



ASX Announcement

11 December 2017

PROPOSAL FOR THE ACQUISITION OF AWE LIMITED

Mineral Resources Limited (**ASX: MIN, “MRL” or “Company”**) notes today’s announcement by AWE Limited (**“AWE”**) that MRL has submitted a proposal to AWE regarding a combination of the two companies.

MRL confirms that after market close on 8 December 2017, it submitted a proposal (**“Proposal”**) under which MRL would acquire all of the issued share capital of AWE for scrip consideration pursuant to an AWE Board recommended scheme of arrangement (**“Scheme”**).

In addition to having undertaken significant due diligence into the Waitsia and Beharra Springs assets during the Origin Energy divestment process in 2016, over recent weeks MRL invested considerable time analysing and understanding the key aspects of the AWE business based on publicly available information. As a result, the Board of MRL was satisfied the Proposal did not need to be subject to due diligence.

Under the Scheme, if completed, AWE shareholders would receive 1 MRL share for every 22.325 ordinary AWE shares they hold. This exchange ratio is equivalent to **A\$0.80 per AWE share** and would result in AWE shareholders owning approximately 13.1% of the combined group.

The acquisition of AWE fits within MRL’s clean energy strategy of securing gas assets to vertically integrate the energy supply chain, including the use of LNG plants to provide power solutions to a wider range of end users. MRL does not currently intend to sell any gas from AWE’s Waitsia Gas Project offshore as it is committed to supplying domestic gas in Australia and is a large consumer of domestic gas in its own right, with such consumption to grow considerably as MRL’s previously announced processing and infrastructure projects come on line.

MRL believes its Proposal represents an attractive and compelling opportunity for AWE shareholders and looks forward to engaging further with the AWE Board.

MRL has engaged Macquarie Capital as financial adviser and Gilbert and Tobin as legal adviser in respect of its Proposal.

Ends

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