.

Average grade product in the quarter was in line with guidance of 4.1% following successful implementation of plant improvements including Wet High Intensity Magnetic Separators (WHIMS). Improved feed grade is expected in the second half.

Shipped volumes benefited from attributable port inventory of 20kt, with circa 6.5kt of attributable inventory remaining at the end of quarter.

Mt Marion's average sold spodumene concentrate price was US\$813/dmt on a SC6 basis (US\$550/dmt on a 4.1% basis).

Consistent with the reduction in throughput and a focus on reducing capital expenditure, underground development has been deferred. As a result, MinRes has exercised no-fault termination rights to cease the exploration decline works. A total of 1,350 metres of underground development, finishing 180 vertical metres below surface, is expected to be completed by December. Study, project development and approvals work to support a future underground restart will continue.

Post-quarter, several previously flagged cost reduction measures were implemented. These included a change in workforce rosters and a reduction in the digger fleet from four to two, resulting in a reduction of circa 190 roles and demobilisation of 110 mobile assets from site that will either be sold or redeployed.

BALD HILL

	UNITS	Q1 FY25	QOQ VAR	PCP VAR
(100% attributable basis, unless otherwise indicated)				
Ore mined	k dmt	335	(43%)	N/A
Produced	k dmt	38	8%	N/A
Shipped	k dmt	43	37%	N/A
Shipped SC6	k dmt	38	39%	N/A

Production increased 8% qoq to 38k dmt due to increased feed grade.

Shipments and sold tonnes totalled 43k dmt (38k dmt SC6) at an average realised spodumene concentrate price of US\$791/dmt on a SC6 basis (US\$675/dmt on a 5.2% basis).

Resource development drilling continued to expand the historical resource. The Bald Hill team also continued to focus on cost-out opportunities.

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WODGINA

	UNITS	Q1 FY25	QOQ VAR	PCP VAR
(50% attributable basis from 18 October 2023, unless otherwise indicated. Previously 40%) ⁷				
Ore mined (100% basis)	k dmt	1,011	(6%)	(3%)
Produced	k dmt	51	(19%)	13%
Shipped	k dmt	46	(26%)	86%
Shipped SC6	k dmt	42	(22%)	79%

Quarterly production was 51k dmt, down 19% qoq. This was due to encountering greater transitional ore than planned, resulting in the processing of stockpiled oxide ore which subsequently impacted recoveries. Mining through the transitional zone is now largely complete and fresh ore is being delivered to the two processing trains, which is expected to increase production weighted to the second half.

A total of 46k dmt (42k dmt SC6) was shipped and sold at an average realised spodumene concentrate price of US\$842/dmt on a SC6 basis (US\$763/dmt on a 5.4% basis).

Post-quarter, several cost reduction measures were implemented. This included a transition to a two weeks on, one week off roster (from two weeks on, two weeks off), with a reduction of approximately 130 roles and demobilisation of 120 mobile assets from site that will either be sold or redeployed.

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⁷ MinRes' equity interest in Wodgina increased from 40% to 50% following the completion of the Australian part of the MARBL JV restructure on 18 October 2023.

EXPLORATION AND DEVELOPMENT ACTIVITY

IRON ORE

ONSLow IRON

- **Exploration:** Early targeting work was focused across eight eastern tenements and included compilation of geophysical survey data, followed by editing, processing, merging, filtering and imaging. Structural interpretation of data sets has identified numerous Bedding Iron Deposit (BID) targets with on ground activities to be scheduled in 2026 to test prospectivity.
- **Resource definition:** Infill drilling was conducted to quantify short scale geological variability within the Onslow Iron Channel Iron Deposits (CIDs). A total of 258 reverse circulation (RC) holes for 14,420 metres was drilled at:
 - Upper Cane deposit: 111 holes for 6,030 metres, reducing drilling to nominal 50m x 25m spacing
 - Ken's Bore deposit: 147 holes for 8,390 metres, reducing drilling to nominal 50m x 50m spacing.

