

21 May 2024

Onslow Iron delivers first ore on ship ahead of schedule

Mineral Resources Limited (**ASX: MIN**) (**MinRes** or **Company**) is pleased to announce that its Onslow Iron project has delivered first ore on ship ahead of schedule for delivery to China Baowu Steel Group, the world's largest steelmaker.

Two MinRes transhippers are currently loading approximately 113,000 wet metric tonnes (wmt) of iron ore aboard a bulk carrier anchored 40 kilometres off the Port of Ashburton.

First ore was achieved just 11 months after ground was broken at the Ken's Bore mine site in June 2023 and less than two years after the Red Hill Iron Ore Joint Venture (**RHIOJV**) made a Final Investment Decision in August 2022.

The Ken's Bore deposit, located on Robe River Kuruma Country, 150 kilometres east of Onslow in the West Pilbara region of Western Australia, is owned by the joint venture comprised of MinRes and partners Baowu, AMCI and POSCO.

MinRes designed, built and is managing the innovative and fully integrated mine-to-ship mining and transport infrastructure which unlocks stranded iron ore deposits in the West Pilbara that would otherwise remain undeveloped.

The project will ramp up to nameplate capacity of 35 million tonnes annually by June 2025. Practical completion of project infrastructure, including the dedicated haul road, is scheduled for the second half of 2024.

Up to 1,600 operational roles are forecast at the peak of the ramp up. Onslow Iron is MinRes' flagship project in the Company's transition to low-cost, long-life iron ore operations.

MinRes Managing Director Chris Ellison said:

"This historic moment for MinRes cements our position as Australia's leading commodity infrastructure business.

"We have unlocked a whole new iron ore region for Australia while Onslow Iron is a game-changer for MinRes as we transition to low-cost, long-life operations.

"This project was stranded for more than a decade. In 2021, MinRes breathed new life into it and in less than three years we have planned, designed and have now delivered first ore on ship ahead of time and on budget.

"It's an extraordinary display of the unique capability of MinRes' infrastructure and mining services, as well as the ingenuity of our unmatched in-house engineering and construction workforce.

"There is no other company that could have delivered an operation of this size in such little time. The achievement is a testament to the professionalism and can-do attitude of the more than 3,000 people who worked on Onslow Iron.

"I want to thank everyone who brought our vision to life, including joint venture partners Baowu, AMCI and POSCO, our Traditional Owner partners, the Thalanyji and Robe River Kuruma peoples, and the wider Onslow community."

Project history

The original project was studied for 15 years before MinRes acquired a stake in the joint venture in 2021 and introduced the Company's innovative mining services and infrastructure solutions.

Early works commenced in mid-2022 as part of the project development phase ahead of the RHIOJV announcing an unconditional Final Investment Decision in August 2022.

MinRes advanced Onslow Iron with a forecast that the project would generate a return on invested capital greater than 20% based upon a conservative long-term iron ore price of US\$75 per dry metric tonne Platts 62% Fe.

Project metrics

- The first shipment comprises approximately 113,000 wmt of 58.5% Fe fines iron ore product (**Onslow Fines**) aboard a COSCO Shipping bulk carrier.
- Stage 1 of the project consists of RHIOJV tenements that host Mineral Resources of 349Mt at 56.4% Fe and 207Mt at 58.1% Fe in Ore Reserves (as at 30 June 2023).
- Stage 1 is targeted to achieve nameplate capacity of 35 million wet tonnes per annum by June 2025.
- At nameplate capacity, Free on Board (FOB) cost is forecast at A\$45/wmt, including MinRes' life-of-mine mining services contract margins and a road infrastructure charge of A\$8.04 per tonne.
- When this maiden shipment is delivered, MinRes' effective ownership in the RHIOJV will increase to 60.3%¹.
- A life-of-mine product off-take agreement is in place with Baosteel Resources to purchase between 50% and 75% of the MinRes volume entitlement. For CY24, Baosteel Resources has elected to take 75% of the MinRes volume.

Mining services contracts and infrastructure ownership

MinRes will provide life-of-mining services under crushing and mine-to-ship agreements. The contracts draw on MinRes' innovative and proprietary suite of mining services and infrastructure assets, including NextGen crushers, autonomous road trains and a fleet of transhippers.

