

RESOURCE EXTENSION DRILLING COMMENCES AT KEN/McMAHON

- Diamond drilling underway at the advanced Ken/McMahon nickel project in North Kambalda.
- Program aimed at extending shallow nickel sulphide Resources within a lightly drilled 1.4km corridor of the Ken Channel, which is book-ended by the historical Ken and McMahon mines.
- The Ken and McMahon mines have cumulatively produced 1.1 million tonnes @ 2.90% nickel for 33,200 tonnes of contained nickel.
- The drilling program will focus on a newly-defined high-grade Exploration Target within this prospective corridor, encompassing extensions of the existing high-grade Mineral Resource of 8,700 nickel tonnes.
- If successful, the drilling has the potential to establish easily accessible Ore Reserves from multiple existing declines, forming the foundation of an additional mining centre alongside Durkin North, Cassini and Miitel that can form part of an optimised integrated re-start plan at Kambalda.

Mincor Resources NL (ASX: MCR) is pleased to advise that it has commenced a major resource extension drilling program at its advanced Ken/McMahon nickel project in North Kambalda.

The program forms part of Mincor's multi-pronged strategy of building quality nickel Resources and Reserves in the Kambalda region that can form part of an integrated re-start plan for the Company's nickel operations.

Other nickel work programs currently underway include mining studies at Durkin North and Cassini and drilling programs at Cassini and Durkin Oxide. The historical Ken/McMahon mines and associated nickel trend represent a new potential mining centre alongside Durkin North, Cassini and Miitel.

The opportunity at Ken was outlined in the Durkin North Feasibility Study (see ASX release, 10 March 2016). The study concluded that, if Durkin North became the anchor producer in the area, the identification of other high-grade Resource trends at North Kambalda which can be easily accessed and viably mined, would add substantially to the potential cash-flow generated by the overall project.

The Ken drilling program is designed to extend the existing high-grade Mineral Resource and test other mineralised target positions contained within the highly prospective Ken Channel (Figures 1 and 2). The mineralisation located within the Ken Channel resides in multiple positions and is generally thin but high grade (Figures 2 to 4). Some of the better historical diamond drill intersections (refer to Appendix) not currently in the Resource include:

- KD9156: 3.66m @ 11.99% Ni
- KD9421W1: 2.3m @ 3.32% Ni and 0.68m @ 9.84% Ni
- KS11-6: 4.08m @ 6.87% Ni
- KD9116: 1.28m @ 7.36% Ni
- KS12-1: 2.55m @ 9.12% Ni

Historically, the Ken mine was exploited by WMC during the 1970s and 1980s and produced 613,400 tonnes at a grade of 3.31% Ni via mechanised and airleg mining methods. Mining extended from near-surface and was developed on 10 levels to a depth of 358m.

Two main areas were mined – the upper Ken Main (analogous to the McMahon orebody position to the north) and the Ken Lower trough. The surface projection of the Ken Channel is in close proximity to the granite dome and was therefore also heavily disrupted by porphyry dykes.

The Ken Channel which hosts the Ken mine extends below and past the McMahon underground mine. The North Ken Resource is located just 67m below the current McMahon development and is 1.4km down-plunge from the Ken mine infrastructure. This means that the Ken Trough can be simultaneously accessed and explored from both ends (Figures 2 and 3). The average vertical depth of the channel in the under-explored 1.4km gap

between Ken and McMahon is 390m. This means that a significant strike length can be tested with surface drilling utilising holes less than 500m deep.

The historical drilling results, including existing Resources and mining production, have been used to determine a potential nickel Exploration Target of **500,000 to 600,000 tonnes at a grade between 3% Ni and 4% Ni** over the initial target area (Figure 2). The Exploration Target assumes a semi-continuous mineralised profile from below Ken 10 level to the Ken Resource shape below the McMahon workings. This is a strike length of 1.4km, an average thickness of 2–3m and a cumulative dip extent of 50m in multiple locations. It should be noted that the potential quantity and grade of the initial Exploration Target is conceptual in nature as there is insufficient information to estimate a Mineral Resource at this stage. It is uncertain that further exploration will result in the estimation of a Mineral Resource.

