



Quarterly Report

For the period ended 31 December 2017

HIGHLIGHTS

Landmark quarter for Mincor with a successful capital raising to accelerate nickel exploration and unlock the value of its highly prospective portfolio in the Kambalda Nickel District

Kambalda Nickel Projects, WA (Mincor: 100%)

- Major new exploration strategy announced to grow high-grade nickel Ore Reserves in the Kambalda district by progressing multiple targets within the Company's portfolio, leveraging off its existing Nickel Mineral Resources inventory (99kt Ni).
- Drilling at the highly prospective Cassini Prospect scheduled to commence in early February 2018.

Widgiemooltha Gold Project, WA (Mincor: 100%)

- Gold Mineral Resources at Widgiemooltha upgraded to 267,000 ounces of gold. Mincor's global Gold Resource inventory now stands at 329,000 ounces of gold.
- Extensional drilling confirmed the continuity of gold mineralisation along known trends at Flinders, highlighting the potential to further expand the Mineral Resources inventory with additional drilling.
- Focus is on updating mining studies to incorporate the Flinders West prospect and assess its potential to enhance project economics.
- Key statutory approvals received facilitating the commencement of mining at Widgiemooltha, subject to Board approvals.

Tottenham Copper Joint Venture, NSW (Bacchus: 19.88%)

- Bacchus Resource Pty Ltd elected to exercise its option to increase its JV interest to a maximum of 30% by further funding exploration activities.

Corporate

- Strongly supported share placement completed, raising \$6 million (before costs) with a total of 18,750,000 new shares issued at an issue price of \$0.32 each in December 2017.
- Share Purchase Plan (SPP) launched on 12 December 2017 to raise a further \$3 million, providing eligible shareholders with the opportunity to participate in this capital raising on the same terms as the Placement.
- Cash balance at 31 December 2017: \$14.49 million* (30 June 2017: \$10.62 million).

Subsequent to the Quarter

- SPP closed on 17 January 2018 heavily oversubscribed.
- \$1 million in oversubscriptions accepted, for a total of \$4.0 million, with 12,499,749 new shares issued on 24 January 2018 under the SPP.

TEL 08 9476 7200
FAX 08 9321 8994
EMAIL mincor@mincor.com.au
WEBSITE www.mincor.com.au
ASX CODE MCR

POSTAL ADDRESS
PO Box 1810
West Perth WA 6872
Australia

PRINCIPAL/REGISTERED OFFICE
Ground floor
9 Havelock Street
West Perth WA 6005
Australia

Mincor is listed on the Australian Securities Exchange and has a significant ground holding in Kambalda, a world-class Nickel and Gold Producing Region in the Eastern Goldfields of Western Australia.

* Does not include the proceeds of the SPP completed at 24 January 2018.

COMPANY STRATEGY

Mincor's core strategy is built around the unique value of its landholdings in the Kambalda District of Western Australia, a major nickel and gold producing area with a rich mineral endowment and fully-developed mining infrastructure (Figure 1).

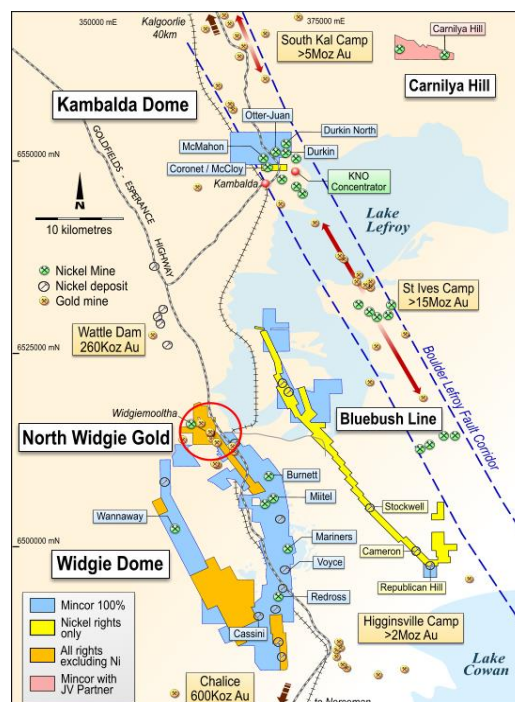
The Company holds nickel and gold assets with separate Mineral Resources containing an estimated 99,200 tonnes of nickel and 329,000 ounces of gold, inclusive of Ore Reserves totalling 28,200 tonnes of nickel and approximately 69,000 ounces of gold (see Appendices 1 and 2).

During the Quarter, Mincor announced an equity capital raising to fund accelerated nickel exploration across its extensive and high-quality Kambalda portfolio (further details on the equity raising, please refer to the Corporate section of this report).

The funds raised will underpin the Company's ability to immediately recommence nickel exploration at Kambalda and take advantage of the forecast growth in the nickel market over the next few years.

The Company is also on the cusp of becoming a gold producer, with potential for near-term cash flows from its Widgiemooltha Gold Project, subject to Board approval for the commencement of mining.

FIGURE 1: Landholdings in the Kambalda District



KAMBALDA GOLD PROJECTS

Overview

The Company's ground-holdings include 100% ownership of freehold tenure at North Kambalda (containing the highly-endowed Boulder-Lefroy Fault complex), the Widgiemooltha Dome (surrounded by the Higginsville Gold Camp and the Chalice and Wattle Dam gold mines) and the well-established gold Mineral Resource at Jeffreys' Find.

Mincor has a total a Mineral Resource inventory of 329,000 ounces of gold across six prospects. Five prospects are located at Widgiemooltha.

Widgiemooltha Gold Project (WGP)

Widgiemooltha Gold Mineral Resources

Gold Mineral Resources at Widgiemooltha were increased during the Quarter to approximately 267,000 ounces of gold.

The increased inventory incorporates two small but effective drilling campaigns completed in June and August 2017, which led to the Flinders West discovery. The revised resource modelling incorporated the results of the drilling programs completed prior to August 2017 but does not include the positive extensional results for drilling program completed in October 2017 (see ASX release dated 8 December 2017 and in the Widgiemooltha Gold Exploration section below).

