MINCOR RESOURCES NL

(ACN 072 745 692)

HALF YEAR FINANCIAL REPORT

31 December 2001

TABLE OF CONTENTS

DIRECTORS' REPORT

Your directors present their report on the consolidated entity consisting of Mincor Resources NL and the entities it controlled at the end of, or during, the half year ended 31 December 2001.

DIRECTORS

The following persons were directors of Mincor Resources NL ("the Company") during the whole of the half year and up to the date of this report:

Name	Particulars
DJ Humann	Non-Executive Director and Chairman
DCA Moore	Managing Director
RG Wadley	Non-Executive Director
JW Gardner	Non-Executive Director
WJ du Plessis	Alternate Director

REVIEW OF OPERATIONS

During the period, the Company's 76% owned Miitel Nickel Sulphide Mine mined 95,218 dry metric tonnes at an average nickel grade of 4.47% to produce 3,838 tonnes of nickel-in-concentrate (2,917 tonnes attributable to the Company).

On 21 September 2001, the Company purchased an interest in the Wannaway Nickel Sulphide Mine and the surrounding exploration holdings from WMC Resources Ltd by way of its existing 76% interest in the Miitel Joint Venture, an unincorporated joint venture. The Miitel Joint Venture paid $10 million for the Wannaway Nickel Sulphide Mine, of which the Company's share was $7.6 million.

The Miitel Joint Venture raised project debt finance of $10.5 million to assist with the purchase of the Wannaway Nickel Sulphide Mine via an extension of its existing project finance facility. The Company's share of this additional project debt was $7.98 million.

As part of the extension to the project debt finance facility, the Company hedged an additional 3,116 tonnes of nickel metal at an average Australian dollar price of approximately A$10,300 per tonne.

Production commenced at the Wannaway Nickel Sulphide Mine in late October 2001. As at 31 December 2001 the Wannaway Nickel Sulphide Mine had produced 20,510 dry metric tonnes of ore at an average grade of 3.13% for 567 tonnes of nickel-in-concentrate (431 tonnes attributable to the Company).

During the period the Miitel Joint Venture repaid $4 million of the project debt finance facility ($3.04 million attributable to the Company).

On 21 January 2002 the Company announced a Probable Ore Reserve for the Redross Mine of 483,654 tonnes at 3.19% nickel. The Redross Mine is owned by the Miitel Joint Venture, in which the Company has a 76% interest.

Tethyan Copper Company Ltd (76% owned controlled entity) completed a scoping study on the H4 Copper Project at Reko Diq in Pakistan during the period. Based on the scoping study conducted by consulting group SRK Consulting, the Probable Ore Reserve is estimated to be 78 million tonnes at 0.7% copper, using a 0.3% copper cut-off.

Global events resulted in a delay in the Company's planned listing of the Tethyan Copper Company Ltd to raise funds for a bankable feasibility study on the Reko Diq Project. However, the Directors are currently proceeding with a view to listing the Tethyan Copper Company Limited during calendar year 2002.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in Class Order 98/0100 issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off to the nearest thousand dollars in accordance with that Class Order.

This report is made in accordance with a resolution of the Directors.

DJ Humann
Director and Chairman

PERTH
26 February 2002

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE
For the Half Year Ended 31 December 2001

	Note	CONSOLIDATED 31 December 2001 A$'000	31 December 2000 A$'000
Revenue from Ordinary Activities		23,502	131
Mining contractor costs		(6,196)	-
Ore tolling costs		(3,116)	-
Royalty expense		(1,179)	-
Employee benefit expense		(659)	-
Borrowing cost expense		(1,298)	-
Exploration costs provided for or expensed		(418)	(319)
Depreciation and amortisation expense		(3,579)	-
Other expenses from ordinary activities		(1,940)	(759)
Profit/(loss) from ordinary activities before income tax expense		5,117	(947)
Income tax expense		(1,918)	-
Net profit/(loss)		3,199	(947)
Net profit/(loss) attributable to outside equity interest		-	-
Total changes in equity other than those resulting from transactions with owners as owners		3,199	(947)
		Cents	**Cents**
Basic and diluted earnings per share		1.8¢	(0.80)¢

The above Consolidated Statement of Financial Performance should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2001

