

QUARTERLY REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2003



HIGHLIGHTS

- ✓ Mincor today announces its intention to develop the North Miitel ore body. This very significant \$13 million development will commence immediately, with first production scheduled for July 2004 – highlighting the Company's capacity to deliver production growth at a time of exceptionally strong nickel prices.
- ✓ Together with the Redross Nickel Mine, the development of which was announced two weeks ago, Mincor now has under development an additional productive capacity of more than 7,000 tonnes per annum of nickel in concentrate – a total additional reserve base of 27,800 tonnes of nickel metal.
- ✓ Intensive exploration is underway north of Redross – four holes now completed at Mincor's newly-named "Jeremy Dee" prospect – including new intersections of 0.86 metres @ 5.95% nickel and 5 metres @ 1.34% nickel – in addition to the previously announced 3.46 metres @ 3.05% nickel.
- ✓ Underground exploration drilling is underway at South Miitel – nickel-bearing sulphides intersected in the first three holes – assay results pending.
- ✓ Mincor achieves long sought-after deal to acquire 100% of the Miitel Joint Venture – lifting its interest in all its Kambalda nickel mines as well as undeveloped resources, reserves and exploration ground from 76% to 100%.
- ✓ Updated Resource and Reserve figures released – as at 30 June 2003 the Miitel Joint Venture had 84,000 tonnes of nickel metal in Resources, including 45,475 tonnes of nickel metal in Reserves. This is an increase of 35% in Resources over the previous year and represents a 100% replenishment of the 13,000 tonnes of nickel metal mined from reserves during 2002/03.
- ✓ Mincor completes a successful Financial Year with \$9.1 million profit after tax and the payment of its maiden dividend.
- ✓ Mincor acquires the East Widgiemooltha Nickel Rights – covering any possible extension to the North Miitel ore body and adding 10km to the strike of the highly prolific basal contact zones that host the Miitel, Mariners and Redross nickel mines.
- ✓ Mincor agrees to acquire a package of tenements with gold rights attached, covering almost the entire Widgiemooltha Dome – substantial gold exploration programme planned on completion of settlement.
- ✓ Gold and nickel exploration drilling commences on Mincor's Tramways tenements, south of Widgiemooltha.
- ✓ Mincor's Nickel Expansion Strategy starts to deliver – development decisions taken on Redross and North Miitel, a major resource upgrade achieved at Wannaway, and the Mariners feasibility study nearing completion.
- ✓ Mincor announces the appointment of highly respected mine manager Mr Steve Cowle as General Manager – Kambalda Operations. Mr Cowle leaves a position as General Manager of Carosue Dam to join Mincor, where he will fill the role of Resident General Manager reporting to Mincor's Chief Operating Officer, Mr Jim Reeve.
- ✓ Demerger of Mincor's subsidiary, Tethyan Copper Company Limited, underway – after completing the largest exploration fund raising in Australia in recent times, TCC expects to list on the Australian Stock Exchange before the end of October – with Mincor's shareholders holding some 48% of the issued capital.

1. MINING OPERATIONS, KAMBALDA (Mincor 76%, acquiring 100%)

Note on Table 1.1: This table has been prepared on the basis that Mincor’s interest in production from 1 July 2003 has been 88%, even though the relevant sale transaction has yet to be completed. Mincor’s interest in production from 1 October 2003 will be 100%.

The revenues are reported using Mincor’s conservative accounting policy which applies a 15% discount to the spot price in calculating the revenue from unhedged nickel sales. A policy on this matter is required because the price Mincor receives for its nickel is set by the average nickel price during the third month following the month of production.

