



ADITYA BIRLA MINERALS LIMITED
ABN 37 103 515 037

HALF-YEAR FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
30 SEPTEMBER 2008

ADITYA BIRLA MINERALS LIMITED
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ADITYA BIRLA MINERALS LIMITED
DIRECTORS' REPORT

The Directors present their report for the half year ended 30 September 2008.

DIRECTORS

The names of the Company's directors in office during the half year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Mr Debu Bhattacharya (Non-Executive Chairman)
Mr Sunil Kulwal (Chief Executive Officer and Managing Director) - appointed 22 April 2008
Mr Mysore Prasanna (Non-Executive Director)
Mr Suresh Bhargava (Independent Non-Executive Director)
Mr Maurice Anghie (Independent Non-Executive Director)
Mr Narayan Krishnan (Independent Non-Executive Director)
Mr Sanjay Loyalka (Chief Executive Officer and Managing Director) - resigned 30 April 2008

PRINCIPAL ACTIVITIES

The principal activities of the Company and its subsidiaries during the course of the half year were the exploration, mining, processing and marketing of copper metal. There has been no change in these activities during the financial period.

OPERATING RESULTS

Consolidated net profit from continuing operations after income tax for the half year was \$11.7 million (2007: \$54.1 million).

The summary results are as follows:

		Half year September 2007	Half year September 2008	% Variation
Cathode Operations:				
Cathode Produced	Tonnes	3,605	1,631	-55%
Mining Operations:				
Ore Mined	Tonnes	1,399,978	1,588,166	13%
Grade	%	3.1%	2.7%	-13%
Cu Contained	Tonnes	42,839	42,419	-1%
Concentrate Operations:				
Ore Processed	Tonnes	1,331,785	1,524,591	14%
Grade	%	3.0%	2.7%	
Cu Contained in Ore Processed	Tonnes	39,737	40,606	2%
Recovery	%	90.0%	88.1%	
Cu in Concentrate Produced	Tonnes	35,751	35,764	-
Total Copper Production (Cathode and Concentrate)	Tonnes	39,356	37,395	-5%
Financial Results:				
Sale of Product	A\$ 000's	313,170	255,142	-19%
EBIT	A\$ 000's	83,410	19,075	-77%
EBT	A\$ 000's	77,280	16,748	-78%
PAT	A\$ 000's	54,096	11,722	-78%

ADITYA BIRLA MINERALS LIMITED
DIRECTORS' REPORT

REVIEW OF OPERATIONS

Nifty Copper Operations

Overall, the first half of this financial year has shown steady improvement in sulphide operations primarily through improved availability and stability of the plant.

Escalating costs resulting from external market forces such as high inputs costs, gas supply interruptions have been a challenge. Cost optimisation and productivity improvement will be the major areas of focus going forward.

Nifty Oxide Operations

During this period last year, no fresh ore was stacked resulting in a linear decline of copper produced. To arrest this decline, the stacking of a blend of waste and shale has been successfully trialled and tested, with the result that the trend has now stabilised resulting in the production of 1,631 tonnes of copper.

Nifty Sulphide Project

The sulphide processing circuit continues to improve as we strive to achieve stability. Nifty Sulphide Operations produced 25,317 tonnes of copper in concentrate during the period ended September 08. Both thickener and launder upgrades have been successful contributing significantly to improved throughput. Going forward, automation strategies are planned to maintain stability and optimization initiatives.

Increased availability and higher throughput rate of underground crusher and conveyor system helped in improving ore production to the surface. The focus in future will be on mobile plant availability to optimize the current system.

Mt Gordon Operations

The Mt Gordon Operation produced 10,447 tonnes of copper in concentrate during the period ended 30 September 2008.

Production at Mammoth Underground mine has been satisfactory during the period under review. Though, the copper production has been impacted due to low grades and poor recovery from B lens ore.

The Esperanza South development work has made a good progress during the period ended 30 September 2008. A total of 664 metres development has been completed.

Trials for treatment of Esperanza low grade ore from waste dump have shown encouraging results. Low grade dump is planned to be drilled to determine tonnes, grade and recovery.

Environmental projects have progressed in line with EPA consent order.

Maroochydore Joint Venture

Internal technical review of resource estimate resulted in a significant down grading of the contained metal. Completed scoping study demonstrated project is not viable in its current form and identified numerous areas where further work could improve the deposit economics. To improve project economics we will explore various processing options, capital costs synergies with Nifty and deep sulphide source exploration.