Feasibility Study Results (April 2017)

The Widgiemooltha Gold Feasibility Study (full details in ASX release "Gold Feasibility Study Results" dated 26 April 2017) confirmed the economic viability of a low capital cost start-up gold mining operation at Widgiemooltha based on extracting shallow Ore Reserves across 10 open pits, with the ore to be treated via a toll treatment arrangement. These FS results were based on the February 2017 Mineral Resources estimates, which has since been upgraded in November 2017.

Project Implementation

Regulatory approval by the Department of Mines, Industry Regulation and Safety (DMIRS) to commence mining operations at Widgiemooltha was received in October 2017, based on the April 2017 FS mine plans. Water abstraction and discharge permits from the Department of Water and Environmental were also received.

The WGP has a short cash drawdown phase; finalising the start-up mining schedule and financial model based on these revised parameters is a priority for the Company.

GOLD EXPLORATION

Widgiemooltha Gold Exploration

A 5,476m reverse circulation (RC) drilling program completed during the Quarter infilled the area between the main Flinders orebody and Flinders West, and included extensional drill section lines to test the strike extent of the prospective corridor north towards Nottingham Castle and to the south (Figure 2a and Figure 2b).

The Flinders Resource at the WGP stands at 102,000 ounces of gold and remains open. The drilling program has confirmed the potential to expand the Flinders and Flinders West deposits along strike to the north and south with further drilling.

The northern extension of the Flinders corridor has returned broad intersections on 80m spaced lines with significant results including MRC648 (12m @ 1.43 g/t Au), MRC635 (5m @ 1.90 g/t Au), MRC 595 (8m @ 1.12 g/t Au), MRC642 (6m @ 1.52 g/t Au) and MRC579 (2m @ 11.91 g/t Au).

These results, when coupled with historical drilling, confirm the continuity of mineralisation over a 260m strike length to Nottingham Castle. The next line of drilling north of Nottingham Castle is some 600m further along strike towards Home Signal (see Figure 2a, showing the greater strike potential of this highly prospective corridor).

To the south of the F04 prospect, holes MRC677 (11m @ 2.79 g/t Au) and MRC686 (6m @ 2.86 g/t Au) indicate that the southern extension of F04, which is currently classified as Inferred, could be upgraded with further drilling. The F04 prospect is open to the south and may link up with the Oliver prospect, 200m further to the south, which is an area of historical workings.

Although numerous intersections were returned in the area between the Flinders Main and Flinders West deposits, the higher-grade zones only had moderate continuity. Results included MRC627 (8m @ 1.63 g/t Au and 9m @ 1.64 g/t Au), MRC651 (4m @ 2.63 g/t Au) and MRC659 (3m @ 3.33 g/t Au).

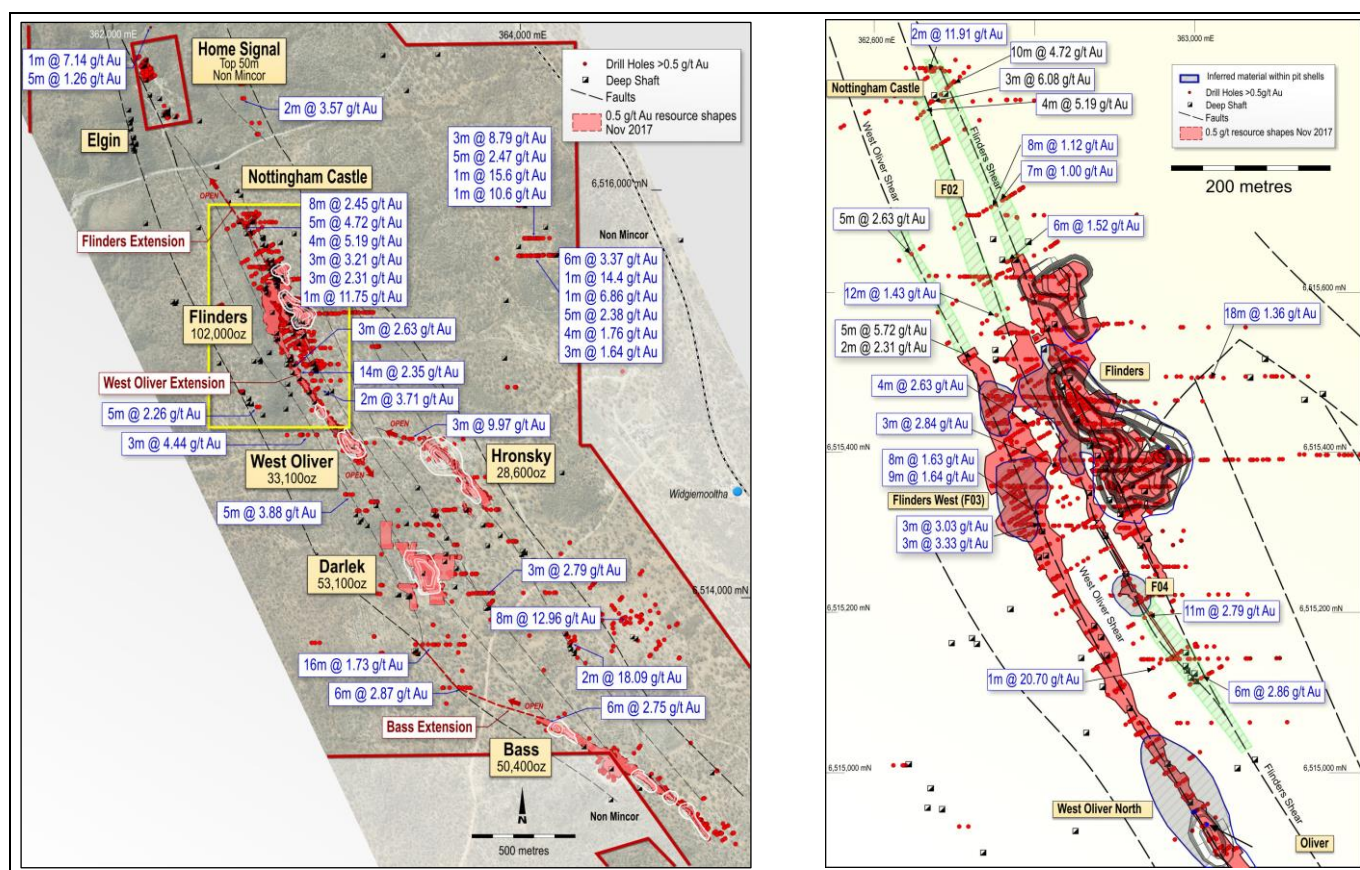


FIGURE 2a) Regional potential of Widgiemooltha – with intersections not yet captured in Resource along the Widgiemooltha Fault corridor; 2b) Plan of West Oliver North to Nottingham Castle showing the strong endowment in the area. (For previous Flinders West gold intersections, please refer to November, August and June 2017 ASX releases.)