1.1 Production, Grade, Revenue and Costs

	Miitel	Wannaway	Attributable to Mincor (88%)
Ore Tonnes Mined (DMT)	59,939 tonnes	27,049 tonnes	76,548 tonnes
Ore Tonnes Treated (DMT)	59,802 tonnes	26,962 tonnes	76,352 tonnes
Average Nickel Grade (%)	3.43	2.65	-
Nickel-in-Concentrate Sold	1,831.4 tonnes	616.9 tonnes	2,154.5 tonnes
Copper-in-Concentrate Sold	179.0 tonnes	62.4 tonnes	212.4 tonnes
Cobalt-in-Concentrate Sold	35.7 tonnes	13.1 tonnes	42.9 tonnes
Sales Revenue* (A\$)	13,992,000	5,696,000	17,325,000
Direct Operating Costs** (A\$)	7,930,000	4,460,000	10,903,000
Indirect Costs*** (A\$)	1,073,000	356,000	1,257,000
Operating Surplus (A\$)****	4,989,000	880,000	5,165,000

* 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 recorded a strong quarter of production, with an average of 20,000 tonnes of ore per month. Overall grades were slightly lower, as lower grade disseminated ore zones at the northern end of the ore body were accessed.

Stoping continued throughout the main NO1 ore body. Extraction of the crown pillars on the 254 and 278 levels was completed satisfactorily, and extraction of the 302 level crown pillar commenced. Stopping proceeded normally on the 326, 350 and 374 levels.

At the northern end of the ore body, stoping of the 235 and 260 levels commenced. The very wide body of disseminated ore in the 235 level contributed a large tonnage but had the overall effect of lowering the grade.

Decline development was completed to the 285 level at the north end, while ramp access was at an advanced stage. The north end ventilation rise was completed and a permanent ladderway installed as an emergency escapeway.

An airleg mining programme commenced, this being the most efficient method of mining a small number of narrow stoping blocks above the NO1.

The 370 South drill drive was extended a further 100 metres to the final planned position. Exploration drilling commenced – with encouraging initial results, as reported below.

1.3 Mining Progress - Wannaway

Contract negotiations were successfully concluded with Clough Engineering Limited, Mincor’s mining contractor at Wannaway. The renewed contract, in operation from 1 September, provides a fully variable rates structure more appropriate for the less predictable production rate and generally lower grade ore to be expected in the future.

The mine performed to expectations during the quarter, recording reduced production due to mining constraints in certain stoping blocks and the placement of a large cemented aggregate pillar on the 555 level. Crown pillar extraction continued with the 494 being completed and the 515 at an advanced stage. Stopping continued on the 542 level, with a sub-level developed to ensure completed extraction of this important pillar. Flat back mining continued on the 570 and 555 levels. Mining of the main NO2 ore zone is now in its final stages, and is expected to be completed by December.

On the Southern Lobe sub-level driving was completed on the 392 level and is in progress on the 362 level. The work indicates the presence of a north-plunging ore shoot. An intermediate level has commenced in order to mine this ore shoot, while its implications for the location of high grade ore elsewhere in the mine will be assessed through an underground drilling programme in the current quarter.

At the northern end of the Southern Lobe work commenced on an additional drive at the 354 level, to allow the evaluation and extraction of stoping blocks above the old 389 level.

Re-evaluation of the moderate to lower grade mineralisation on the lower levels of the NO1 and NO2 ore zones has led to the recognition of a large resource of moderate grade material, as reported below. Mine planning is underway to allow for the extraction of this material, which could continue on an almost indefinite basis while nickel prices remain strong.

1.4 Health, Safety and the Environment

Mincor's excellent safety record continued, with both Miitel and Wannaway completing 1.5 years free of lost time incidents during the quarter.

2. NICKEL EXPANSION STRATEGY (Kambalda Tenements, Mincor 76%, acquiring 100%)

Intensive feasibility and engineering studies continued on all five projects comprising Mincor's Nickel Expansion Strategy, culminating in positive investment decisions on Redross and North Miitel, a total reserve base of 27,800 tonnes of nickel metal. These two projects will lift Mincor's nickel metal production by over 7,000 tonnes per annum for nearly four years.

2.1 North Miitel

Mincor has completed all design, engineering and feasibility studies for the development of the North Miitel ore body, which was discovered by Mincor earlier in the year. The Company has approved the development of the project, and decline development will commence during November.

