

Quarterly Report

For the period ended 30 June 2012



HIGHLIGHTS

- Solid final Quarter sees Mincor achieve its production target and substantially outperform its cost target for the 2011/12 Financial Year.
- FY 2011/12 production of 10,275 tonnes nickel-in-ore at cash costs before royalties of \$5.48/lb.
- Successful cost reduction strategies allow generation of full-year operational surplus of \$42.3 million, up 14% over the previous year despite sharply lower nickel prices.
- Quarterly production of 2,142 tonnes of nickel-in-ore at cash costs before royalties of A\$5.45/lb.
- Exciting reconnaissance drill results near the Cassini Nickel Sulphide Prospect – 1 metre at 7.14% Nickel – camp scale potential now recognised in this area.
- Drill targets defined at high-grade Edie Creek gold prospect in Papua New Guinea – drilling to commence in August.
- Outstanding copper-gold porphyry target identified at Bolobip in Papua New Guinea – clearly delineated by 1km-diameter copper and gold anomaly.
- Mincor's share buyback program successfully completed – 12.4 million shares bought back and cancelled for an outlay of \$9.1 million. This represents 6.2% of Mincor's share capital and reduces shares on issue from 200.6 million to 188.2 million.
- After capital and exploration expenditures of \$5.43 million, negative provisional pricing adjustments of \$2.45 million and share buyback expenditures of \$4.12 million, Mincor had Quarter-end working capital (cash and receivables minus creditors and accruals) of **\$78.02 million** (end-Mar: \$81.7 million), cash at bank of **\$75.9 million** (end-Mar: \$75.2 million). The Company has no debt.

Outstanding Safety Performance across all mine sites: The Safety Board at Mariners Mine, reflecting 410 days since the last Lost Time Incident at the mine, and 273 days since the commencement of owner-mining. Miitel has achieved 387 days free of Lost Time Incidents, and McMahon/Otter Juan 271 days.

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Mincor is a leading
Australian nickel producer
& is listed on the
Australian Securities
Exchange.

Mincor operates two
mining centres in the
world class Kambalda
Nickel District of Western
Australia, and has been in
successful production
since 2001.

MINCOR			
Safety Performance			
Mariners		All Sites	
Days Since Last LTI: 1/10/11 (DANGER)	273 Days	Days	
Previous Best: 17/3/12	410 Days	Days	
Days Since Last ADI: 7/3/12	115 Days	Days	
Previous Best:	164 Days	Days	
Proactive Safety Initiatives - AMBULANCE MAINT - RUN 40RN 7-8-12 - AMBULANCE BATTERY CHARGED 25/6/12 28/6 - SHIFT BOD OFFICE JAS MOBILE PHONE FOR EMERGENCY USE - HELD TO AD TO TOP OF HILL FOR COVERAGE			
Achieved for the Week:	Actual:	Target:	

TABLE 1: Production, Grade, Revenue and Costs – Quarter ending 30 June 2012

	SOUTH KAMBALDA OPERATIONS⁽¹⁾	NORTH KAMBALDA OPERATIONS⁽²⁾	TOTAL FOR JUN 2012 QUARTER	PRECEDING QUARTER (Mar 2012) TOTAL
Ore Tonnes Treated (DMT)	50,929	27,827	78,756	87,696
Average Nickel Grade (%)	3.16	2.88	3.06	3.06
Nickel-in-Concentrate Sold (tonnes)	1,420.2	721.9	2,142.1	2,406.6
Copper-in-Concentrate Sold (tonnes)	138.7	59.0	197.7	201.1
Cobalt-in-Concentrate Sold (tonnes)	26.2	13.0	39.2	37.1
Sales Revenue* (A\$)	17.87m	9.01m	26.88m	32.50m
Direct Operating Costs** (A\$)	10.39m	7.12m	17.51m	16.82m
Royalty Costs (A\$)	0.70m	0.20m	0.90m	1.10m
Operating Surplus*** (A\$)	6.78m	1.69m	8.47m	14.58m
Capital Costs****	2.57m	1.01m	3.58m	5.33m
Payable Nickel Produced (lbs)	2,035,152	1,034,547	3,069,699	3,442,278
Mining Costs (A\$/lb)	2.99	4.24	3.42	2.68
Milling Costs (A\$/lb)	1.03	1.11	1.05	1.04
Ore Haulage Costs (A\$/lb)	0.27	0.07	0.20	0.19
Other Mining/Administration (A\$/lb)	0.88	1.54	1.10	1.02
Royalty Cost (A\$/lb)	0.34	0.20	0.29	0.32
By-product Credits (A\$/lb)	(0.34)	(0.29)	(0.32)	(0.29)
Cash Costs (A\$/lb nickel)	5.17	6.87	5.74	4.96
Cash Costs (US\$/lb nickel) ⁽³⁾	5.22	6.94	5.80	5.24