The next planned work is to drill two initial sections over the Exploration Target, which should be completed within two months. Further drilling will be designed as information comes to hand and will nominally be undertaken on 80m spaced section lines over the entire prospective strike length to enable an updated Mineral Resource estimate to be completed.

It expected that multiple surfaces are likely to be intersected in the Ken Channel and the initial Resource category is likely to be Inferred. Further infill drilling will then be required to achieve an Indicated Resource suitable for conversion to an Ore Reserve if the exploration is successful.

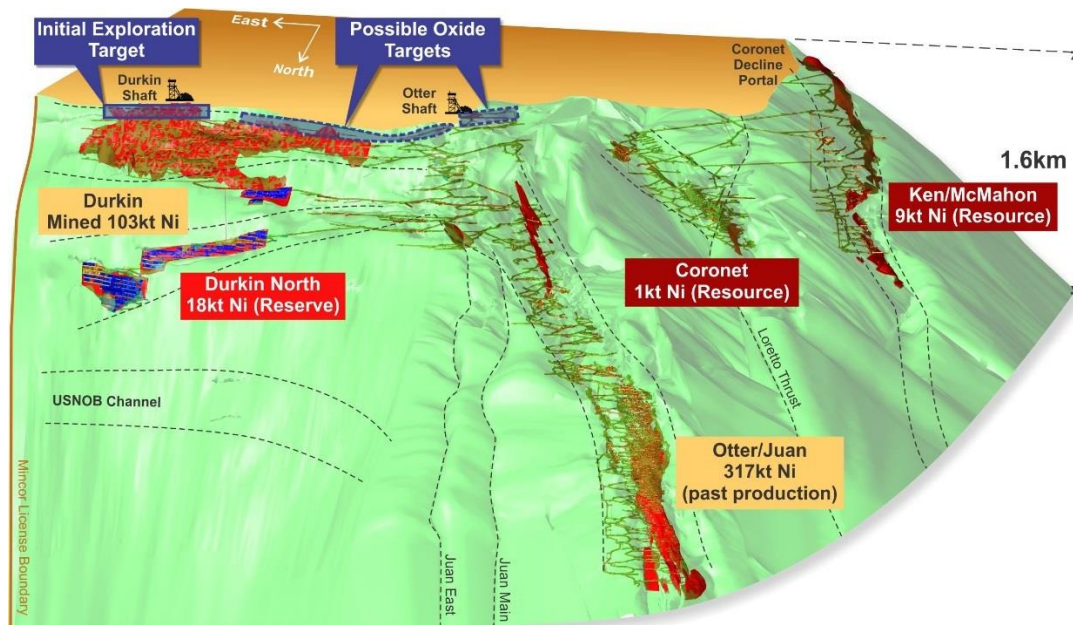
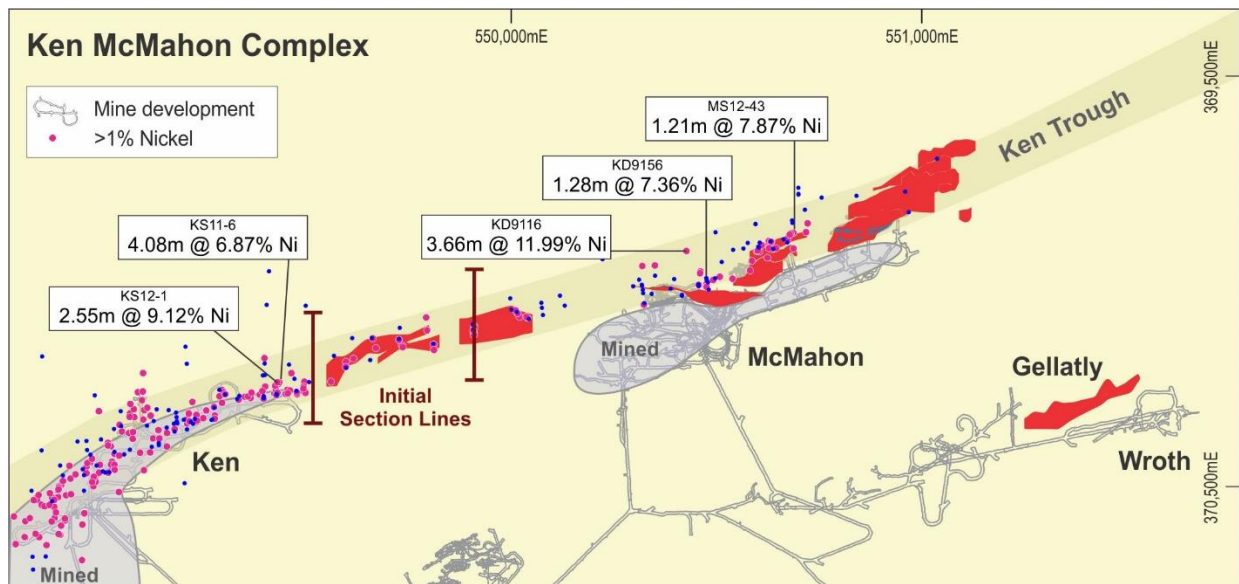
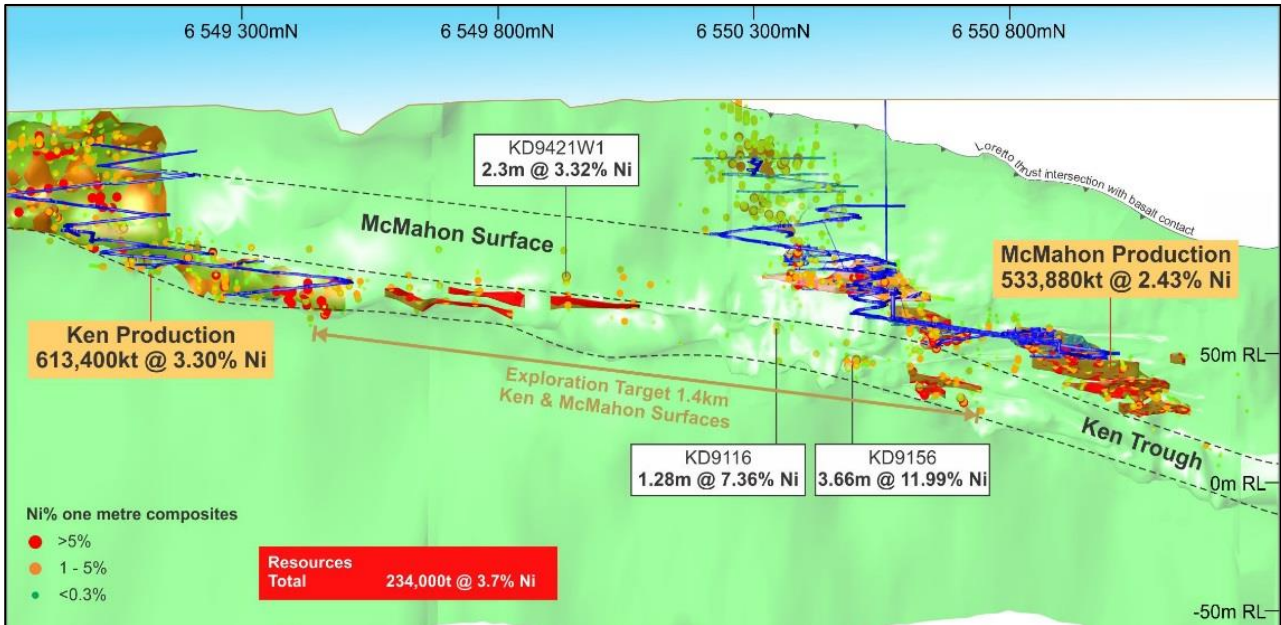


Figure 1: North Kambalda 3D image of the basalt contact showing major nickel mines and near surface nickel oxide target areas