Kambalda Gold Project

A small infill soil survey was conducted to the south of Durkin over the northeast Kambalda Dome, where previous wide-spaced soils had identified anomalous gold; 178 samples were collected on infill lines and results are awaited.

ADVANCED NICKEL PROJECTS

Mincor currently holds two Reserve-level nickel projects, namely Durkin North and Miitel/Burnett. Detailed Feasibility Studies have been completed on both projects, which remain on care and maintenance pending a sufficient and sustained improvement in the nickel price.

Miitel

An inspection in January 2018 has confirmed that the water level at the Miitel mine has now risen above all the infrastructure located around level 206mRL as controlled flooding at the mine continues. The infrastructure includes primary ventilation fans and a substation. The estimated re-establishment cost of these facilities was determined in the Feasibility Study (for further details, see ASX release dated 10 April 2016). These costs are now additional to the pre-production costs for the Miitel mine.

Environmental

Regular inspections of care and maintenance mine sites continued during the Quarter. Mincor has committed to some minor rehabilitation works at Carnilya Hill and expects this work to be completed in the coming quarter. Other activities included the securing of vent shafts around the North Kambalda operation.

NICKEL EXPLORATION

Mincor believes it has consolidated nearly all the ground which is prospective for shallow nickel sulphide mineralisation in Kambalda and, together with its existing nickel Mineral Resources inventory, has the opportunity to grow a quality nickel Ore Reserve inventory in the district.

The Company's 2018 nickel exploration program will systematically progress a suite of high-quality targets. These targets range from greenfields to near-mine, with the initial focus on shallow regional targets.

An infill drill program is planned to commence at the Cassini nickel discovery in February 2018. Cassini is an exciting discovery made by Mincor in early 2015 that was only drilled on wide-spaced section lines, therefore was not drilled to Resource status. Mincor intends to complete infill section lines and, along with number of confirmation drillholes at a different drill azimuth, aims to bring a significant portion of the Cassini mineralisation into Resource.

In addition, Voyce – which is a high-grade prospect with a small near-surface Resource already defined – will be drill tested on two down-plunge section lines. Other programs will include Location 1.

A high-resolution aeromagnetic survey has been commissioned and should be flown, weather permitting, in February 2018. This will provide a crucial new dataset to assist with targets at Cassini South and Black Caviar.

Bluebush Exploration – Republican Hill

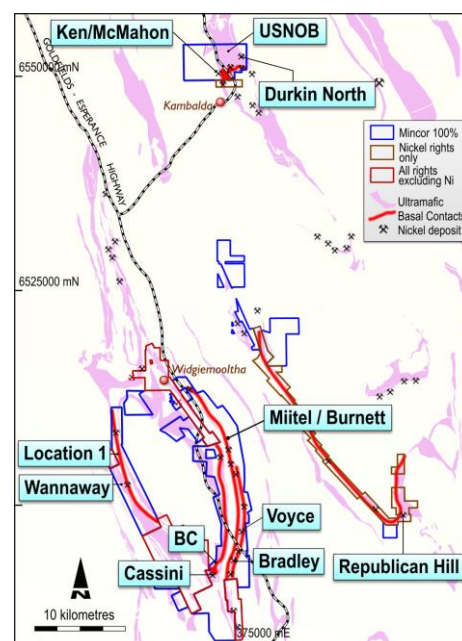
The Bluebush line has two Mineral Resources along the western side of the Bluebush anticline (Stockwell and Cameron). Republican Hill lies at the southern end of the Bluebush group of tenements (Figure 3).

The Republican Hill prospect is located within a large ultramafic body adjacent to the basalt contacts and contains numerous small nickeliferous gossans mapped at surface. The fertility of the ultramafic was confirmed in historical drilling campaigns which intersected nickel sulphides (see ASX Announcement dated 26 October 2017).

During the Quarter, 178 soil samples were collected from a total 500-sample program from an area that had previously only been assayed for gold. Results are yet to be received. The remaining soils will be collected in the coming Quarter.

The Company surrendered a total of 11 Mining Leases and Mineral Licences (M15/130, ML15/ 526 – ML15/ 535) located wholly or partially within the boundary of Exploration Licence E15/1418 for amalgamation into E15/1418. This will reduce the holding costs associated with the tenements.

FIGURE 3: Regional nickel projects



REGIONAL EXPLORATION

Tottenham Joint Venture, NSW (Bacchus: 19.88%)

The Company's joint venture partner at the Tottenham Copper Project, Bacchus Resources Pty Ltd (Bacchus), met its First Option Earn-In Obligations under the Tottenham Earn-In and Joint Venture Agreement (Tottenham JV). Bacchus has exercised its First Option and is entitled to a 19.88% interest in the Tottenham tenements. Bacchus has also elected to proceed with the Second Option, whereby it can increase its interest in the Tottenham tenements to a maximum of 30% by continuing its exploration expenditure to a cumulative total of A\$700,000 (for full details, refer to Mincor's ASX release dated 17 February 2017).

At Quarter end, the exploration programs were still to be finalised, but are expected to include further drilling and an updated estimate of the Mineral Resource at Orange Plains that will incorporate the gold credits.