TABLE 2: Production, Grade, Revenue and Costs – Financial Year 2011/12

	SOUTH KAMBALDA OPERATIONS⁽¹⁾	NORTH KAMBALDA OPERATIONS⁽²⁾	TOTAL FOR FINANCIAL YEAR 2011/12	PRECEDING FINANCIAL YEAR(2010/11) TOTAL
Ore Tonnes Treated (DMT)	199,920	132,957	332,877	395,979
Average Nickel Grade (%)	3.05	3.14	3.09	2.61
Nickel-in-Concentrate Sold (tonnes)	5,367.9	3,811.2	9,179.0	9,056.4
Copper-in-Concentrate Sold (tonnes)	517.1	273.8	790.9	702.4
Cobalt-in-Concentrate Sold (tonnes)	94.7	55.3	150.0	136.5
Sales Revenue* (A\$)	70.65m	49.87m	120.52m	145.91m
Direct Operating Costs** (A\$)	43.03m	31.25m	74.28m	102.97m
Royalty Costs (A\$)	2.68m	1.25m	3.93m	5.71m
Operating Surplus*** (A\$)	24.94m	17.37m	42.31m	37.23m
Capital Costs**** (A\$)	11.34m	7.45m	18.79m	37.63m
Payable Nickel Produced (lbs)	7,692,160	5,445,913	13,138,073	12,796,138
Mining Costs (A\$/lb)	3.38	3.44	3.41	4.95
Milling Costs (A\$/lb)	1.06	0.99	1.03	1.20
Ore Haulage Costs (A\$/lb)	0.28	0.08	0.20	0.25
Other Mining/Administration (A\$/lb)	1.02	1.29	1.13	1.43
Royalty Cost (A\$/lb)	0.35	0.23	0.30	0.44
By-product Credits (A\$/lb)	(0.32)	(0.25)	(0.29)	(0.32)
Cash Costs (A\$/lb Ni) – Full Year	5.77	5.78	5.78	7.95
Cash Costs (US\$/lb nickel) ⁽³⁾	5.82	5.83	5.83	8.44

⁽¹⁾ Production from Mariners and Miitel.

⁽²⁾ Production from Otter Juan and McMahon.

⁽³⁾ Average June 2012 quarter RBA settlement rate of US\$1.0096 (31 March 2012: US\$1.0555, 30 June 2011: US\$1.0619).

* Sales Revenue – estimate, awaits the fixing of the 3-month nickel reference price – see 'Note on Provisional Pricing and Sales Revenue Adjustments' below.

** Direct Operating Costs – mining, milling, ore haulage, administration.

*** Operating Surplus – provisional and unaudited, excludes corporate overheads and other corporate costs, excludes regional exploration costs, excludes depreciation, amortisation and tax.

**** Capital Costs – includes mine capital and development costs and extensional exploration costs. Excludes regional exploration costs.

Operating Surplus – Note on Provisional Pricing and Sales Revenue Adjustments

The nickel price received by Mincor for any month of production is the average LME spot price during the third month following the month of delivery. For period-end reporting the Company determines provisional prices based on the 3-month forward nickel price at the end of each month of delivery. This estimate is subject to an adjustment (up or down) when the final nickel price is known. During the June Quarter, Mincor established the final nickel prices for the production months of January, February and March. As a result Mincor recognised a negative sales revenue adjustment of **\$2.45 million** attributable to those production months. This adjustment **has not** been included in the sales revenue figures disclosed in Table 1 above.

MINING – KAMBALDA NICKEL OPERATIONS

Overview of the 2011/12 Financial Year

Mincor achieved its nickel production target and substantially outperformed its cost target for the 2011/12 financial year.

Group production for the year was 10,275 tonnes of nickel-in-ore, marginally above the targeted 10,000 tonnes. Cash costs before royalties for the full year were A\$5.48/pound, substantially better than the forecast \$6.10/pound.