ADITYA BIRLA MINERALS LIMITED
DIRECTORS' REPORT

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

In the opinion of the Directors, there are no significant changes in the state of affairs of the Company that occurred during the period under review not already disclosed in this report, the financial report or notes attached thereto.

SIGNIFICANT EVENTS AFTER BALANCE DATE

In the opinion of the Directors, there are no significant changes in the events after balance date of the Company that occurred and have not already been disclosed in this report.

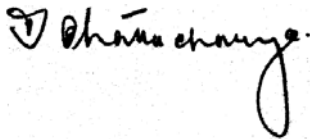
ROUNDING

The Company is a company of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in this report and the accompanying financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is included on page 16 of this report and forms part of this report.

Signed in accordance with a resolution of the Directors.



Debu Bhattacharya
Chairman



Sunil Kulwal
Managing Director

Perth, 30 October 2008

ADITYA BIRLA MINERALS LIMITED

CONSOLIDATED INCOME STATEMENT FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2008

	Notes	30 September 2008 \$'000	30 September 2007 \$'000
Continuing operations			
Sale of product	3(a)	255,142	313,170
Other revenue	3(a)	302	154
Total revenue		255,444	313,324
Cost of sales		(221,688)	(231,188)
Gross profit		33,756	82,136
Other income	3(b)	176	6,856
Exploration and evaluation expenditure		(10,970)	(2,462)
Administration expenses		(3,465)	(2,849)
Other expenses		(422)	(271)
Profit before income tax and finance costs		19,075	83,410
Finance costs	3(c)	(2,327)	(6,130)
Profit before income tax		16,748	77,280
Income tax expense		(5,026)	(23,184)
Net profit for the period		11,722	54,096
Earnings per share (cents per share)			
- basic and diluted for profit for the period attributable to ordinary equity holders of the parent			
		3.74	17.26

The accompanying notes form an integral part of this Income Statement.

ADITYA BIRLA MINERALS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2008

		30 September 2008 \$'000	31 March 2008 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	4	2,489	12,884
Trade and other receivables		14,752	65,436
Inventories		69,792	36,806
Derivative financial instruments	12	42,915	3,446
Others		6,683	549
Total Current Assets		136,631	119,121
Non-Current Assets			
Inventories		84,100	86,203
Property, plant and equipment		430,750	433,346
Deferred exploration and evaluation expenditure		12,699	12,699
Other		-	2
Total Non-Current Assets		527,549	532,250
TOTAL ASSETS		664,180	651,371
LIABILITIES			
Current Liabilities			
Trade and other payables		65,338	41,915
Interest-bearing liabilities		2,083	2,133
Income tax payable		786	746
Provisions		4,813	4,089
Derivative financial instruments	12	12,808	18,119
Total Current Liabilities		85,828	67,002
Non-Current Liabilities			
Interest-bearing liabilities		3,746	4,423
Provisions		18,333	18,225
Deferred tax liabilities		50,630	43,138
Total Non-Current Liabilities		72,709	65,786
TOTAL LIABILITIES		158,537	132,788
NET ASSETS		505,643	518,583
EQUITY			
Issued capital	5	450,663	450,663
Retained profits		48,305	67,920
Cash flow hedge reserve		6,675	-
TOTAL EQUITY		505,643	518,583

The accompanying notes form an integral part of this Balance Sheet.

ADITYA BIRLA MINERALS LIMITED

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2008**

	Note	30 September 2008 \$'000	30 September 2007 \$'000
Cash flows from/(used in) operating activities			
Receipts from customers		270,920	312,015
Payments to suppliers and employees		(207,414)	(200,977)
Payments for exploration and evaluation		(10,970)	(2,462)
Interest received		145	37
Interest paid		(2,022)	(6,025)
Income tax paid		(356)	-
Net cash flows from operating activities		<u>50,303</u>	<u>102,588</u>
Cash flows from/(used in) investing activities			
Payments for plant and equipment		(10,029)	(13,093)
Payments for mine development		(18,625)	(16,035)
Proceeds from sale of plant and equipment		23	-
Net cash flows used in investing activities		<u>(28,631)</u>	<u>(29,128)</u>
Cash flows from/(used in) financing activities			
Proceeds from borrowings		86,704	105,496
Repayment of borrowings		(86,627)	(176,550)
Repayment of finance lease liabilities		(610)	(568)
Dividends paid		(31,337)	-
Net cash flows used in financing activities		<u>(31,870)</u>	<u>(71,622)</u>
Net (decrease)/increase in cash and cash equivalents		(10,198)	1,838
Cash and cash equivalents at the beginning of the period		<u>12,687</u>	<u>4,551</u>
Cash and cash equivalents at the end of the period	4	<u><u>2,489</u></u>	<u><u>6,389</u></u>

The accompanying notes form an integral part of this Cash Flow Statement.