The current ore reserve is 466,000 tonnes at 2.65% nickel, for 12,280 tonnes of contained nickel metal. On current reserves the ore body will be in production for 3.5 years, however there is very significant potential to increase this. The ore body remains open to the north and may well prove to extend onto Mincor's newly acquired East Widgiemooltha tenements. There is also strong potential to discover additional ore bodies between Miitel and North Miitel, and these will be explored for via underground drilling from the decline development as it advances towards North Miitel.

The ore body will be developed via a twin decline extending from the northern end of the existing Miitel decline. The twin decline system will provide ventilation for the new mining area, and will also provide Mincor with the immediate ability to mine any new ore bodies it may discover between Miitel and North Miitel.

Mincor has budgeted \$13 million for the development of North Miitel. Apart from enabling the extraction of the North Miitel ore body, this significant investment will provide the infrastructure for ongoing mining of possible additional reserves from the northern side of Miitel for many years to come.

The investment also further underlines Mincor's commitment to the Kambalda region. The new ore body will extend Miitel's productive life by at least two years, ensuring the ongoing employment of more than 100 people over that period.

Mincor has awarded the initial development contract to Clough Engineering Limited, currently Mincor's mining contractor at Miitel. Ore production is budgeted to commence in July next year, and will proceed via standard flat-backing mining methods, with some use of airleg mining in the narrower sections of the ore body.

2.2 Redross

As recently announced, Mincor is to proceed with the immediate development of the Redross Nickel Mine. Mincor will invest \$11 million in the development of Redross, which is located approximately 15 kilometres south of Miitel.

At full capacity, the Redross operation will provide employment for 67 people, generate considerably more than \$100 million in revenue, and provide over \$10 million to State and Federal coffers in direct taxes and royalties over the life of the operation. The mine will produce over 4,000 tonnes per annum of nickel metal in concentrate at an ore production rate of 150,000 tonnes per annum.

Based on current Ore Reserves of 526,000 tonnes at 2.95% nickel, Redross will have a productive mine life of about four years, although recent drilling has demonstrated additional ore potential both below and to the north of the deposit, where exploration drilling is currently underway at the Jeremy Dee prospect.

The development and mining contract has been awarded to Barmenco, following a competitive tender process. Barmenco are currently mobilising to the mine site. Site clearance work has commenced and mine offices are being erected. Dewatering of the old workings is underway and the powerline contract has been awarded.

The first cut in the decline, to be developed from the base of the old open pit, will take place during November. Decline development has been scheduled over 10 months, with first production budgeted for September 2004. Mincor has appointed Mr Tim Ashworth as Registered Manager of Redross. Mr Ashworth is a trained engineer and a long-standing employee of Mincor Operations with extensive experience in narrow vein underground mining.

All ore production from Redross will be toll treated by WMC Resources Limited's Kambalda mill, with concentrate sold to WMC under the terms of Mincor's existing off-take agreement.

2.3 Mariners

New resource estimates have been completed for each of the N07 and N08 ore bodies, as follows:

N07 Ore Body: 215,250 tonnes @ 3.73% nickel for 8,029 tonnes nickel metal

N08 Ore Body: 186,950 tonnes @ 4.45% nickel for 8,319 tonnes nickel metal

(From Table 3, Mincor Annual Report 2002/03; N07 Resource updated following more recent work)

Initial reserve estimates and preliminary scheduling have been completed. Engineering studies on mine de-watering mechanisms are complete, and suggest a pipeline to Lake Lefroy as the most robust and certain method of dewatering and water disposal. The full feasibility study is now entering its final stages and a development decision may be possible before the end of the calendar year.

2.4 Wannaway 'Southern Lobe'

The Southern Lobe exploration drives have successfully defined a resource of 90,810 tonnes @ 2.99% nickel. The drives have also helped elucidate controls to higher grade mineralisation in the mine that may prove invaluable in on-going underground exploration drilling. An intermediate drive is now being developed along the mineralised contact, in preparation for stoping. Development of the uppermost of the original drives continues, in high grade mineralisation.

