

QUARTERLY REPORT FOR THE PERIOD ENDED 31 MARCH 2002



HIGHLIGHTS

- ✓ Strong cash generation continued from Mincor's nickel mines as Wannaway completed its production ramp-up and Miitel overcame short-term scheduling constraints to post record joint venture gross revenues of \$18.5 million for the quarter (\$14 million attributable to Mincor).
- ✓ Miitel's first anniversary of production was celebrated in the best way possible – with one full year free of lost time injuries.
- ✓ Debt reduction continued, with senior and subordinated debt repayments of \$3.4 million during the quarter.
- ✓ The final deferred payment for the purchase of the Miitel tenements was made to WMC Resources Ltd, in the amount of \$3 million (Mincor's share \$2.28 million).
- ✓ Exploration on the Miitel and Wannaway tenements continued, with the priority shifting to the ranking of drill targets for the second round of drilling in the new financial year.
- ✓ Mincor was informed by its joint venture partner that aircore drilling of the exciting gold-in-soils anomaly at the Bankole Project in Guinea is about to commence.
- ✓ Mincor's 75.6%-owned subsidiary the Tethyan Copper Company made considerable progress through regulatory developments in Pakistan, the successful completion of column heap leach test work in Australia, and independent confirmation of previously announced resource estimates for Reko Diq.

1. MINING OPERATIONS, KAMBALDA (Mincor 76%)

1.1 Production, Grade, Revenue and Costs

	Miitel	Wannaway	Attributable to Mincor
Ore Tonnes Mined (DMT)	37,156 tonnes	41,713 tonnes	59,940 tonnes
Ore Tonnes Treated (DMT)	36,899 tonnes	41,713 tonnes	59,745 tonnes
Average Nickel Grade (%)	4.18	2.97	
Nickel-in-Concentrate Sold	1,389 tonnes	1,084 tonnes	1,879 tonnes
Copper-in-Concentrate Sold	132 tonnes	104 tonnes	185 tonnes
Cobalt-in-Concentrate Sold	27 tonnes	20 tonnes	36 tonnes
Sales Revenue* (A\$)	11,025,000	7,500,000	14,079,000
Direct Operating Costs** (A\$)	5,108,000	5,008,000	7,688,000
Indirect Costs*** (A\$)	1,216,000	676,000	1,438,000
Operating Surplus (A\$)****	4,701,000	1,816,000	4,953,000

* Sales Revenue – estimate, awaits the fixing of the three-month nickel reference price – reported as net of hedging.

** Direct Operating Costs – mining, milling, trucking, administration.

*** Indirect Costs – royalties, interest charges.

**** Operating Surplus – project only – provisional and unaudited, excludes Mincor's corporate overheads and other Mincor costs, excludes exploration costs, excludes depreciation, amortisation and tax.

1.2 Mining Progress - Miitel

Miitel operated at lower than budgeted production rates for most of the quarter. This was due to scheduling constraints caused by ore body complexities encountered in the south-central portion of the ore reserve. However the rate of ore production rose steadily through the quarter as access was achieved to additional production headings. March's ore production was within 10% of budget, and April's production is expected to meet or exceed budget.

Mining through most of the quarter was confined to the central portions of the ore reserve, with flat-backing and half-upper stoping on five levels. By early April access to the southern 350 level had been achieved.

Underground ore definition diamond drilling continued through most of the quarter. Generally results were in line with expectations and this data will be used in the update of the ore reserve at the end of the Financial Year. By the end of the quarter diamond drilling had moved beyond the confines of the present ore reserve, and was generating indications of ore extensions to the south and the north.

1.3 Mining Progress - Wannaway

The production ramp-up at Wannaway was completed during the quarter, producing a greatly enhanced result over the December quarter. However the grade of delivered ore was below budget due to excess footwall dilution and strike variability in the ore body.

However with the ore body now strike-driven on seven levels, and additional drill information available, it is expected that future production will stabilise at or above budget levels. Production during April is likely to exceed 16,000 tonnes at 4% nickel.

1.4 Health, Safety and the Environment

No lost time injuries occurred at either mine during the quarter. Miitel celebrated one full year free of lost time injuries.

2. EXPLORATION – NICKEL (Miitel/Wannaway Tenements, Mincor 76%)

2.1 Near-Mine Extensional Exploration

Underground diamond drilling at Miitel moved from ore body definition to extensional exploration late in the quarter. Initial indications suggest extensions to the known ore reserve may be present along plunge to both the north and the south. Work continues.

2.2 Evaluation of Known Resources

Detailed feasibility studies for the extraction of the remaining ore reserve at Redross Mine continued.

2.3 Early Stage Exploration

The first round of regional exploration drilling was successfully completed in late January. Details of the seven reverse circulation (RC) drill holes and two diamond drill holes are tabulated below:

Hole No.	MGA Easting	MGA Northing	Azimuth	Collar Inclination	Depth
MRC004*	372860	6497075	270 deg.	-60 deg	252m
MRC005	372229	6502016	270 deg.	-60 deg	120m
MRC006	371735	6504303	270 deg.	-60 deg	144m
MRC007	371789	6504011	270 deg.	-70 deg	144m
MRC008	372091	6502804	270 deg.	-60 deg	102m
MDD001	372715	6502790	270 deg.	-60 deg	188m
MDD002	372721	6502538	270 deg.	-60 deg	162m
WRC001	361722	6498526	50 deg.	-58 deg.	60m
WRC002	361688	6498526	50 deg.	-60 deg	108m

* Started at 181m

MRC004 is the first of a series of deeper holes to be drilled in and around the Anomaly A prospect. The hole was terminated in footwall basalt due to high levels of ground water flow. This hole may be deepened to its original target depth of 300m to test for structural repetitions of the overlying ultramafic unit.