	Note	CONSOLIDATED 31 December 2001 A$'000	30 June 2001 A$'000
Current Assets			
Cash assets	3	13,172	9,529
Receivables		9,214	7,789
Inventory		146	-
Prepayments		41	41
Total Current Assets		22,573	17,359
Non-Current Assets			
Receivables		204	205
Investments		520	520
Property, plant and equipment		31,940	24,864
Development properties		2,280	-
Exploration and evaluation expenditure		7,857	7,409
Borrowing establishment costs		964	734
Total Non-Current Assets		43,765	33,732
TOTAL ASSETS		66,338	51,091
Current Liabilities			
Payables		13,906	8,890
Interest bearing liabilities		16,312	9,724
Provisions		239	223
Total Current Liabilities		30,457	18,837
Non-Current Liabilities			
Interest bearing liabilities		13,067	14,607
Deferred tax liabilities		4,070	2,072
Provisions		-	30
Total Non-Current Liabilities		17,137	16,709
TOTAL LIABILITIES		47,594	35,546
NET ASSETS		18,744	15,545
Equity			
Contributed equity		18,243	18,243
Reserves		889	889
Accumulated losses		(783)	(3,982)
Total parent equity interest		18,349	15,150
Outside equity interest in controlled entities		395	395
TOTAL EQUITY		18,744	15,545

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the Half Year Ended 31 December 2001

		CONSOLIDATED	
	Note	31 December 2001 A$'000	31 December 2000 A$'000
Cash Flows from Operating Activities			
Receipts from customers (inclusive of GST)		24,291	-
Payments to suppliers and employees (inclusive of GST)		(13,407)	(197)
		10,884	(197)
Interest received		268	90
Other revenue		15	-
Interest paid		(1,548)	-
Net Cash Inflow/(Outflow) from Operating Activities		9,619	(107)
Cash Flows from Investing Activities			
Payments for acquisition of mine properties		(7,909)	(275)
Payments for property, plant and equipment		(1,022)	(1)
Payments for mine development		(1,111)	-
Payments for exploration and evaluation expenditure		(450)	(959)
Payment to Debt Service Reserve Account	3	(3,040)	-
Payment to Deferred Payment Reserve Account	3	(2,280)	-
Loans to related parties		-	-
Proceeds from sale of property, plant and equipment		13	-
Net Cash (Outflow) from Investing Activities		(15,799)	(1,235)
Cash Flows from Financing Activities			
Proceeds from issues of shares		-	1,060
Repayment of borrowings		(3,040)	-
Proceeds from borrowings		7,980	-
Payments for borrowing costs		(437)	-
Net Cash Inflow/(Outflow) from Financing Activities		4,503	1,060
Net Increase (Decrease) in Cash Held		(1,677)	(282)
Cash at the Beginning of the Reporting Period		9,529	3,114
Cash at the End of the Reporting Period	3	7,852	2,832

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Half Year Ended 31 December 2001

NOTE 1
Basis of Preparation of Half Year Financial Report

This general purpose financial report for the half-year reporting period ended 31 December 2001 has been prepared in accordance with Accounting Standard AASB 1029: Interim Financial Reporting, other mandatory professional requirements (Urgent Issues Group Consensus Views), other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2001 and any public announcements made by Mincor Resources NL during the interim period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

NOTE 2
Segment Information

The consolidated entity operates predominantly in the mining industry and principally within the geographical areas of Australia, Africa, South West Pacific, and Pakistan.

Geographic segment information is as follows:

		Australia $'000	Africa $0'000	South West Pacific $'000	Pakistan $'000	Consolidation $'000
i)	**2001**					
	Revenue from operating activities	23,224	-	-	-	23,224
	Interest revenue	278	-	-	-	278
	Other revenue	-	-	-	-	-
	Total revenue	23,502	-	-	-	23,502
	Consolidated entity operating profit/(loss) after income tax	3,239	-	(3)	(37)	3,199
ii)	**2000**					
	Interest revenue	90	-	-	-	90
	Other revenue	41	-	-	-	41
	Total revenue	131	-	-	-	131
	Consolidated entity operating profit/(loss) after income tax	(952)	-	5	-	(947)

NOTE 3
Cash Assets

Cash assets are reconciled to Cash at the End of the Reporting Period as shown on the Consolidated Statement of Cash Flows as follows:

	CONSOLIDATED	
	31 December 2001 A$'000	31 December 2000 A$'000
Cash Assets	13,172	9,529
Less: Debt Service Reserve Account	(3,040)	-
Deferred Payment Reserve Account	(2,280)	-
Balance per Consolidated Statement of Cash Flows	7,852	9,529

Under the terms of the bank finance facility provided by Bank of Western Australia Limited and Bank of Scotland to fund the Company's 76% share of the Miitel Joint Venture's acquisition of assets, the Company has established a Debt Service Reserve Account of $3,040,000. This account is required to be held in reserve for the period of the facility to be available only to fund the Company's interest and principal repayment obligations.