New work in the lower parts of the ore body has led to a re-evaluation of the resource in this area. It has become apparent that a very substantial resource of moderate grade material is present.

In total, a resource of 535,000 tonnes @ 2.34% nickel was identified in the June 03 resource calculations for Wannaway. As at June 03 the reserve derived from this resource was 107,540 tonnes at 2.54% nickel. However the feasibility of extracting much more of the total resource is the current focus of the Nickel Expansion team at Wannaway.

(Resource and Reserve numbers from Table 3, Mincor Annual Report 2002/03)

2.5 North Dordie

The North Dordie open pit opportunity is being re-evaluated in the light of current nickel prices. Pit optimisation studies are likely to generate a much bigger pit than previously envisaged.

3. EXPLORATION – NICKEL (Miitel/Wannaway Tenements, Mincor 76%, acquiring 100%)

3.1 Jeremy Dee Prospect

Exciting results were obtained from a new prospect approximately 300 metres north of the Redross Mine. Drill hole MDD28 intersected a double mineralised profile, with an upper zone of thin sulphide stringers from 309 metres down hole, followed by an ore grade intersection of massive and matrix sulphides at the Basal Contact position, from 336 metres down hole.

The upper mineralisation graded 1.46% Nickel over 1.75 metres (down hole) using a 1% Nickel cut-off.

The main intersection graded as follows:

MDD028 **3.46 metres at 3.05% Nickel from 336 metres down hole**, including:
0.83 metres at 7% Nickel from 338.5 metres down hole
(all intersections calculated using a 1% Nickel cut-off, true width estimated at just under 3 metres).

A follow-up hole, MDD28W1, was wedged off MDD028 and intersected the Basal Contact 23 metres up-dip of the earlier hole. It intersected matrix-style sulphide mineralisation assaying as follows:

MDD28W1 **0.85 metres @ 5.95% nickel from 338.65 metres down hole, and**
6 metres @ 1.31% nickel from 331 metres down hole
(all intersections calculated using a 1% nickel cut-off, true width estimated at 0.8 metres and 5.5 metres respectively)

Please refer to Figure 1 attached.

Two holes, MDD29 and MDD30, were drilled below and to the north of MDD028 but failed to intersect significant mineralisation. However, down hole electromagnetic surveying of MDD28 and 28W1 indicates a strong off-hole anomaly to the south which will be drill tested during November.

3.2 Redross Down-Plunge Targets

To the south of Redross Mine, a second hole was completed to intersect the Basal Contact approximately 25 metres up dip from the successful MDD20 (Figure 1), with the following results:

MDD20W1 **6.4 metres @ 1.2% nickel from 534 metres down hole**
(Calculated using a 1% nickel cut-off, true width approximately 5 metres).

This intersection confirms the presence of a mineralised sulphide channel, but suggests that it extends down-dip to the south – an interpretation supported by down-hole electromagnetic surveys.

3.3 South Miitel

With the completion of the southern drill drive (the 370 south) underground exploration drilling has commenced south of Miitel, where a poorly defined Inferred Resource known as the S01 is present. Drilling will continue over the next three months. Three holes have been completed to date, all of which intersected nickel bearing sulphide mineralisation. Assay results are pending.

3.4 Wannaway Lucky Strike Targets

The very low density of exploration drilling motivated a programme of wide-spaced drilling along strike (north and south) of the Wannaway Mine, targeting further repetitions of the two known ore bodies along this virtually untested Basal Contact.

This followed initial drilling at the Talisker Prospect, which identified massive pyrrhotite with low tenor nickel mineralisation on the Basal Contact, approximately 500 metres north of Wannaway. During the quarter, a total of 4 holes (WDD7, 8, 10 and 11) were drilled north of Wannaway and 2 holes (WDD 9 and 13) to the south, all within 1.5 km of the mine, and with an average separation of approximately 250 metres. Several holes to the north have intersected massive pyrrhotite at the basal contact, with one hole (WDD10) containing visible pentlandite (nickel sulphide). Overall, the nickel tenor in WDD10 was low (with a down hole intercept of 0.86 metres at 1.55% nickel), however the result is considered to be highly encouraging. Follow up drilling will be carried out during the current Quarter.