Holes MRC 005 to MRC008 were drilled into magnetic anomalies located along a zone of prospective ultramafic rocks located immediately west of and parallel to the basal contact zones which host the Miitel and Mariners ore bodies. These holes confirmed the position and continuity of this sparsely drilled contact zone.

Diamond holes MDD001 and MDD002 were drilled to follow-up coincident aeromagnetic and geochemical anomalies as well to test the practicality of deep diamond drilling on Lake Zot between the Miitel and Mariners Mines. Although this area is highly prospective, little deep drilling been carried out in the past, due to the difficulties of drilling on the lake. As a result these two basal contacts remain virtually untested below 100m depth over a combined strike length of 6km. Planning of extensive deep drill testing of this area is in progress.

Two RC holes (WRC001 and WRC002) were drilled on the southern part of the Wannaway lease block in order to better define the geology in the vicinity of a coincident nickel and copper soil anomaly. The holes successfully confirmed a basal contact position with high background nickel levels in the overlying ultramafic rocks and regolith. The significance of these elevated levels will be the subject of further work.

Exploration work for the rest of the quarter focussed on prioritisation of the large number of targets on the Miitel tenements and continued compilation of the exploration database on the newly-acquired Wannaway tenements. Detailed planning for a drill-intensive programme in the new financial year will be completed during the June quarter. This will encompass drill testing of potential extensions to the Miitel and Wannaway ore bodies, testing of the Miitel – Mariners trend and deeper drilling at advanced prospects on both sides of the Widgiemooltha dome.

3. EXPLORATION – OTHER EXPLORATION PROPERTIES

3.1 Western Australia (Nickel and Gold)

Following the approval of the Tramways Exploration Licence Application (ELA) during the previous quarter, exploration activities are planned for the new financial year. Mincor holds 100% of the licence, which is located east of Norseman and covers 182 km² of Archaean greenstone sequences considered prospective for gold and nickel sulphide mineralisation.

A heritage survey and land access agreement was completed over the southern two ELA's in Mincor's Dundas application area, allowing the application process to proceed. The Dundas block comprises ten ELA's and covers an interpreted southern extension of the Yilgarn Craton and associated greenstones. The results of previous exploration work supports this theory, suggesting that the gold and nickel prospectivity associated with Yilgarn greenstones may extend southwards into the Dundas Block.

One ELA was submitted during the quarter. The ELA covers a small area (approximately 8.8 km²) prospective for greenstone associated gold mineralisation 20 km southeast of Coolgardie.

3.2 Imweru Licence, Tanzania (Gold)

Advanced stage negotiations for the farm-out of Mincor's interest in this licence continue.

3.3 Bankole Licence, Guinea (Gold)

Mincor has been informed by its Joint Venture partner Compagnie Miniere Atlantique (CMA) that exploration drilling is about to commence at Bankole. This will comprise 3,000 metres of aircore drilling.

The drilling will target the source of a plus 50ppb gold soil anomaly which extends over an area of 6 km², open to the south and with peak values of 3.6 g/t gold. Further details will be released as they become available.

4. TETHYAN COPPER COMPANY LIMITED (Reko Diq Copper Project, Pakistan)

Two important regulatory milestones were achieved during the quarter.

In February a cabinet committee of the Federal Government of Pakistan granted "Export Processing Zone" status to the H4 Starter Project, the most advanced of the numerous copper resources at Reko Diq. The Export Processing Zone permit will greatly facilitate the future development of mining activities at Reko Diq. It provides relief from various taxes, including income tax, fixes in place the fiscal regime for the life of the future mine, and exempts the project from foreign exchange control regulations and customs duties.

Later in February, the Provincial Government of Balochistan implemented the new National Minerals Policy through the passage of the "Balochistan Mineral Rules 2002". The new mineral rules create a transparent and modern legal environment for mining in Balochistan, on a par with the best in the world.

Mincor believes these actions provide convincing evidence of the strong support enjoyed by TCC and the Reko Diq Project at the Federal and Provincial levels of government. It confirms TCC's favourable view of the investment climate in Pakistan.

The final results of the column heap leach tests on a composite ore sample from the chalcocite blanket at the H4 Starter Project were received. The tests were conducted at the BHP Billiton Minerals Technology Centre in Newcastle, NSW. The results were positive, with no operational or technical problems identified. The ore leached readily for a total copper extraction of 86.5% after 167 days of operation. This recovery exceeds the 82% recovery figure that was used in the scoping study completed during 2001 by SRK Consulting.

As part of the due diligence proceedings for its proposed listing, TCC sought independent verification of its estimate for the inferred resource at the Western Porphyries, a group of four adjoining copper-gold porphyries which are part of the Reko Diq System.

TCC's estimate of the Inferred Resource at the Western Porphyries is 729 million tonnes at 0.64% copper and 0.39 g/t gold, using a 0.5% copper cut-off (as previously announced).

A review of the resource estimate was undertaken by Snowden Mining Industry Consultants, on behalf of TCC. Snowden verified and confirmed TCC's estimate, concluding that "...the reported tonnes and grade from the Western Porphyries Reko Diq model can be classified as an Inferred Resource under the JORC code."

Yours sincerely
MINCOR RESOURCES NL

DAVID MOORE
Managing Director

The information in this report, insofar as it relates to resource estimation and exploration activities, is based on information compiled by a person who is a Member of the Australasian Institute of Mining and Metallurgy and who has more than five years experience in the field of the activity being reported on. This report accurately reflects the information compiled by that member.



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