ADITYA BIRLA MINERALS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2008

Note	Issued Capital \$'000	Retained Profits/ (Accumulated Losses) \$'000	Cash Flow Hedge Reserve \$'000	Total Equity \$'000
At 1 April 2007	450,663	(37,042)	(6,427)	407,194
Movement in cash flow hedges, net of tax	-	-	1,705	1,705
Total income/(expense) for the period recognised directly in equity	-	-	1,705	1,705
Net profit for the period	-	54,096	-	54,096
Total income/(expense) for the period	-	54,096	1,705	55,801
At 30 September 2007	450,663	17,054	(4,722)	462,995
At 1 April 2008	450,663	67,920	-	518,583
Movement in cash flow hedges, net of tax	-	-	6,675	6,675
Total income/(expense) for the period recognised directly in equity	-	-	6,675	6,675
Net profit for the period	-	11,722	-	11,722
Dividends paid	-	(31,337)	-	(31,337)
Total income/(expense) for the period	-	(19,615)	6,675	(12,940)
At 30 September 2008	450,663	48,305	6,675	505,643

The accompanying notes form an integral part of this Statement of Changes in Equity.

ADITYA BIRLA MINERALS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2008

This general purpose condensed financial report of Aditya Birla Minerals Limited for the half year ended 30 September 2008 was authorised for issue in accordance with a resolution of the directors on 30 October 2008.

Aditya Birla Minerals Limited is a company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Stock Exchange.

The address of the registered office is Level 3, 256 Adelaide Terrace, Perth, WA, 6000.

2. Summary of Significant Accounting Policies

(a) Basis of preparation

This general purpose condensed financial report for the half year ended 30 September 2008 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The half year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The half year financial report should be read in conjunction with the annual financial report of Aditya Birla Minerals Limited as at 31 March 2008. It is also recommended that the half year financial report be considered together with any public announcements made by the Company during the half year ended 30 September 2008 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001* and the *ASX Listing Rules*.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000s) unless otherwise stated under the option available to the Company under ASIC Class Order 98/100. The Company is an entity to which the class order applies.

Apart from the changes in accounting policy noted below, the accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

(b) Changes in accounting policies - New accounting standards and interpretations

Since 1 April 2008 the Group has adopted the following Standards and Interpretations, mandatory for annual periods beginning on or after 1 January 2008. Adoption of these Standards and Interpretations did not have any effect on the financial position or performance of the Group.

- AASB Interpretation 14 *AASB 119 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*
- AASB 2008-4 *Amendments to Australian Accounting Standard - Key Management Personnel Disclosures by Disclosing Entities*

ADITYA BIRLA MINERALS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2008

	30 September 2008 \$'000	30 September 2007 \$'000
3. Revenues and Expenses		
(a) Revenue		
Sale of product	255,142	313,170
Other revenue		
Bank interest	145	37
Other	157	117
	302	154
Total revenue	255,444	313,324
(b) Other income		
Loss on sale of plant and equipment	(5)	-
Net foreign exchange gain	181	3,906
Other	-	2,950
Total other income	176	6,856
(c) Finance costs		
Loans	1,794	5,764
Finance charges payable under finance leases	228	261
	2,022	6,025
Unwinding of discount on rehabilitation provision	305	105
Total finance costs	2,327	6,130
(d) Expenses included in the Income Statement include:		
Depreciation of plant and equipment	9,890	10,317
Amortisation of mine properties	21,164	14,221
Government royalties	8,980	13,768
Movement in mining inventories	(27,480)	4,951
Salaries, wages expense and other employee benefits	32,139	25,508

30 September	30 September
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ADITYA BIRLA MINERALS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2008

	2008 \$'000	2007 \$'000
4. Cash and Cash Equivalents		
For the purpose of the half year cash flow statement, cash and cash equivalents are comprised of the following:		
Cash - denominated in AUD	821	5,181
Cash - denominated in USD	1,668	1,208
Total cash and cash equivalents	2,489	6,389