CORPORATE MATTERS

Capital Raising

Share Placement

During December 2017, the Company successfully raised \$6.0 million (before costs) through a share placement (Placement) to sophisticated and professional investors. A total of 18,750,000 new fully paid ordinary shares were issued at \$0.32 per share. The Placement was strongly supported and introduced several institutions to Mincor's share register.

Share Purchase Plan

Mincor also launched a Share Purchase Plan (SPP) on 12 December 2017 with a target to raise \$3.0 million and provide existing shareholders with the opportunity to increase their holdings in the Company on the same terms as the Placement. The SPP opened on 18 December 2017 and closed heavily oversubscribed on 17 January 2018 (see below).

The funds raised pursuant to the Placement and SPP will be used to accelerate nickel exploration activities across a suite of high-priority targets within the Company's Kambalda nickel portfolio (see ASX release and Investor Presentation released in December 2017), for general working capital requirements and to meet the costs associated with the Placement and SPP. This landmark capital raising is Mincor's first in over 14 years.

Subsequent to the Quarter

The SPP closed on 17 January 2018. The Company's Board resolved to accept \$1 million in oversubscriptions, for a total of \$4.0 million.

Applications received in excess of \$4.0 million were scaled back on a pro-rata basis (see ASX release 19 January 2018). Mincor issued 12,499,749 new shares at the issue price of \$0.32 per share on the 24 January 2018 under the SPP.

Major Corporate Expenditures, Cash and Debt

Mincor had Quarter-end cash of \$14.49 million* (end-Sep 2017: \$10.62 million).

During the Quarter, the Company received cash proceeds of \$5.70 million (after costs) following completion of the share placement to sophisticated and professional investors on 19 December 2017. Major items of expenditure during the Quarter included exploration and project evaluation costs of \$1.36 million and administration and staff costs of \$0.54 million.

Estimated operating cash outflows for the coming quarter total \$1.70 million. This includes \$0.81 million on exploration and evaluation costs (including nickel exploration drilling expenditure), \$0.27 million for costs associated with the WGP (up to a decision to develop the Project following Board approval), and administration and staff costs of \$0.62 million.

**Does not include the proceeds of the SPP completed on 24 January 2018.*

Board Structure

During the Quarter and with great sadness, Mincor advised of the passing of long-serving non-executive Chairman David Humann following a short illness. Mr Humann played an instrumental role in the Company's significant achievements as a successful nickel miner over many years.

The Board is considering Chairmanship and will update the market in due course. The Board will also consider the potential appointment of an additional director in due course and will inform shareholders once that decision has been finalised.

On 17 November 2017, Ms Shannon Coates was appointed as Mincor's Company Secretary ahead of the retirement of Mr Graham Fariss. Ms Coates has over 20 years' experience in corporate law and compliance. She is currently Company Secretary to a number of ASX-listed companies and has provided company secretarial and corporate advisory services to boards across a variety of industries. She is also a qualified lawyer, Chartered Secretary and graduate of the AICD's Company Directors course.

The information in this Public Report that relates to Exploration Results is based on information compiled by Robert Hartley, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Hartley is a full-time employee of Mincor Resources NL. Mr Hartley has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hartley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

- ENDS -

Released by:
Nicholas Read
Read Corporate
Tel: (08) 9388 1474

On behalf of:
Peter Muccilli, Managing Director
Mincor Resources NL
Tel: (08) 9476 7200 www.mincor.com.au

APPENDIX 1: Nickel Resources and Reserves

Nickel Mineral Resources as at 30 June 2017

RESOURCE	MEASURED		INDICATED		INFERRED		TOTAL		
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Ni tonnes
Redross	39,000	4.9	138,000	2.9	67,000	2.9	244,000	3.2	7,900
Burnett	0	0.0	241,000	4.0	0	0.0	241,000	4.0	9,700
Miitel	156,000	3.5	408,000	2.8	27,000	4.1	591,000	3.1	18,100
Wannaway	0	0.0	110,000	2.6	16,000	6.6	126,000	3.1	3,900
Carnilya*	33,000	3.6	40,000	2.2	0	0.0	73,000	2.8	2,100
Otter Juan	2,000	6.9	51,000	4.1	0	0.0	53,000	4.3	2,300
McMahon/Ken**	25,000	2.7	103,000	3.1	105,000	4.6	234,000	3.7	8,700
Durkin North	0	0.0	417,000	5.3	10,000	3.8	427,000	5.2	22,400
Gellatly	0	0.0	29,000	3.4	0	0.0	29,000	3.4	1,000
Voyce	0	0.0	50,000	5.3	14,000	5.0	64,000	5.2	3,400
Cameron	0	0.0	96,000	3.3	0	0.0	96,000	3.3	3,200
Stockwell	0	0.0	554,000	3.0	0	0.0	554,000	3.0	16,700
TOTAL	256,000	3.7	2,237,000	3.6	239,000	4.2	2,732,000	3.6	99,200

Note: Figures have been rounded and hence may not add up exactly to the given totals. Note that Resources are inclusive of Reserves.

*Resources shown for Carnilya Hill are those attributable to Mincor – that is, 70% of the total Carnilya Hill Resource.

**McMahon/Ken also includes Coronet (in the 2010/11 Annual Report it was included in Otter Juan).

The information in this report that relates to Mineral Resources is based on information compiled by Rob Hartley who is a full-time employee of the company and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hartley consents to the inclusion in this report of the matters based on his information in the form and context in which it appears and is a Member of the AusIMM.

Nickel Ore Reserves as at 30 June 2017

RESERVE	PROVED		PROBABLE		TOTAL		
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Ni tonnes
Burnett	0	0.0	271,000	2.6	271,000	2.6	6,900
Miitel	28,000	2.6	129,000	2.2	157,000	2.3	3,600
Durkin North	0	0.0	708,000	2.5	708,000	2.5	17,700
TOTAL	28,000	2.6	1,108,000	2.5	1,136,000	2.5	28,200

Note: Figures have been rounded and hence may not add up exactly to the given totals. Note that Resources are inclusive of Reserves.