The haulage, port and transhipper operations are fully enclosed to ensure dust-free iron ore transport from mine-to-ship. MinRes owns and operates the crushing plant at the mine and all project infrastructure beyond the mine, including the dedicated 150 kilometre haul road, autonomous road trains, port infrastructure, transhipper wharf, transhippers and accommodation resort in Onslow.

The process to introduce a partner to own a 49% interest in the dedicated haul road is well progressed and on track to be signed in H2 FY24.

Baosteel Resources Australia Managing Director Yong Zhang said:

"I am thrilled to see our Onslow Iron project with MinRes achieve its first ore on ship, officially marking the start of commercial production. This milestone is a testament to MinRes' leadership and the hard work of the project team.

"We look forward to continuing our strong partnership with MinRes and unlocking the full potential of this project. Congratulations to everyone involved for their dedication and effort."

AMCI Group Managing Director Patrick Murphy said:

"I have witnessed first-hand MinRes' market-leading dynamic and innovative project execution model – first exports ahead of schedule are a testament to this.

"AMCI is thrilled to be partners with MinRes in opening up the iron ore potential of the West Pilbara and looks forward to continuing its long-term relationship. The future upside is immense given the untapped optionality that exists in the joint venture once the logistics infrastructure is in place."

POSCO Western Australia Managing Director Kihoon Pyo said:

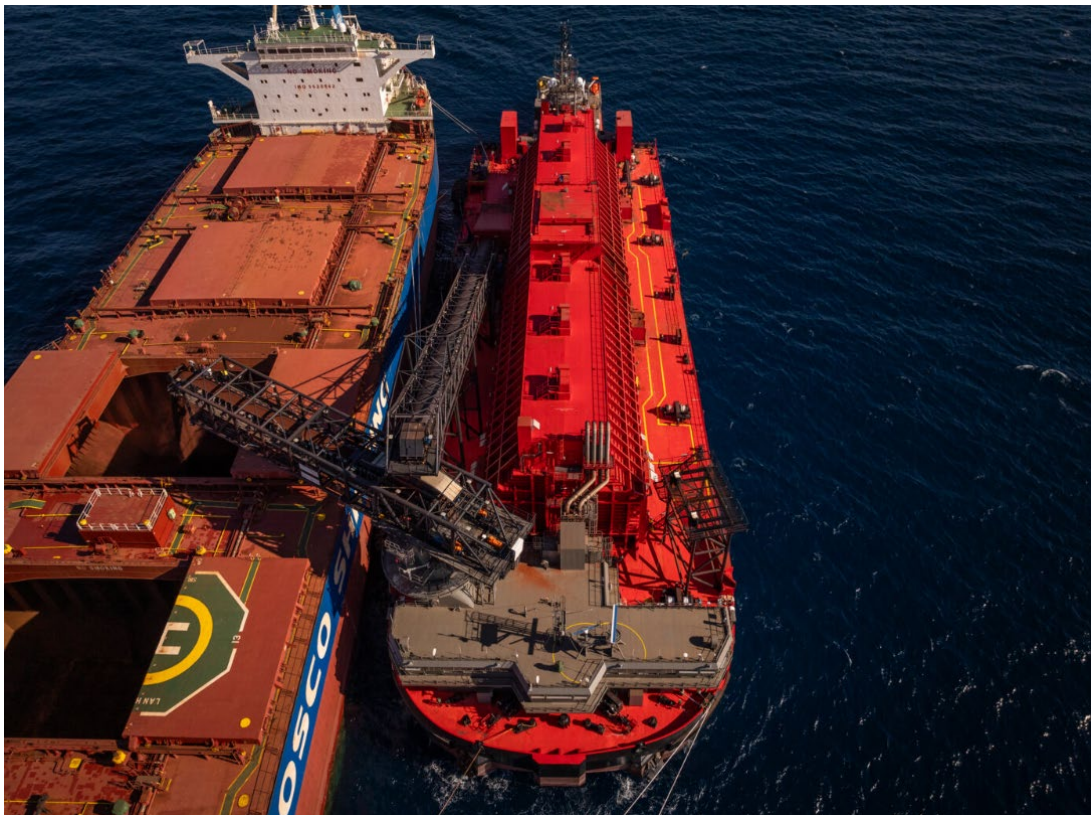
"Congratulations on this significant milestone. I would like to extend our sincere appreciation to MinRes for their unwavering dedication and exceptional leadership in achieving the first ore shipment ahead of schedule.