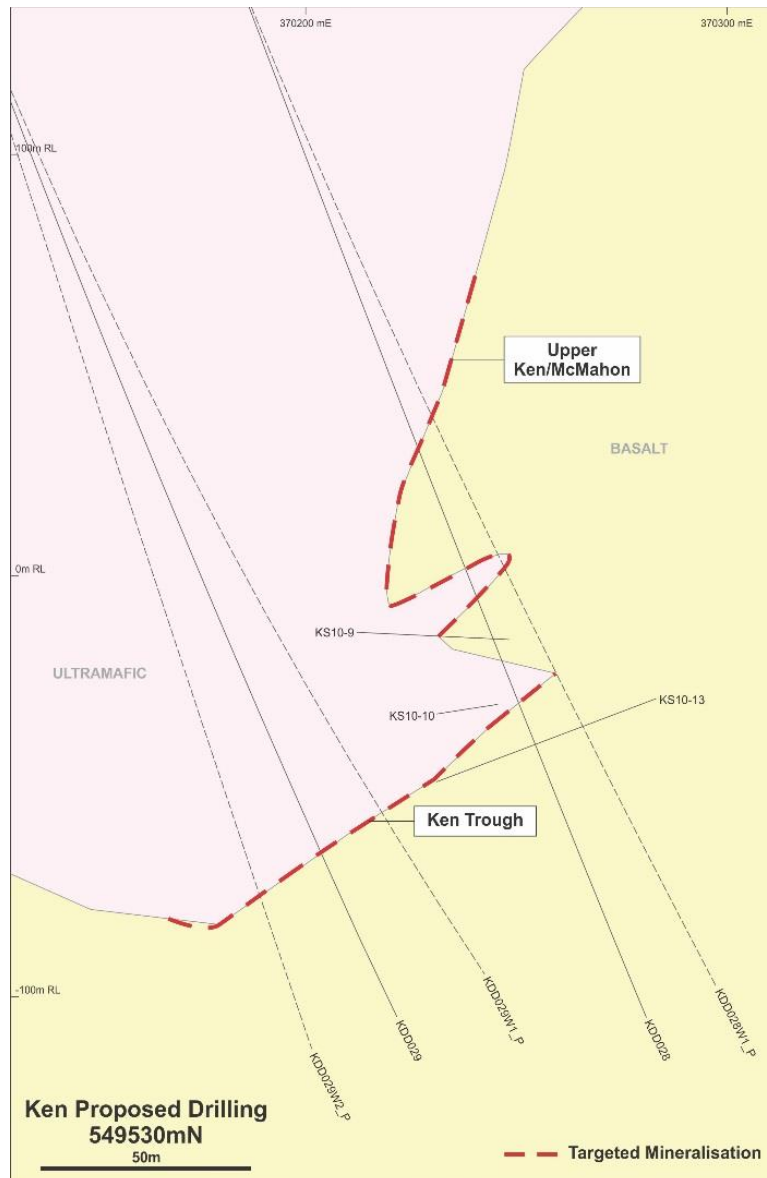


Figure 4: Ken trough cross sections showing the multiple target areas in Ken Channel to be tested

About Mincor Resources

Mincor Resources NL (ASX: MCR) is a proven explorer and miner in the Eastern Goldfields of Western Australia. The Company holds both nickel and gold assets with estimated Mineral Resources and Ore Reserves for each commodity, in the Kambalda District of Western Australia, a major nickel and gold producing area with a rich mineral endowment and developed mining infrastructure.

Mincor's strategy is to rapidly progress the exploration and development of its nickel assets to take advantage of the forecast growth in the nickel market over the next few years. Mincor believes it has consolidated nearly all the prospective ground in the Kambalda for shallow nickel sulphide mineralisation. Together with its existing nickel Mineral Resources inventory, Mincor has an exciting opportunity to grow a quality nickel Ore Reserve inventory in the district.

A major exploration push is underway within the Company's Kambalda landholdings. The 2018/19 nickel exploration program will progress multiple targets, with an initial focus on shallow regional targets.

In addition, the development of the 100% owned Widgiemooltha Gold Project allows Mincor to generate cash flows from its gold assets, supported by a processing agreement with a highly-respected operator. The gold development will include the mining of a series of shallow pits with an opportunity for growth with further exploration.