The information in this report that relates to Ore Reserves is based on information compiled by Paul Darcey, who is a full-time employee of the Company and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Darcey consents to the inclusion in this report of the matters based on his information in the form and context in which it appears and is a Member of the AusIMM.

APPENDIX 2: Gold Mineral Resources and Reserves

Gold Mineral Resources as at November 2017

RESOURCE	MEASURED		INDICATED		INFERRED		TOTAL		
	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Ounces
West Oliver	-	-	314,900	2.1	153,600	2.3	468,500	2.2	33,100
Jeffreys Find	-	-	833,400	1.7	321,700	1.5	1,155,100	1.7	61,600
Bass	-	-	355,200	2.1	400,600	2.0	755,800	2.1	50,400
Hronsky	-	-	249,600	2.5	144,300	1.8	393,800	2.3	28,600
Darlek	-	-	549,100	2.0	342,300	1.6	891,400	1.9	53,100
Flinders	-	-	1,216,600	1.9	576,500	1.5	1,793,200	1.8	102,000
TOTAL	-	-	3,518,800	1.9	1,939,000	1.8	5,457,800	1.9	328,700

Notes:

- Figures have been rounded and hence may not add up exactly to the given totals.
- Resources are inclusive of Reserves reported at 0.5 g/t cut-off.
- Refer to the 7 November 2017 ASX release for JORC Table 1 details

Due to recent drilling in the Flinders area, the Resource estimate will be updated to incorporate the new information by June 2018. Additional drilling within existing resource shapes is not considered to materially change the overall Resources as currently stated.

The information in this report that relates to Mineral Resources is based on information compiled by Rob Hartley who is a full-time employee of the company and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hartley consents to the inclusion in this report of the matters based on his information in the form and context in which it appears and is a Member of the AusIMM.

Gold Ore Reserves as at 30 June 2017

RESERVE	PROVED		PROBABLE		TOTAL		
	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Ounces
West Oliver	-	-	128,000	2.7	128,000	2.7	11,000
Bass	-	-	95,000	2.9	95,000	2.9	9,000
Hronsky	-	-	136,000	2.9	136,000	2.9	13,000
Darlek	-	-	181,000	2.3	181,000	2.3	13,000
Flinders	-	-	249,000	2.9	249,000	2.9	23,000
TOTAL	-	-	790,000	2.7	790,000	2.7	69,000

Notes:

- Estimations have been rounded to the nearest 1,000 tonnes, 0.1 g/t Au grade and 1,000 ounces.
- Differences may occur due to rounding.
- Probable Ore Reserves restated to remove a small amount (4%) of Inferred Resource material which was part of the April 17 tabulation.
- This Ore Reserve statement has not yet been updated to reflect the Mineral Resources released in November 2017, however the new information is not expected to materially change the project.
- Updated Table 1 Section 4 of the JORC Code 2012 has been included (see Appendix 5). Table 1, Sections 1-3 as previously reported (full details in ASX release "Gold Feasibility Study Results" dated 26 April 2017).

The information in this report that relates to Ore Reserves is based on information compiled by Dave Clark who is a full-time employee of Minero Consulting and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Clark consents to the inclusion in this report of the matters based on his information in the form and context in which it appears and is a Fellow of the AusIMM.

APPENDIX 3: Tottenham Copper Resources as at November 2011

CATEGORY	Million tonnes	Cu %	Metal tonnes
Measured	-	-	-
Indicated	4.93	1.38	68,000
Inferred	2.00	0.86	17,200
TOTAL	6.93	1.23	85,300

Note: Reported Resources above a 0.4% lower cut-off.

This information was prepared and first disclosed under the JORC Code 2004 (for further details, refer to ASX release dated 21 February 2008). Due to recent drilling, the Resource estimate will be updated to incorporate the new information and meet the requirements of the JORC Code (2012).

The information in this Public Report that relates to Mineral Resources is based on information compiled by Mr Robert Hartley who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Hartley is a permanent employee of Mincor Resources NL. Mr Hartley has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that they are undertaking to qualify as a Competent Persons as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hartley consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

APPENDIX 4: Mining Tenements held as at 31 December 2017

Lease	Location	Area of interest	Status	Expiry date	Mincor's interest	Mineral rights
E 15/1418	Kambalda	Bluebush	Granted	16/12/2020	100%	All
E 15/1456	Kambalda	Bluebush	Granted	08/07/2020	100%	All
M 15/49	Kambalda	Bluebush	Granted	14/02/2026	100%	All except Au
M 15/63	Kambalda	Bluebush	Granted	03/01/2026	100%	All except Au
ML 15/131	Kambalda	Bluebush	Granted	31/12/2029	100%	All except Au
ML 15/140	Kambalda	Bluebush	Granted	31/12/2029	100%	All except Au
ML 15/494 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/495 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/498 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/499 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/500 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/501 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/502 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/504 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/506 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/507 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/508 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/509 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/510 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/511 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/512 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/513 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/514 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/515 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/516 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/517 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/518 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/519 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/520 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/521 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/522 [^]	Widgiemooltha	Bluebush	Granted	31/12/2018	100%	All except Au
ML 15/523 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/524 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
ML 15/525 [^]	Widgiemooltha	Bluebush	Granted	31/12/2017	100%	All except Au
P 15/5767	Kambalda	Bluebush	Renewal Pending	17/07/2017	100%	All
L 26/241	Kambalda	Carnilya Hill	Granted	09/08/2028	70%	Infrastructure
L26/279	Kambalda	Carnilya Hill	Granted	01/10/2038	100%	Infrastructure
L26/280	Kambalda	Carnilya Hill	Granted	01/10/2038	100%	Infrastructure
M 26/453	Kambalda	Carnilya Hill	Granted	14/12/2036	70%	All
M 26/47	Kambalda	Carnilya Hill	Granted	30/05/2026	70%	All
M 26/48	Kambalda	Carnilya Hill	Granted	30/05/2026	70%	All
M 26/49	Kambalda	Carnilya Hill	Granted	30/05/2026	70%	All
East 48 Lot 11-1	Kambalda	Otter-Juan	Freehold	N/A	100%	All