Details of all holes drilled during the quarter are tabulated below (Table 1).

Hole Number	MGA Easting	MGA Northing	Azimuth (degrees)	Dip (degrees)	Total Depth (metres)
WDD006	358402	6505608	070	-60	303.0
WDD007	358851	6503854	070	-60	252.0
WDD008	359221	6502711	070	-60	267.0
WDD009	359804	6501466	075	-75	336.0
WDD010	358870	6503548	065	-65	330.3
WDD011	358943	6503270	065	-65	321.0
WDD013	359628	6501193	065	-65	471.0
MDD020W1	372223	6493023	285		572.0
MDD028	372470	6494180	285	-60	384
MDD028W1	372470	6494180	285		391.0

3.5 Other Regional Targets

Recent research has revealed the presence of two distinct nickel-in-soil anomalies south of the North Dordie Project. They lie along the sparsely explored Dordie Trend, which is a Basal Contact similar to the Miitel-Redross Contact Zone. An initial programme of diamond drilling is planned to test these anomalies.

A number of other high priority targets on both the Miitel and Wannaway sides of the Widgiemooltha Dome are being prioritised, all of which are located along the same highly prospective Basal Contact zones that host the Miitel, Redross, Mariners and Wannaway mines.

Targets along strike of the Basal Contact to the north of North Miitel will be evaluated following completion of the East Widgiemooltha acquisition. A high resolution aeromagnetic survey will be flown to better define the position and nature of the Basal Contact in the area, prior to drill testing.

3.6 Tramways

Exploration drilling at Tramways has commenced. The Tramways Licence is situated 40 kilometres northeast of Norseman and covers the potential strike extension of the Boulder – Lefroy fault. The initial drill programme will comprise 1000 metres of reverse circulation drilling, aimed at testing lithological and structural anomalies identified by a high-resolution airborne magnetics survey.

4. BUSINESS DEVELOPMENT ACTIVITIES

4.1 Miitel Joint Venture Acquisition

During the quarter Mincor accomplished its long-standing goal of consolidating its interest in the Miitel Joint Venture. The Company will buy out its junior partners in the venture for a total consideration of \$12 million cash and 9 million shares. Of the cash component, \$6 million is payable on settlement and \$6 million is payable in two tranches over the next two years. The

effective date of the acquisition varies, with 12% effective from 1 July 2003 and 12% effective from 1 October 2003. Settlement of the transaction is expected to occur before the end of December 2003.

The transaction lifts Mincor's interest in the Joint Venture from 76% to 100%, effecting a 30% increase nickel resources, reserves and gross revenues.

4.2 East Widgiemooltha Nickel Rights Acquisition

As announced during the quarter, Mincor won a competitive tender process to acquire the valuable nickel rights on the East Widgiemooltha Tenements. The Nickel Rights cover approximately 10 kilometres of the highly prolific basal contact zones that host, further to the south, the Miitel, Mariners and Redross nickel mines. The tenements also host any possible continuation of the North Miitel ore body, which is entirely open to the north. The acquisition settled on 27 October, and Mincor has already commenced exploration planning.

4.3 Acquisition Of Widgiemooltha Gold Rights

As announced during the previous quarter, Mincor is acquiring a substantial package of gold rights, covering almost the entire Widgiemooltha Dome. Settlement of the transaction is expected during the current quarter.

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

During the quarter Mincor's long-standing strategy for the development of Tethyan Copper Company moved rapidly towards fruition. By the date of this report a full prospectus had been prepared and, following its enthusiastic reception by local and overseas investors, some \$15 million had been raised. Mincor's shares in TCC had been distributed on a pro rata basis to its own shareholders, and all the ASX conditions for listing had been met. TCC is expected to list on the Australian Stock Exchange on 30 October 2003.

