



Mineral Resources Limited

25 Wellard Street
Bibra Lake WA 6163
Ph 08 9434 4922
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ABN 33 118 549 910
ACN 118 549 910

6 January 2010

ASX Announcement

MRL offers to increase Polaris Share Offer

The Board of Mineral Resources Limited (**MRL**) (ASX:MIN) has today resolved to **increase the consideration** under its Share Offer for all of Polaris Metals NL (**Polaris**) Shares by increasing the cash offered. This increase is conditional on MRL achieving sufficient acceptances, before the Closing Date of the Share Offer, to be entitled to compulsorily acquire outstanding Polaris Shares in accordance with Part 6A.1 of the Corporations Act (**Compulsory Acquisition Condition**).

On satisfaction of the Compulsory Acquisition Condition, MRL will provide accepting Polaris Shareholders with consideration of one (1) MRL Share for every 10 Polaris Shares held **plus 10.1 cents cash for every one (1) Polaris Share held (Increased Consideration)**. This Increased Consideration will be provided to all accepting Polaris Shareholders, including those who have already accepted and been issued their consideration.

The MRL Share Offer currently closes at 5pm (WST) on 15 January 2010. If the Compulsory Acquisition Condition is satisfied within the last 7 days of the Share Offer Period, the Closing Date will be automatically extended by 14 days in accordance with the *Corporations Act 2001*.

If MRL obtains acceptances for more than 80% of Polaris' Shares, Polaris Shareholders who accept the MRL Share Offer may have the opportunity to benefit from obtaining capital gains tax rollover relief in accordance with section 8.1 of MRL's bidder's statement dated 17 September 2009.

The Increased Consideration under the Share Offer values your Polaris Shares at **82.1 cents per Share** (based on the closing price of MRL Shares on ASX of \$7.20 on 6 January 2010, the last trading day prior to this announcement). This is:

- a **174% premium** to the 30 cents closing price of Polaris Shares on 14 August 2009 (the trading day prior to announcement of the Share Offer);
- a **204% premium** over the 1 month volume weighted average closing price for Polaris Shares to 14th August 2009 of 27 cents; and
- a **228% premium** over the 3 month volume weighted average closing price for Polaris Shares to 14th August 2009 of 25 cents.

MRL urges Polaris Shareholders to accept MRL's unconditional Share Offer now.

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MRL will be lodging as soon as is practicable the formal documents required to give effect to the above changes to its Share Offer, including:

- a formal Notice of Variation of Takeover Offers; and
- a Ninth Supplementary Bidder's Statement relating to the above changes to its Share Offer.

MRL now has a relevant interest in 70.46% of Polaris Shares and 100% of Polaris Options (as of 6 January 2010, the trading day of this announcement).

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Bruce Goulds'.

Bruce Goulds
Company Secretary

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