Lease	Location	Area of interest	Status	Expiry date	Mincor's interest	Mineral rights
East 48 Lot 11-2	Kambalda	Otter-Juan	Freehold	N/A	100%	All
East 48 Lot 11-3	Kambalda	Otter-Juan	Freehold	N/A	100%	All
East 48 Lot 12	Kambalda	Otter-Juan	Freehold	N/A	100%	All
EL 6592	Lachlan Fold Belt	Tottenham	Granted	28/06/2020	80.12%	All
EL 6656	Lachlan Fold Belt	Tottenham	Granted	26/10/2020	80.12%	All
EL 8384	Lachlan Fold Belt	Tottenham	Granted	27/07/2020	80.12%	All
M 63/242	Norseman	Tramways	Granted	11/11/2033	100%	All
E 15/1059	Kambalda	Widgiemooltha	Granted	08/10/2018	100%	All
E 15/1060	Kambalda	Widgiemooltha	Granted	08/10/2018	100%	All
E 15/1130	Kambalda	Widgiemooltha	Granted	07/12/2019	100%	All
E 15/1432	Kambalda	Widgiemooltha	Granted	09/03/2020	100%	All
E 15/1440	Kambalda	Widgiemooltha	Granted	22/02/2020	100%	All
E 15/1442	Kambalda	Widgiemooltha	Granted	17/03/2020	100%	All
E 15/1469	Kambalda	Widgiemooltha	Granted	16/12/2020	100%	All
E 15/989	Kambalda	Widgiemooltha	Granted	11/08/2018	100%	All except Ni
L 15/143	Kambalda	Widgiemooltha	Granted	07/08/2020	100%	Infrastructure
L 15/162	Kambalda	Widgiemooltha	Granted	21/10/2021	100%	Infrastructure
L 15/163	Kambalda	Widgiemooltha	Granted	21/10/2021	100%	Infrastructure
L 15/191	Kambalda	Widgiemooltha	Granted	13/02/2020	100%	Infrastructure
L 15/235	Kambalda	Widgiemooltha	Granted	16/12/2023	100%	Infrastructure
L 15/243	Kambalda	Widgiemooltha	Granted	15/10/2024	100%	Infrastructure
L 15/244	Kambalda	Widgiemooltha	Granted	13/04/2024	100%	Infrastructure
L 15/247	Kambalda	Widgiemooltha	Granted	26/05/2025	100%	Infrastructure
L 15/257	Kambalda	Widgiemooltha	Granted	31/08/2025	100%	Infrastructure
L15/363*	Kambalda	Widgiemooltha	Application			Infrastructure
L15/373*	Kambalda	Widgiemooltha	Application			Infrastructure
L15/374*	Kambalda	Widgiemooltha	Application			Infrastructure
L15/378*	Kambalda	Widgiemooltha	Application			Infrastructure
M 15/103	Kambalda	Widgiemooltha	Granted	11/12/2026	100%	All except Ni
M 15/105	Kambalda	Widgiemooltha	Granted	21/10/2026	100%	All
M 15/1457	Kambalda	Widgiemooltha	Granted	10/01/2033	100%	All
M 15/1458	Kambalda	Widgiemooltha	Granted	10/01/2033	100%	All
M 15/1459	Kambalda	Widgiemooltha	Granted	10/01/2033	100%	All
M 15/1476	Kambalda	Widgiemooltha	Granted	10/01/2033	100%	All
M 15/1481	Kambalda	Widgiemooltha	Granted	15/11/2025	100%	All
M 15/44	Kambalda	Widgiemooltha	Granted	14/02/2026	100%	All
M 15/45	Kambalda	Widgiemooltha	Granted	14/02/2026	100%	All except Ni
M 15/46	Kambalda	Widgiemooltha	Granted	14/02/2026	100%	All except Ni
M 15/462	Kambalda	Widgiemooltha	Granted	19/10/2031	100%	All
M 15/478	Kambalda	Widgiemooltha	Granted	02/08/2032	100%	All
M 15/48	Kambalda	Widgiemooltha	Granted	13/02/2026	100%	All except Ni
M 15/543	Kambalda	Widgiemooltha	Granted	14/01/2033	100%	All
M 15/601	Kambalda	Widgiemooltha	Granted	11/11/2033	100%	All
M 15/609	Kambalda	Widgiemooltha	Granted	11/11/2033	100%	All
M 15/611	Kambalda	Widgiemooltha	Granted	28/05/2034	100%	All
M 15/634	Kambalda	Widgiemooltha	Granted	18/02/2035	100%	All
M 15/635	Kambalda	Widgiemooltha	Granted	18/02/2035	100%	All
M 15/667	Kambalda	Widgiemooltha	Granted	19/10/2035	100%	All
M 15/668	Kambalda	Widgiemooltha	Granted	19/10/2035	100%	All
M 15/693	Kambalda	Widgiemooltha	Granted	06/04/2036	100%	All except Ni
M 15/734	Kambalda	Widgiemooltha	Granted	16/10/2036	100%	All
M 15/745	Kambalda	Widgiemooltha	Granted	01/12/2036	100%	All
M 15/76	Kambalda	Widgiemooltha	Granted	21/10/2026	100%	All
M 15/77	Kambalda	Widgiemooltha	Granted	21/10/2026	100%	All except Ni
M 15/78	Kambalda	Widgiemooltha	Granted	21/10/2026	100%	All except Ni
M 15/79	Kambalda	Widgiemooltha	Granted	21/10/2026	100%	All except Ni
M 15/80	Kambalda	Widgiemooltha	Granted	06/09/2026	100%	All except Ni
M 15/81	Kambalda	Widgiemooltha	Granted	21/10/2026	100%	All
M 15/82	Kambalda	Widgiemooltha	Granted	21/10/2026	100%	All
M 15/83	Kambalda	Widgiemooltha	Granted	21/10/2026	100%	All
M 15/85	Kambalda	Widgiemooltha	Granted	21/10/2026	100%	All
M 15/86	Kambalda	Widgiemooltha	Granted	21/10/2026	100%	All
M 15/88	Kambalda	Widgiemooltha	Granted	05/08/2026	100%	All
M 15/89	Kambalda	Widgiemooltha	Granted	05/08/2026	100%	All
M 15/90	Kambalda	Widgiemooltha	Granted	05/08/2026	100%	All