	30 September 2008 \$'000	31 March 2008 \$'000
5. Contributed Equity		
<i>Issued and paid up capital</i>		
313,372,551 ordinary shares		
(31 March 2008: 313,372,551 ordinary shares)	450,663	450,663

	30 September 2008 \$'000	30 September 2007 \$'000
6. Dividends Paid		
Dividends declared and paid during the half year on ordinary shares:		
Unfranked dividend for the financial year ended 31 March 2008 of 10 cents per share, paid 30 May 2008 (2007: Nil)	31,337	-

ADITYA BIRLA MINERALS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2008

7. Related Parties

Hindalco Industries Ltd

The Group has a secure, long-term partnership with its ultimate parent entity, Hindalco Industries Ltd. The Group's copper in concentrate production is sold to Hindalco Industries Ltd under contract at arm's length terms. These contractual arrangements extend to the LOM of the Nifty operations and the Mt Gordon operation (the Nifty Concentrate Sales Agreement and the Mt Gordon Concentrate Sales Agreement). Treatment and Refining Charges (Tc/Rc) are negotiated annually with reference to the published benchmark set by major Japanese smelters and include standard industry Price Participation (PP) levels. For the half year ended 30 September 2008, Tc was set at US\$45 (2007: US\$60) per dry metric tonne of copper concentrate and Rc was set at US\$0.045 (2007: US\$0.06) per pound of payable copper, which is 96.5% of contained copper in copper concentrate. There were no price participation charges in the current and previous period.

During the half year ended 30 September 2008, transactions between the Group and Hindalco Industries Ltd, consisted of sales and advances made under normal terms and conditions to/by Hindalco Industries Ltd, a company incorporated in India.

The value of transactions with Hindalco Industries Ltd during the period and balance outstanding at the end of the period has been set out in the table below:

	30 September 2008 \$'000	31 March 2008 \$'000
Trade receivables	2,456	58,415
Trade payables	(13,883)	-

	30 September 2008 \$'000	30 September 2007 \$'000
Transactions during the period:		
- Sales of copper concentrate *	216,321	305,782
- Interest on loan	-	(37)

* During the half year ended 30 September 2008, the Group sold 32,961 tonnes of copper contained in concentrate to Hindalco (2007: 35,959 tonnes). Sales of copper concentrate have been reported net of Tc/Rc charges of \$11.03 million (2007: \$18.23 million).

Birla Resources Pty Limited

Aditya Birla Minerals Limited also holds a loan of \$0.65 million (31 March 2008: \$0.65 million) with Birla Resources Pty Ltd, a subsidiary of Hindalco Industries Ltd. This loan is interest bearing with no security and no fixed term of repayment.

Wholly owned group

Aditya Birla Minerals Limited is the ultimate Australian parent company and its ultimate parent company is Hindalco Industries Ltd.

The wholly owned group consists of Aditya Birla Minerals Limited and its controlled entities.

ADITYA BIRLA MINERALS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2008

8. Segment Reporting

The Group operates in one business and geographic segment, being the mining and production of copper in Australia.

9. Change in Composition of the Group

Since the last annual reporting date, there have been no changes in the composition of the Group.

10. Commitments

At 30 September 2008 the Group has commitments of \$15,705,000 (31 March 2008: \$18,754,000) relating to capital expenditure, commitments of \$23,506,000 (31 March 2008: \$27,528,000) relating to operating leases for the provision of vehicle fleet and infrastructure and finance lease commitments of \$5,086,000 (31 March 2008: \$5,697,000).

11. Contingent Liabilities

The only change to the contingent liabilities disclosed in the most recent annual financial report is specified below.

In October 2008, the Commissioner of State Revenue ("Commissioner") issued a stamp duty assessment notice to the Company in respect of its acquisition of Birla Nifty Pty Ltd in 2003. The Commissioner determined that Birla Nifty Pty Ltd was a landholder within the meaning of the *Stamp Act 1921* at the date of acquisition and thus the Company is liable to pay stamp duty estimated to be approximately \$7.3 million based on the Commissioner's calculation of the dutiable value on the land acquired.

The Company does not agree with the Commissioner's determination and will contest the Commissioner's determination and methodology of the land rich analysis and calculation. The Company has a view that Birla Nifty Pty Ltd was not land rich at the relevant time.

No provision has been included in the financial statements in respect of the aforesaid contingent liabilities.