Forward-Looking Statement

This ASX Release may include certain forward-looking statements and opinions. Forward-looking statements, including projections, forecasts and estimates, are provided as a general guide only and should not be relied on as an indication or guarantee of future performance and involve known and unknown risks, uncertainties, assumptions, contingencies and other important factors, many of which are outside the control of Mincor and which are subject to change without notice and could cause the actual results, performance or achievements of Mincor to be materially different from the future results, performance or achievements expressed or implied by such statements. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Nothing contained in this ASX Release is, or and shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of Mincor.

The information in this Public Report that relates to Exploration Results and Exploration Targets is based on information compiled by Mr 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 20012 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.

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APPENDIX 1: Ken Historical Drill-Hole Information (1% Ni cut-off)

Hole ID	Collar coordinates						From	To	Interval	Est. true width	% Nickel	% Copper	% Cobalt
	MGA easting	MGA northing	MGA RL	EOH depth	Dip	MGA azimuth							
KD9116	369790.48	65505-0.51	349.75	585.83	-88	79.06	560.68	561.96	1.28		7.36	0.54	0.05
							568.12	569.06	0.94		1.60	0.15	
KD9156	369857.32	6550510.61	348.62	586	-90	359	535.43	539.09	3.66		11.99	1.07	
							550.50	550.72	0.22		3.61	0.25	
KD9421W1	370018.61	6549913.07	338.39	430.10	-90	359	347.72	348.22	0.5		1.65	0.04	0.03
							350.50	352.80	2.30		3.32	0.45	0.10
							392.55	393.40	0.85		3.89	0.35	0.01
							403.10	403.78	0.68		9.84	0.25	0.09
							414.85	415.42	0.57		8.65	0.64	0.01
KS11-6	370237.81	6549433.51	-45.66	40	-33	18.53	26.42	30.50	4.08		6.87		
KS12-1	370211.30	6549447.59	-61.86	39.1	-21	53.53	25	27.55	2.55		9.12		
MS12-43	369907.43	6550658.30	-98.93	197.50	-63.5	311.4	38.10	38.24	0.14		3.32	0.16	0.20
							123.78	124.74	0.96		1.60	0.03	0.02
							167.50	168.71	1.21		7.87	0.43	0.10

Cobalt and copper assays not always assayed in historical holes.

APPENDIX 2: Nickel Resources and Reserves

Nickel Mineral Resources as at 30 June 2018

RESOURCE	MEASURED		INDICATED		INFERRED		TOTAL		
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Ni tonnes
Cassini			499,000	3.5	51,000	2.6	550,000	3.4	18,700
Redross	39,000	4.9	138,000	2.9	67,000	2.9	244,000	3.2	7,900
Burnett	-	-	241,000	4.0	-	-	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	-	-	110,000	2.6	16,000	6.6	126,000	3.1	3,900
Carnilya*	33,000	3.6	40,000	2.2	-	-	73,000	2.8	2,100
Otter Juan	2,000	6.9	51,000	4.1	-	-	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	-	-	417,000	5.3	10,000	3.8	427,000	5.2	22,400
Gellatly	-	-	29,000	3.4	-	-	29,000	3.4	1,000
Voyce	-	-	50,000	5.3	14,000	5.0	64,000	5.2	3,400
Cameron	-	-	96,000	3.3	-	-	96,000	3.3	3,200
Stockwell	-	-	554,000	3.0	-	-	554,000	3.0	16,700
TOTAL	256,000	3.7	2,736,000	3.6	290,000	3.9	3,282,000	3.6	117,900

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

*Nickel Mineral Resource shown for Carnilya Hill are those attributable to Mincor – that is, 70% of the total Carnilya Hill nickel Mineral 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 nickel Mineral Resources is based on information compiled by Rob Hartley, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Hartley is a full-time employee of Mincor Resources NL 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.

Nickel Ore Reserves as at 30 June 2018

RESERVE	PROVED		PROBABLE		TOTAL		
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Ni tonnes
Burnett	-	-	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	-	-	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 nickel Mineral Resources are inclusive of nickel Ore Reserves.

The information in this report that relates to nickel Ore Reserves is based on information compiled by Paul Darcey, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Darcey is a full-time employee of Mincor Resources NL 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.