Next quarter the drilling will transition to Northern deposits including Cochrane and Jewel.

YILGARN HUB

Exploration efforts were concentrated on advancing Direct Shipping Ore (DSO) targets through near-pit extensions and greenfield exploration. A total of 1,452 metres of RC drilling was completed at Mt Jackson. In addition, detailed geological mapping and reconnaissance work was conducted across nearby JV DSO opportunities, including Koolyanobbing, Mt Jackson, Parker Range and Mt Finnerty.

PILBARA HUB

Heritage and environmental surveys are ongoing across Lamb Creek, Wonmunna and Iron Valley. Exploration drilling commenced at Iron Valley in August, with a total of 5,582 metres of RC drilling completed for the quarter. These activities have highlighted the potential for further exploration upside across the project. Additionally, geological reconnaissance and drill planning have begun for Wonmunna and Lamb Creek.

LITHIUM

MT MARION

Resource development drilling activities continued to target resource conversion of the pegmatite mineralisation at the North underground mine and commenced drilling edge definition and resource conversion drilling of the pegmatite at the Central underground mine.

A total of 1,551 diamond metres was drilled into the North underground Inferred Resource targeting infill drilling 300 metres below the final pit design on a 40 x 40 metre spacing. A total of 6,234 diamond drilling metres was completed on the inferred upper resource and northern edge close-out of the planned Central underground mine, with drilling on a 40 x 40 metre spacing.

WODGINA

A total of 5,904 metres of RC drilling continued during the quarter within the Stage 2, Stage 3 and Stage 4 cut backs at a 40 x 40 metre drill spacing.

ENERGY

PERTH BASIN

MinRes announced maiden resources for the Lockyer Gas Project and the Erregulla Oil Project, both located on Exploration Permits (EP) 368 and 426, approximately 300 kilometres north of Perth. Two additional production licence applications were submitted to the Department of Energy, Mines, Industry Regulation and Safety (DEMIRS) for the North Erregulla location within EP 426. This followed outstanding results from the North Erregulla-2 oil appraisal well in April 2024.

During the quarter, the North Erregulla-3 oil appraisal well was drilled with the MinRes Explorer Rig to 2701 metres MDRT. Due to a stuck pipe incident, it was decided to temporarily suspend the operation and return to drill a sidetrack well at a later date in order for the Company to immediately commence preparation for the MinRes Explorer to drill the highly prospective Moriary-2 Kingia gas exploration well. Works are well advanced at the well pad location, with spudding of the Moriary-2 well planned for early November.

ENDS

This announcement dated 31 October 2024 has been authorised for release to the ASX by Mark Wilson, Chief Financial Officer and Company Secretary of Mineral Resources Limited.

CONFERENCE CALL

A quarterly results conference call will be held at **8:00am AWST on 31 October 2024**.

To register use this link: <https://meetings.lumiconnect.com/300-191-917-764> with meeting ID 300-191-917-764.

FURTHER INFORMATION

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About Mineral Resources

Mineral Resources Limited (ASX: MIN) (MinRes) is a leading diversified resources company, with extensive operations in lithium, iron ore, energy and mining services across Western Australia. With a focus on people and innovation, MinRes has become one of the ASX's best-performing companies since listing in 2006. For more information, visit www.mineralresources.com.au.

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OPERATING PERFORMANCE SUMMARY