ADITYA BIRLA MINERALS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2008

12. Derivative Financial Instruments

Commodity contracts

At 30 September 2008, the Group had hedged approximately 20,375 tonnes of its copper sales quantity that are highly probable, extending to August 2009. The contracts outstanding at the reporting dates were:

	Tonnes Hedged	Average Price	Tonnes Hedged	Average Price
	30 Sep 08	30 Sep 08 US\$	31 Mar 08	31 Mar 08 US\$
Copper - Sell Call Options				
Not later than one year	11,275	8,842	22,500	7,793
Copper - Buy Put Options				
Not later than one year	11,275	7,700	22,500	7,015
Copper - Swap				
Not later than one year	9,100	8,356	9,000	8,078

The mark to market of the above contracts as at 30 September 2008 is an asset of \$42.6 million (31 March 2008: liability of \$17.9 million).

Included in the above contracts are 9,000 tonnes (31 March 2008: 31,500 tonnes) with a mark to market asset of \$20.7 million (31 March 2008: liability of \$17.9 million), which were designated against copper sales which have occurred in the period to 30 September 2008 and will be settled at the end of the quotational period of the specific sale to which they have been designated against or contracts considered to be ineffective hedges. This change in fair value has been recognised in the Income Statement along with the related hedged sale.

The cash flow hedges were assessed to be highly effective and as at 30 September 2008, a net unrealised gain of \$21.9 million with a deferred tax charge of \$6.6 million was included in equity in respect of these contracts.

Forward currency contracts

The Group had entered into forward currency contracts to hedge the foreign currency risk of sales expected in US Dollars. The following table sets out the gross value of US dollars sold under forward foreign currency contracts, the weighted average contracted exchange rates and the settlement periods of outstanding contracts for the Group at the reporting dates shown:

	Weighted Average Rate	Consolidated	Weighted Average Rate	Consolidated
	30 Sep 08	30 Sep 08 US \$'000	31 Mar 08	31 Mar 08 US \$'000
Sell US Dollars				
Not later than one year	0.8665	135,967	0.8481	46,530

The net fair value of the above contracts as at 30 September 2008 was a liability of \$12.4 million (31 March 2008: asset of \$3.2 million).

The cash flow hedges were assessed to be highly effective and as at 30 September 2008, a net unrealised loss of \$12.4 million with a deferred tax benefit of \$3.7 million was included in equity in respect of these contracts.

ADITYA BIRLA MINERALS LIMITED

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2008**

13. Events Subsequent to Balance Date

Other than described in Note 11, there are no material subsequent events after the balance date.

ADITYA BIRLA MINERALS LIMITED

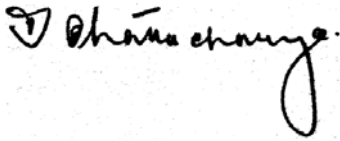
DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Aditya Birla Minerals Limited, we state that:

In the opinion of the Directors:

- (a) the financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position as at 30 September 2008 and the performance for the half year ended on that date of the consolidated entity; and
 - (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



Debu Bhattacharya
Chairman



Sunil Kulwal
Managing Director

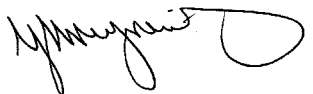
Perth, 30 October 2008

Auditor's Independence Declaration to the Directors of Aditya Birla Minerals Limited

In relation to our review of the financial report of Aditya Birla Minerals Limited for the half-year ended 30 September 2008, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

A handwritten signature in black ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink that reads 'G H Meyerowitz'.

G H Meyerowitz
Partner
Perth

30 October 2008

To the members of Aditya Birla Minerals Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Aditya Birla Minerals Limited which comprises the balance sheet as at 30 September 2008, and the income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, other selected explanatory notes and the Directors' Declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the half-year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 "Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity", in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 30 September 2008 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001. As the auditor of Aditya Birla Minerals Limited and the entities it controlled during the half-year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

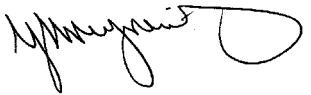
Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Aditya Birla Minerals Limited is not in accordance with the Corporations Act 2001, including:

- i) giving a true and fair view of the consolidated entity's financial position as at 30 September 2008 and of its performance for the six months ended on that date; and
- ii) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001.

A handwritten signature in black ink, appearing to read 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink, appearing to read 'G H Meyerowitz'.

G H Meyerowitz
Partner
Perth

30 October 2008