APPENDIX 3: JORC Code, 2012 Edition – Table 1. Section 1: Sampling Techniques and Data

(criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information. 	<p>Mineralisation is visible, but all intervals were sampled.</p> <p>WMC historical diamond core was half sawn, as were Mincor diamond drill-holes (MS prefixed holes).</p>
Drilling techniques	<ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.). 	<p>Historical WMC diamond core was NQ size or LTK 56.</p>
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<p>Sample recoveries are recorded at the time core is marked up and compared to the driller's core blocks. As all holes are in fresh competent material, no significant core loss would be expected.</p>
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. The total length and percentage of the relevant intersections logged. 	<p>All drilling is geologically logged and stored in database.</p> <p>All historical WMC core was geologically logged.</p>
Subsampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all subsampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<p>As nickel mineralisation is in the 1% to 15% volume range, the sample weights are not an issue vs grain size.</p> <p>WMC historical core half sawn, as was Mincor diamond core.</p>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. 	<p>Drill core assayed by four-acid digest with ICP finish and is considered a total digest.</p> <p>Reference standards and blanks are routinely added to every batch of samples. Total QAQC samples make up approx. 10% of all samples.</p> <p>Monthly QAQC reports are compiled by database consultant and distributed to Mincor personnel.</p> <p>No QAQC information is recorded for historical drill-holes.</p>

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<p>As nickel mineralisation is highly visible and can be relatively accurately estimated even as to grade, no other verification processes are in place or required.</p> <p>Holes are logged on Microsoft Excel templates and uploaded by consultant into Datashed format SQL databases; these have their own in-built libraries and validation routines.</p>
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<p>Surface holes surveyed in by differential GPS in MGA coordinates by registered surveyor both at set out and final pick up.</p> <p>Downhole surveys are routinely done using single shot magnetic instruments.</p>
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<p>Current drill-hole spacing is 120–200m between sections and 20–25m between intercepts on sections.</p> <p>This program in infilling to a nominal 80m strike spacing to allow for quantification of the nickel potential.</p>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<p>Surface drill-holes usually intersect at roughly 70° to 80° to the nickel-bearing contact.</p> <p>Underground holes will have variable intersection angles to the mineralisation, thus downhole intersections can be exaggerated compared to true width.</p>
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<p>Samples are collected at the drill site by Mincor employees. Samples are either couriered to a commercial lab or dropped off directly by Mincor staff.</p> <p>WMC security was not documented.</p>
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<p>In-house audits of data are undertaken on a periodic basis.</p>

Section 2: Reporting of Exploration Results (criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<p>All holes lie within a tenement owned 100% by Mincor Resources NL. The tenement is a free hold tenement with no expiry date: East Location 48 – Lots 11 and 12.</p>
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<p>WMC has previously explored and mined this area.</p>
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<p>Typical “Kambalda” style nickel sulphide deposits.</p>
Drill-hole information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill-holes: <ul style="list-style-type: none"> easting and northing of the drill-hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill-hole collar dip and azimuth of the hole downhole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<p>See attached tables in releases.</p>

Criteria	JORC Code explanation	Commentary
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<p>Composites are calculated as the length weighted average to a 1% Ni cut-off. They may contain internal waste; however, the 1% composite must carry in both directions.</p> <p>The nature of nickel sulphides is that these composites include massive sulphides (8–14% Ni), matrix sulphides (4–8% Ni) and disseminated sulphides (1–4% Ni). The relative contributions can vary markedly within a single orebody.</p>
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). 	<p>The general strike and dip of the basalt contact is well understood but in this area the nickel mineralisation can occur in the base of the trough, side walls or the flank, with the current drill spacing this makes estimating true width less accurate.</p>
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill-hole collar locations and appropriate sectional views. 	<p>See plan.</p>
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<p>All holes are represented on the plan.</p>
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<p>Historic mine mapping and geology interpretations have been used to aid interpretation as well as multielement geochemical analysis to determine rock types in the oxide environment.</p>
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<p>Two section lines are planned for drilling commencing this month. Further drilling to a nominal 80m section spacing is planned but will evolve based on ongoing results.</p>