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The Manager
Company Announcements
Australian Securities Exchange Limited
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2 The Esplanade
PERTH WA 6000

CONTRACT AWARD

FORTESCUE METALS GROUP CHRISTMAS CREEK 2

CRUSHING AND PROCESSING CONTRACT WORTH IN EXCESS OF \$1 BILLION

Mineral Resources Limited (**Mineral Resources**, ASX:MIN) is pleased to announce it has been awarded a contract for the design, construction and operation of the second ore processing facility and related infrastructure at Fortescue Metals Group Ltd's (ASX:FMG) Christmas Creek mine in Western Australia to be jointly funded by Fortescue and Mineral Resources.

Construction of the additional 25 million tonne per annum facility will commence immediately with commercial production scheduled to commence by September 2012.

The operational phase of the contract commences on completion of construction and will generate potential revenue in excess of \$1 billion over 10 years.

Mineral Resources' subsidiary company, Crushing Services International (CSI) will undertake this contract representing a further development of its mining services business in Western Australia. CSI currently undertakes a number of large-scale crushing and processing operations for blue chip mining companies and the addition of this contract represents a significant increase in the company's annual iron ore processing tonnes.

The contract involves design, installation and operation of a 25mtpa crushing and processing circuit that includes:

1. a remote primary crushing hub;
2. a 7 kilometre overland feed conveyor to transfer product from the primary hub to a separate coarse ore stockpile and then conveys the crushed product to the crushing and screening circuit;
3. a scrubbing and wet screening circuit (wet front-end plant) to handle the wet ROM ore,
4. duplication of the CSI / Fortescue Christmas Creek1 upgraded 25 mtpa crushing and screening plant, and
5. incorporation of a jigging circuit to beneficiate product from the two plants (existing and new).

In addition, CSI will upgrade the existing CSI/Fortescue Christmas Creek1 19mtpa crushing and screening plant to 25mtpa as part of the development.

Chairman of Mineral Resources, Mr Peter Wade, said that award of this contract is further recognition of the benefits CSI's business model provides to clients looking towards rapid expansion of their mining operations. "The Christmas Creek 1 plant with an initial capacity of 19mtpa was successfully constructed within a 12 month period and the plant ramp up has been achieved. That is an outstanding performance and resulted from the close collaboration between Fortescue and CSI acting with the common goal of developing a world class crushing and processing plant to stringent quality, time and cost requirements."

"We are pleased to be again working with Fortescue on this major project at the Christmas Creek site and to be playing such a significant part in the ongoing development of the Fortescue iron ore resources and also in the development of the resources sector in Western Australia."

"The new contract, which is the largest contract crushing operation awarded in Australia, maintains the established strong relationship between the companies and provides a solid foundation for future projects which we hope will enable Fortescue and CSI to continue to work together in a collaborative partnership of mutual benefit and value adding", he said.

In addition to this project and substantial ongoing contract work, Mineral Resources is also constructing its own iron ore operation at Carina in the state's Yilgarn region and expects to have first iron ore on train from this project in the final quarter of 2011.

Mineral Resources Limited is a leading, integrated, Australian based mining services and processing company with operations in contract crushing, general mine services, infrastructure provision and recovery of base metal concentrate for export. Operations are supplemented by rehabilitation and sale of heavy duty crushing and processing equipment, hire of engineering and crushing fleet plant and workshop manufacture of polyethylene pipe fittings and components.

Comprising long standing core businesses reporting as a single entity, PIHA Pty Ltd, Crushing Services International, Pty Ltd Process Minerals International Pty Ltd, Polaris Metals Pty Ltd and Mesa Minerals Limited, Mineral Resources Limited has developed a strong reputation for the cost effective delivery of its services and products to the resources and infrastructure sectors.

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