Mine Production FY2011/12	Tonnes	Grade	Nickel-in-ore	Nickel-in-concentrate
Miitel	106,132	2.27	2,413	2,109
Mariners	93,788	3.93	3,687	3,259
Otter Juan	38,308	4.49	1,720	1,579
McMahon	66,011	2.53	1,672	1,530
Carnilya Hill (MCR's 70%)	28,638	2.73	783	702
Totals	332,877	3.09	10,275	9,179

The key to this successful performance was Mincor's decision to move its Southern Operations to owner-mining, and the highly successful implementation of that strategy by its site personnel.

The net result was a 27% reduction in cash costs, from \$7.50/lb to \$5.48/lb. This reflects both a drop in total operating costs (down 28% from \$103 million to \$74 million) and an increase in average nickel grade (up 18% from 2.61% nickel to 3.09% nickel). The drop in operating costs was achieved with no concomitant drop in metal production, which was similar to the previous year (10,275 tonnes vs 10,335 tonnes nickel-in-ore).

This performance enabled Mincor to achieve an operating surplus for the full-year of \$42.3 million, up 14% over the previous year (\$37.2 million) despite lower sales revenue due to sharply lower nickel prices (which were down approximately 19% over the previous year).

The above figures are provisional and un-audited, and reflect only the direct operating performance of Mincor's nickel mines. Mincor's full-year financial results are due to be announced on 16 August. At this stage, and subject to audit, management expects a close to break-even profit result, given the low nickel prices experienced during the year and particularly over the last six months.

Overview of the June 2012 Quarter

Mincor produced 2,407.6 tonnes of nickel-in-ore in the June Quarter, down marginally on the previous quarter due to the closure of the Carnilya Hill mine in March.

Production tonnes from the remaining four mines actually increased slightly over the previous Quarter, but average nickel grades were lower, largely as a consequence of the mining sequence for the Quarter.

Mine Production for the June Quarter	Tonnes	Grade	Nickel-in-ore	Nickel-in-concentrate
Miitel	29,104	2.28	664.7	588.3
Mariners	21,825	4.32	943.3	833.1
Otter Juan	6,455	3.63	234.5	211.1
McMahon	21,372	2.64	565.1	509.6
Totals	78,756	3.06	2,407.6	2,142.1

The lower grades resulted in higher cash costs than the previous Quarter, though cash costs remained well below budget.

Northern Operations

At McMahon production tonnes decreased slightly as the last of the development ore drives in the MN03 was completed and the stoping phase commenced. Nickel grades were lower than the previous Quarter, which was a function of the mining sequence, with most of the Quarter's production from lower grade areas of the mine.

By the end of the Quarter 107 metres of capital development had been carried out, completing the currently designed development for the MN03 ore body. Development of the 1303/1 ore drive was completed during the Quarter with 29 metres of ore development. The 1403/2 access drive intersected the ore position and 158 metres of ore development was completed. Access to the 1302/1 level of the higher grade MN02C ore body was established during the Quarter and 33 metres of ore development completed.

Production at Otter-Juan continued with limited mining areas as the mine approaches the end of its life. Mining at Carnilya Hill was completed in the March Quarter and the mine has now been placed on care and maintenance.

Southern Operations

At Mariners, production tonnes for the Quarter increased by 3% and the grade increased by 29% over the previous Quarter. The increased grade was a result of high-grade development and stoping ore from the Terrace ore body.

Development ore from the 1180S and 1160S Terrace strike drives, which are the next two levels below the high-grade 1200S Terrace level, and stripping of part of the 1220S ore drive, contributed 73% of the production. These strike drives encountered some exceptionally wide ore runs with the drives taken up to the maximum width of 9 metres in places. Long-hole stope production for the Quarter contributed 17% of the ore, all of which came from the 1200S Terrace ore zone. Long-hole stoping of this 1200S level will continue in the September Quarter.

Development performance improved with 336 metres for the Quarter. At the end of the Quarter the main decline had advanced to the 1140N access position and the 1160N access takeoff and stockpile had been developed. The 1180S strike drive had been completed and the 1160S strike drive had advanced 47 metres on ore.

At Miitel production tonnages were strong but grades were slightly below the previous Quarter. This was the result of lower grades from the N18 and N18B long-hole stopes and from the airleg stopes which was only partly offset by higher grades from the development of the first strike drive through the new N29C ore body. Long-hole stopes contributed 70% of production. Long-hole stoping production came from the 660 and 680 levels of the N18 ore body and the 730 and 750 levels of the N18B. Airleg production continued in the north of the mine and contributed 13% of production.