"I look forward to strengthening our partnership and relationship with MinRes to ensure the continued success of the Onslow Iron project."

¹ MinRes currently has a 40% direct interest in the Onslow Iron project and a further 4.5% indirect interest through its shareholding in Aquila Resources. If MinRes sole funds all joint venture expenditure associated with the Onslow Iron project, upon first ore delivery, MinRes will earn an additional 17% direct interest, taking its effective ownership interest from 44.5% to 60.3%.



Figure 1: MinRes transhipper being loaded with Onslow Iron's first ore at the Port of Ashburton.



Figures 2, 3 and 4: MinRes transhipper loading Onslow Iron's first ore to a COSCO SHIPPING bulk carrier.



Figure 3



Figure 4

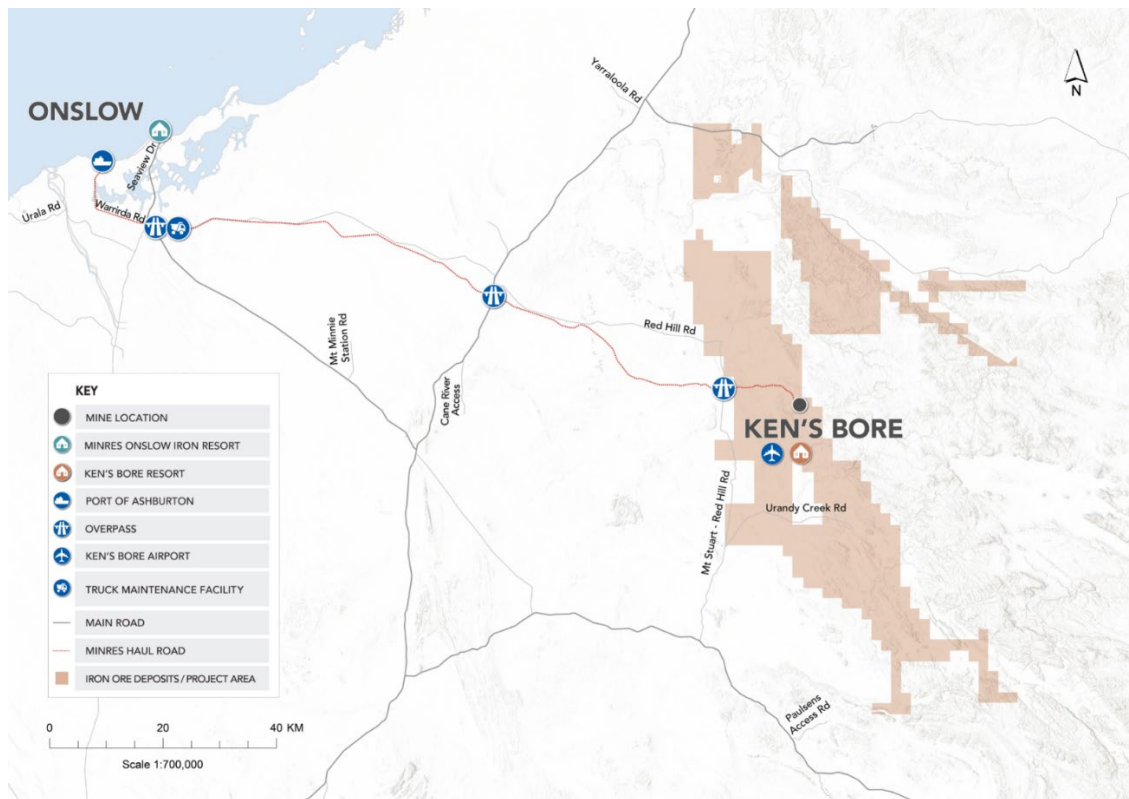


Figure 5: Map of the Onslow Iron project

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This announcement dated 21 May 2024 has been authorised for release to the ASX by Mark Wilson, Chief Financial Officer and Company Secretary. For further information, please contact:

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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.