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 Richard Hatfield, Robert Hartley, Darryl Mapleson, and John Schloderer, persons who are Members of the Australasian Institute of Mining and Metallurgy and who have more than five years experience in the field of the activity being reported on. This report accurately reflects the information compiled by those members.

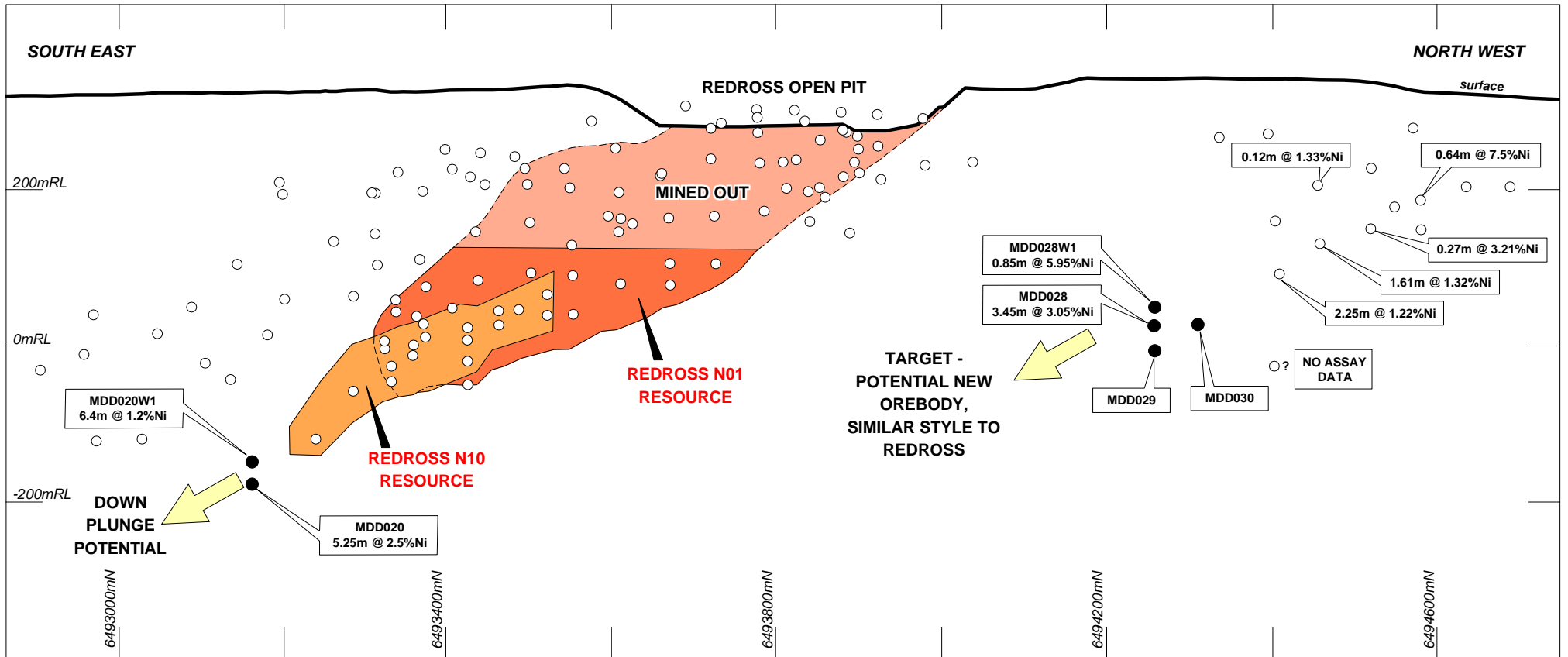


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LONG SECTION SHOWING REDROSS MINE AND JEREMY DEE PROSPECT



- Recent Mincor drillhole
- Pre-Mincor drilling
- | MGA grid northing

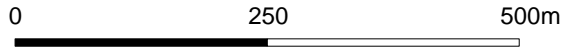


Figure 1