Development of the 608 decline for the N29C ore body continued during the Quarter and by the end of the Quarter the decline had advanced past the 670 access position and the 670 take-off and stockpile had commenced. The 650 access drive had been completed and the 650 strike drive was fully developed.

OUTLOOK FOR 2012/13

Mincor expects to produce approximately 283,000 tonnes of ore at an average grade of 3.2% nickel for the 2012/13 Financial Year, for 9,000 tonnes of nickel-in-ore. Cash costs are targeted at A\$5.20 per pound payable nickel, before royalties.

On a mine by mine basis production is forecast as follows:

- **Miitel Mine:** 110,000 tonnes ore @ 3.0% nickel
- **Mariners Mine:** 95,000 tonnes ore @ 3.5% nickel
- **McMahon Mine:** 70,000 tonnes ore at 3.0% nickel
- **Otter Juan Mine:** 8,000 tonnes ore at 3.3% nickel

Capital expenditures will be focused on the continued development of the N10B ore body at Mariners and the N29C ore body at Miitel. Total capital for the financial year is estimated at \$15 million.

Apart from production, Mincor's strategic goals in Kambalda are to continue to replenish ore reserves through near-mine exploration, and to discover new ore bodies through its regional Kambalda exploration program.

Important near-mine exploration targets include depth extensions to the very high grade Terrace and N10 ore bodies at the Mariners Mine, extensions to resources and reserves in the lightly drilled southern extensions of Miitel, and the structurally complex northern part of Miitel, as well as the entire McMahon/Ken ore trend at North Kambalda.

Exciting progress has been made on regional Kambalda exploration targets, and both Cassini and Mons (further details below) will be drilled early in the new financial year.

In Papua New Guinea, Mincor will commence drill-testing of exploration targets at its Edie Creek prospect during August. Later in the financial year drill-testing of the large, well-defined copper-gold anomaly at Bolobip will be carried out. In parallel, target definition work will continue on the highly prospective targets outlined during the year at May River.

Within Australia Mincor will pursue its copper-gold program at Tottenham in New South Wales, and its suite of zinc prospects in Western Australia, the latter in tandem with its joint venture partner, JOGMEC.

Mincor has set aside up to a maximum of \$15 million for Kambalda, PNG and Australia-wide exploration for the 2012/13 Financial Year.

Mincor's goal remains to enhance and grow its successful Kambalda nickel mining business, while seeking additional growth through the discovery or acquisition of ore deposits outside Kambalda.

HEALTH AND SAFETY

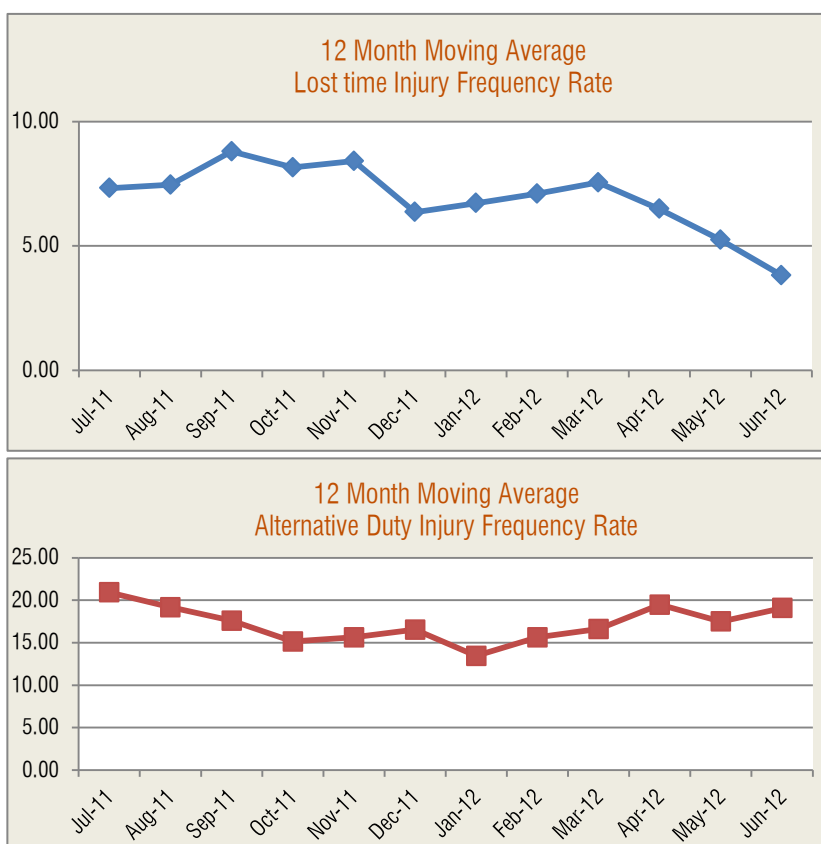
There were no lost time injuries in the June Quarter.