In addition, the Company has established a Deferred Payment Reserve Account of $2,280,000 to fund the Company's obligation to pay to WMC Resources Ltd the deferred payment pursuant to the Miitel Sale Agreement. Pursuant to the Sale Agreement with WMC Resources Ltd to purchase the Miitel Nickel Mine and associated exploration holdings, the Company has an obligation to pay to WMC Resources Ltd an amount of $2,280,000 for the Redross mining lease, subject to WMC Resources Ltd successfully defending a plaint for forfeiture against the Redross mining lease. This amount is payable to WMC Resources Ltd upon the later of the successful defence by WMC Resources Ltd and 28 February 2002. The $2,280,000 is not payable in the event the plaint is not successfully defended. During the six month period to 31 December 2001 the Company recognised as a liability the obligation of $2,280,000 payable to WMC Resources Ltd.

NOTE 4
Investments in Controlled Entities

Tethyan Copper Company Limited

On 28 June 2000, the Company incorporated the Tethyan Copper Company Limited via an initial capital subscription of $400,000. The purpose of this entity is to pursue mineral exploration.

During the year ended 30 June 2001 the Tethyan Copper Company Limited raised a further $1,285,000 by the issue of 12.85 million Tethyan Copper Company Limited shares to seed investors to fund the Reko Diq Project. As a result of this issue the Company now owns 75.6% of the Tethyan Copper Company Limited. Under the terms of the initial issue of these Tethyan Copper Company Limited shares, the seed investors had the right, under certain conditions, to exchange their shares in the Tethyan Copper Company Limited for an equal number of shares in the Company between 1 January 2002 and 31 March 2002. This exercise period has subsequently been extended from 31 March 2002 to 31 December 2002.

NOTE 5
Working Capital Position

At 31 December 2001 the Company has a net current asset deficiency of $7,884,000. This deficiency arises as a direct result of the quarterly debt repayment schedule inherent in the project debt finance facility provided by Bank of Western Australia Limited and Bank of Scotland to fund the Company's 76% share of the Miitel Joint Venture's acquisition of assets.

The Total Current Liabilities balance at 31 December 2001 of $30,457,000 includes project debt finance quarterly repayments totalling $14,820,000. These repayments (totalling $14,820,000) will be funded from the Company's operating cashflow to be generated over the twelve month period from 1 January 2002 to 31 December 2002.

DIRECTORS' DECLARATION

The Directors of Mincor Resources NL declare that the financial statements and notes set out on pages 3 to 8:

(a) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

(b) give a true and fair view of the consolidated entity's financial position as at 31 December 2001 and of its performance, as represented by the results of its operations and its cash flows, for the half year ended on that date.

In the Directors' opinion there are reasonable grounds to believe that Mincor Resources NL will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

DJ Humann
Chairman

PERTH
26 February 2002

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Independent review report to the members of

Mincor Resources NL

Matters relating to the electronic presentation of the reviewed financial report

This review report relates to the financial report of Mincor Resources NL (the Company) for the half-year ended 31 December 2001 included on the Company's web site. The Company's directors are responsible for the integrity of the Mincor Resources NL web site. We have not been engaged to report on the integrity of this web site. The review report refers only to the financial report identified below. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial report. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on this web site.

Scope

We have reviewed the financial report of Mincor Resources NL for the half-year ended 31 December 2001 as set out on pages 3 to 9. The Company's directors are responsible for the financial report which includes the consolidated financial statements of the consolidated entity comprising the Company and the entities it controlled at the end of, or during, the half-year. We have performed an independent review of the financial report in order for the Company to lodge the financial report with the Australian Securities & Investments Commission. This review was performed in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 1029: Interim Financial Reporting, other mandatory professional reporting requirements and the Corporations Act 2001 in Australia, so as to present a view which is consistent with our understanding of the consolidated entity's financial position, and performance as represented by the results of its operations and its cash flows.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. The review is limited primarily to inquiries of company personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of the Company is not in accordance with:

(a) the Corporations Act 2001, including:

- (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2001 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 1029: Interim Financial Reporting and the Corporations Regulations 2001; and

(b) other mandatory professional reporting requirements.

PricewaterhouseCoopers

PricewaterhouseCoopers
Chartered Accountants

NM Henry

NM Henry
Partner

Perth
26 February 2001