	UNITS	Q1 FY25	Q4 FY24	Q1 FY24
Safety				
TRIFR		3.40	2.74	1.96
LTIFR		0.17	0.14	0.20
Mining Services				
Production volumes	M wmt	68	61	66
Onslow Iron (100% basis, unless otherwise indicated. Attributable volumes are expected to average at MinRes' 57% equity share over the life of the project) ⁸				
Ore mined	k wmt	3,455	868	N/A
Produced	k wmt	1,877	386	N/A
Shipped	k wmt	1,379	319	N/A
Shipped (attributable)	k wmt	799	159	N/A
Fe grade	%	58.6%	58.1%	N/A
Realisation	%	89%	80%	N/A
Revenue	US\$/dmt	88.1	89.0	N/A
Moisture	%	7.0%	7.0%	N/A
Revenue	A\$/wmt	118.7	122.0	N/A
Yilgarn Hub (100% attributable basis, unless otherwise indicated)				
Ore mined	k wmt	882	1,618	2,100
Produced	k wmt	1,454	1,655	1,923
Shipped	k wmt	1,265	1,693	1,694
Lump weighting	%	30%	28%	31%
Fe grade	%	56.8%	57.7%	58.3%
Realisation	%	81%	88%	90%
Revenue	US\$/dmt	80.5	98.4	102.3
Moisture	%	6.0%	5.8%	6.2%
Revenue	A\$/wmt	112.6	142.6	147.2
Pilbara Hub (100% attributable basis, unless otherwise indicated)				
Ore mined	k wmt	2,897	2,391	3,001
Produced	k wmt	2,511	2,169	2,889
Shipped	k wmt	2,440	2,958	2,233
Lump weighting	%	28%	19%	20%
Fe grade	%	57.3%	57.2%	58.2%
Realisation	%	81%	82%	85%
Revenue	US\$/dmt	80.3	91.1	97.1
Moisture	%	12.7%	12.0%	13.5%
Revenue	A\$/wmt	104.5	123.3	128.2

⁸ MinRes also holds an indirect interest of 3.3% through its shareholding in Aquila Resources

	UNITS	Q1 FY25	Q4 FY24	Q1 FY24
Total Iron Ore (attributable basis, unless otherwise indicated)				
Shipped	k wmt	4,504	4,810	3,927
Lump weighting	%	23%	21%	25%
Fe grade	%	57.4%	57.4%	58.2%
Realisation	%	82%	84%	87%
Revenue	US\$/dmt	81.7	93.7	99.4
Moisture	%	9.8%	9.6%	10.4%
Revenue	A\$/wmt	109.3	130.1	136.4
Mt Marion: Spodumene concentrate (attributable basis, unless otherwise indicated)				
Ore mined (100% basis)	k dmt	604	798	807
Produced	k dmt	68	89	64
Shipped	k dmt	89	95	64
Weighted average grade shipped	%	4.1%	4.2%	3.7%
Shipped – SC6 equivalent	k dmt	60	67	39
High grade product contribution	%	29%	42%	26%
Sold	k dmt	111	76	56
Revenue ⁹	US\$/dmt	550	772	1,833
Wodgina: Spodumene concentrate (attributable basis from 18 October 2023. Previously 40%)				
Ore mined (100% basis)	k dmt	1,011	1,078	1,044
Produced	k dmt	51	63	45
Shipped	k dmt	46	62	25
Weighted average grade shipped	%	5.4%	5.4%	5.8%
Shipped – SC6 equivalent	k dmt	42	54	24
Sold	k dmt	46	77	-
Revenue	US\$/dmt	763	1,124	-
Bald Hill: Spodumene concentrate (100% attributable basis, unless otherwise indicated)				
Ore mined	k dmt	335	582	N/A
Produced	k dmt	38	35	N/A
Shipped	k dmt	43	32	N/A
Weighted average grade shipped	%	5.2%	5.1%	N/A
Shipped – SC6 equivalent	k dmt	38	27	N/A
Sold	k dmt	43	32	N/A
Revenue	US\$/dmt	675	1,015	N/A
Total spodumene concentrate (attributable basis, unless otherwise indicated)				
Produced	k dmt	157	187	109
Shipped	k dmt	178	189	89
Sold	k dmt	201	186	56
Revenue ⁹	US\$/dmt	626	960	1,833
Revenue – SC6 equivalent ⁹	US\$/dmt	815	1,199	3,003

⁹ Mt Marion FY24 US revenue per tonne comparatives restated to reflect change in reporting from 50% share of Mt Marion JV to 51% offtake entitlement. This aligns with FY24 full year results disclosures.