Mincor's safety performance over the past 12 months has been good, reflecting the efforts of the entire workforce in hazard identification and risk management.

The 12 month moving average Lost Time Injury (LTI) Frequency rate for all Mincor Operations has now dropped to 3.8, which is the same as the Nickel Industry Underground average.

All Mincor's Operations have now achieved 9 months without a lost time injury. During the Quarter both Mariners and Miitel achieved more than 12 months without a LTI and by the end of the Quarter had achieved 410 and 387 days respectively without an LTI.

The number of alternative duty injuries also continued to fall with 10 ADIs over the last 12 months compared to 11 recorded for the 12 months to the end of the March Quarter. Whilst the number of ADIs is decreasing the apparent increase in the frequency rate on the graph is due to the reduction in manning levels.



The following improvement strategies were undertaken during the Quarter:

- Ongoing review of procedures, plans, policies and documentation to ensure consistency across sites; continued development of the web-based information and safety management system. Ongoing review of Crisis Management Plans and the Site Emergency Procedures.
- Continued development of Safety Management Plans for Exploration, including PNG incorporating Major Hazard Standards and Emergency Threat Analysis.
- Noise report conducted for Otter-Juan and McMahon.
- Reviewed Explosives Management Plan for all sites.
- Quarterly Safety Committee meeting held with site Safety and Health Representatives.
- Scheduled servicing of underground refuge chambers completed.

KAMBALDA NICKEL – EXTENSIONAL EXPLORATION

Underground drilling during the Quarter focused on operational matters and on infill drilling of near-mine resources. Exploration drilling commenced later in the Quarter and assay results are not yet available.

Material results from this drilling will be the subject of a separate announcement in due course.

KAMBALDA NICKEL – REGIONAL EXPLORATION

Mincor's Regional Exploration program in Kambalda is targeted at the discovery of new ore bodies in this highly prospective nickel district. Significant progress was made during the Quarter on highly promising regional targets at Cassini and at Mons.

Cassini Prospect

Mincor acquired the Cassini tenements in January this year. The tenements lie at the southern end of the Widgiemooltha Dome and include at least two Widgiemooltha basal contacts as well as a likely basal contact along the northern edge of the Pioneer Dome.

Work during the Quarter has led Mincor to upgrade its estimate of the scale of the opportunity in this area. The total strike length of the multiple basal contacts and their evident prospectivity indicate the potential for a new nickel sulphide camp. The area is relatively under-explored due to the presence of extensive surface cover. However, it has demonstrated nickel sulphide fertility, positive litho-geochemical indications, and numerous untested magnetic anomalies. Following the latest drill intersection reported below, it now also contains two known high-grade nickel sulphide prospects.

During the Quarter Mincor completed an initial phase of shallow aircore drilling designed to confirm the location of the concealed basal contacts and give an indication of relative fertilities. The program comprised 38 holes for 3,304 metres.

Most of the results are still pending, but one highly significant intersection has already been achieved, with a shallow, high-grade intersection in an otherwise untested magnetic high.

The magnetic high lies 750 metres north of the Cassini Prospect itself, and is about 500 metres in strike length.

The intersection is as follows:

- CAC010: **1 metre @ 7.14% nickel, 0.15% copper from 119 metres**

The intersection comprises transitional matrix nickel sulphides (violarite) within a moderate to high-MgO ultramafic unit near the base of oxidization. The hole ended in felsic porphyry in the next metre thus the true basal contact remains untested.

Elsewhere the aircore program successfully delineated the basal contact on both sides of the dome and this data will be used for the next round of deeper drilling which is now at the detailed planning stage.

Bluebush Line: Mons Prospect

Mons is located at the northern end of the Bluebush Line and much of the prospect area is covered by the thin lake sediments of Lake Lefroy. Mincor's exploration is focused on two well-developed magnetic highs on what appear to be structurally repeated basal contacts defining the western (Mons) and eastern (Mons East) bodies.