Lease	Location	Area of interest	Status	Expiry date	Mincor's interest	Mineral rights
M 15/907	Kambalda	Widgiemooltha	Granted	30/04/2019	100%	All
M 15/91	Kambalda	Widgiemooltha	Granted	30/05/2026	100%	All
M 15/92	Kambalda	Widgiemooltha	Granted	05/08/2026	100%	All
M 15/93	Kambalda	Widgiemooltha	Granted	05/08/2026	100%	All
M 15/94	Kambalda	Widgiemooltha	Granted	30/05/2026	100%	All except Ni
M15/1830	Kambalda	Widgiemooltha	Granted	16/03/2038	100%	All
P 15/5390	Kambalda	Widgiemooltha	Granted	12/04/2018	100%	All
P 15/5391	Kambalda	Widgiemooltha	Granted	12/04/2018	100%	All
P 15/5393	Kambalda	Widgiemooltha	Granted	15/03/2018	100%	All
P 15/5543	Kambalda	Widgiemooltha	Granted	16/03/2019	100%	All
P 15/5645	Kambalda	Widgiemooltha	Granted	06/03/2020	100%	All
P 15/5769	Kambalda	Widgiemooltha	Renewal Pending	16/09/2017	100%	All
P 15/5781	Kambalda	Widgiemooltha	Renewal Pending	24/11/2017	100%	All
P 15/5805	Kambalda	Widgiemooltha	Granted	11/03/2018	100%	All
P 15/5806	Kambalda	Widgiemooltha	Granted	26/12/2017	100%	All
P 15/5808	Kambalda	Widgiemooltha	Granted	15/01/2018	100%	All
P 15/5911	Kambalda	Widgiemooltha	Granted	05/05/2019	100%	All
P 15/5934	Kambalda	Widgiemooltha	Granted	24/02/2019	100%	All
P 15/5945	Kambalda	Widgiemooltha	Granted	29/04/2019	100%	All
P 15/6005	Kambalda	Widgiemooltha	Granted	10/07/2020	100%	All

^aExtension of term on the tenements granted on 10 January 2018 with new expiry date of 20 December 2038.

*L15/363, L15/373, L15/374, L15/378 – Miscellaneous Licence applications for infrastructure (road/pipeline) lodged 03/02/2017, 07/08/2017, 25/08/2017 and 04/12/2017

*All Mineral Leases expiring 31/12/2017 have had extension of terms lodged on 27 October 2017

E = Exploration Licence (WA)

M = Mining Lease

P = Prospecting Licence

ML = Mineral Lease (WA)

EL = Exploration Licence

L = Miscellaneous Licence

Changes in interests in mining tenements and petroleum tenements

Tenement reference and location	Nature of interest	Interest at beginning of Quarter	Interest at end of Quarter
M15/130*	Surrendered	100%	0%
ML15/526*	Surrendered	100%	0%
ML15/527*	Surrendered	100%	0%
ML15/528*	Surrendered	100%	0%
ML15/529*	Surrendered	100%	0%
ML15/530*	Surrendered	100%	0%
ML15/531*	Surrendered	100%	0%
ML15/532*	Surrendered	100%	0%
ML15/533*	Surrendered	100%	0%
ML15/534*	Surrendered	100%	0%
ML15/535*	Surrendered	100%	0%
E15/1365	Surrendered	100%	0%
E15/1366	Surrendered	100%	0%

*Tenements were surrendered and amalgamated into E15/1418.

Beneficial percentage interest held in farm-in or farm-out agreements during the December 2017 Quarter

Tenement reference and location	Nature of interest	Interest at beginning of Quarter	Interest at end of Quarter
EL6592	Joint Venture	100%	80.12%
EL6656	Joint Venture	100%	80.12%
EL8384	Joint Venture	100%	80.12%

APPENDIX 5: Table 1, Section 4: Estimation and Reporting of Gold Ore Reserves (June 2017)

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	<ul style="list-style-type: none"> Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve. Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves. 	<ul style="list-style-type: none"> List of resource block models follows and dates of estimation: <ul style="list-style-type: none"> Bass.mdl-Dec2016 Darlek selective mining.mdl -jan 2016 Flinders op model.mdl- feb 2017 West oliver dec2016.mdl Hronsky selective pit.mdl- jan 2017 Mineral Resources are inclusive of Ore Reserves.
	<ul style="list-style-type: none"> Comment on any site visits undertaken by the Competent Person and the outcome of those visits. If no site visits have been undertaken indicate why this is the case. 	<ul style="list-style-type: none"> Competent Person visited the site in March 2017.
Study status	<ul style="list-style-type: none"> The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves. The Code requires that a study to at least Prefeasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered. 	<ul style="list-style-type: none"> The study is considered to be to a bankable feasibility level of confidence (i.e. +/- 15% accuracy).
Cut-off parameters	<ul style="list-style-type: none"> The basis of the cut-off grade(s) or quality parameters applied. 	<ul style="list-style-type: none"> Cut-off grades based on quotes for mining, indicative toll milling rates and budgeted gold price of A\$1,450/ounce for Reserves in current mine plan.
Mining factors or assumptions	<ul style="list-style-type: none"> The method and assumptions used as reported in the Prefeasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design). The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc. The assumptions made regarding geotechnical parameters (e.g. pit slopes, stope sizes, etc), grade control and pre-production drilling. The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate). The mining dilution factors used. The mining recovery factors used. Any minimum mining widths used. The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion. The infrastructure requirements of the selected mining methods. 	<ul style="list-style-type: none"> Resources were imported in to Whittle pit optimisation software to generate optimum pits at various gold prices. The A\$1,450 pit shells were used as the basis for design. All mining is assumed to be via open pit utilising six-wheel articulated trucks that can use steeper ramps and smaller turning radius. Green Geotechnical reviewed existing pits and fresh diamond drill core to produce a series of wall and batter angles, the steepest was 70°. Mining dilution is a factored 20% for all pits except the main Flinders pit which was reduced to 10% given the greater ore widths. Mining recovery is 95%. Mining is via medium size excavator with 2 m minimum mining width. The Ore Reserve estimation is exclusive of all Inferred material. The open pits with require some minor road upgrades to access the highway, Power will be via diesel gensets and potable water available from the scheme water pipeline.
Metallurgical factors or assumptions	<ul style="list-style-type: none"> The metallurgical process proposed and the appropriateness of that process to the style of mineralisation. Whether the metallurgical process is well-tested technology or novel in nature. The nature, amount and representativeness of metallurgical testwork undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied. Any assumptions or allowances made for deleterious elements. 	<ul style="list-style-type: none"> Standard CIP recovery from cyanide leached gold is the recovery method. Testwork samples were taken from each prospect with one composite of saprolite and one composite of saprock/fresh material. Darlek only had one composite from the base of the current open pit. No deleterious elements are expected. Three of the existing ore bodies where treated previously either at the Chalice mill or Burbanks mill. However, that mill data is not available.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> The existence of any bulk sample or pilot scale testwork and the degree to which such samples are considered representative of the orebody as a whole. For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications? 	
Environmental	<ul style="list-style-type: none"> The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported. 	<ul style="list-style-type: none"> Botanica Consulting have conducted initial flora and fauna surveys, a second autumn flora survey will be conducted shortly. Waste rock samples have been collected from each prospect. The West Oliver pit design does encroach on to the Widgiemooltha creek and a diversion has been designed. Noise and dust monitoring will be required as the residents of Widgiemooltha are within a kilometre of the Hronsky prospect.
Infrastructure	<ul style="list-style-type: none"> The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed. 	<ul style="list-style-type: none"> The Coolgardie-Esperance Highway is within a few kilometres to the east. Potable water is available by moving Mincor's existing Redross allocation from the scheme pipeline that passes through Widgiemooltha township. Power requirements will be for offices and workshop and will be via diesel genset.
Costs	<ul style="list-style-type: none"> The derivation of, or assumptions made, regarding projected capital costs in the study. The methodology used to estimate operating costs. Allowances made for the content of deleterious elements. The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co-products. The source of exchange rates used in the study. Derivation of transportation charges. The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc. The allowances made for royalties payable, both Government and private. 	<ul style="list-style-type: none"> Capital costs are limited to mobilisation costs of mining contractor, minor road works, two culverts and one creek diversion. Operating costs were from RFQs provided by three mining contractors. No deleterious elements exist. The project has a short life and fast implementation phase so current gold prices and exchange rates have been used. Transportation costs also via RFQ from three trucking companies. Several toll milling options exist, the assumption is the upper limit of the existing mills capacity. There is a 2.5% state royalty and a private royalty payable.
Revenue factors	<ul style="list-style-type: none"> The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc. The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products. 	<ul style="list-style-type: none"> Head grade is based on diluted and recovered Resources from whittle optimised pit shells at A\$1,450/ounce. Gold price is based on near current spot and exchange rate A\$1,600/ounce.
Market assessment	<ul style="list-style-type: none"> The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future. A customer and competitor analysis along with the identification of likely market windows for the product. Price and volume forecasts and the basis for these forecasts. For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract. 	<ul style="list-style-type: none"> Gold bullion would be produced for sale. This is an easily traded product and likely sold to the Perth Mint.
Economic	<ul style="list-style-type: none"> The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc. NPV ranges and sensitivity to variations in the significant assumptions and inputs. 	<ul style="list-style-type: none"> Key financial assumptions – gold price of A\$1,600/ounce, accumulated tax loss of A\$73.1 million, ore toll treatment capacity of 60,000 tonnes/month. Sensitivity modelling was carried out on key operating cost and revenue driver areas to +/-15%

Criteria	JORC Code explanation	Commentary
		<p>variation ranges to test the robustness of the project.</p> <ul style="list-style-type: none"> • Sensitivity plots confirmed that gold price and recovered gold were the most sensitive parameters. • Gold price sensitivity was carried out down to A\$1,200/ounce gold price, which confirmed that the project would still achieve a positive NPV. • Pits optimised at A\$1,450 – being below the price used in the feasibility. • RFQ rates and data received from mining and haulage contractors and mills, requested for $\pm 15\%$. • 8% discount rate used in DFS financial model.
Social	<ul style="list-style-type: none"> • The status of agreements with key stakeholders and matters leading to social licence to operate. 	<ul style="list-style-type: none"> • Mining Licence from WA State Government. • Involvement of local Widgiemooltha townspeople in operational and mine closure plans.
Other	<ul style="list-style-type: none"> • To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves: • Any identified material naturally occurring risks. • The status of material legal agreements and marketing arrangements. • The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent. 	<ul style="list-style-type: none"> • All tenements are granted mining licences. • Approval for land clearance has been obtained. • Final Mining Proposal is yet to be submitted but all environmental issues have been addressed and is not expected to be unreasonably withheld.
Classification	<ul style="list-style-type: none"> • The basis for the classification of the Ore Reserves into varying confidence categories. • Whether the result appropriately reflects the Competent Person's view of the deposit. • The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any). 	<ul style="list-style-type: none"> • Probable Reserves are based on (i.e. are a subset of) Indicated Resources subject to financial viability. • The Competent Person is satisfied with the classification of the Reserves in view of the deposit.
Audits or reviews	<ul style="list-style-type: none"> • The results of any audits or reviews of Ore Reserve estimates. 	<ul style="list-style-type: none"> • No audits of the Reserve have been undertaken.
Discussion of relative accuracy/ confidence	<ul style="list-style-type: none"> • Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate. • The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. • Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage. • It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available. 	<ul style="list-style-type: none"> • Reserve estimate is global. • The Reserve is most sensitive to the dilution parameters, and given some geometric complexity to the West Oliver and Flinders interpretations might lessen their relative confidence in achieving the dilution parameters as planned. • The Bass, Hronsky and to a lesser extent Darlek orebodies are less complex and hence have less risk attached to them.