During the Quarter Mincor completed a detailed ground magnetic survey and carried out two aircore drilling programs totalling 67 holes for 3,356 metres. Assay results are pending.

Mincor has now completed its initial exploration phase at Mons and is preparing to move to the next phase of deeper drill-testing. Once all the assay results have been received a drill program will be designed to follow-up the known nickel sulphide mineralisation, test beneath the deepest part of the embayed channel and test down-dip in fresh rock below the best developed nickel/copper geochemical anomalies. A deeper exploration hole will test the extensive EM anomaly previously identified by Mincor at the Mons East location.

FIGURE 1:
Cassini drill-hole locations with position of basal contact and detailed aeromagnetic

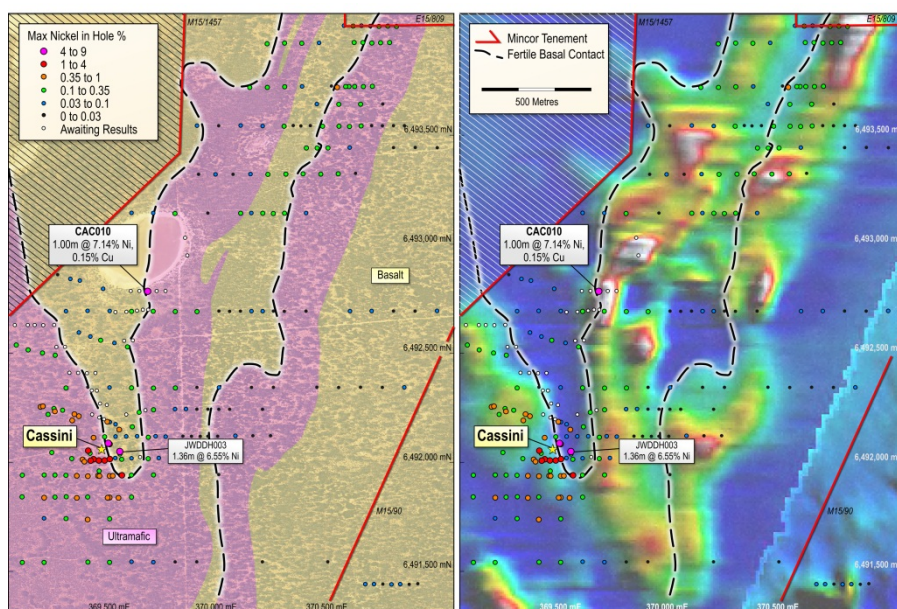
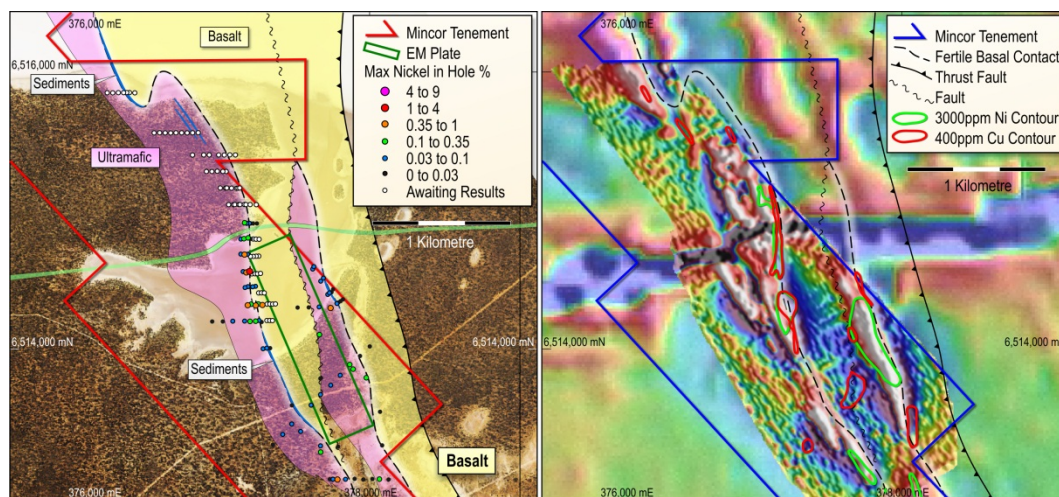


FIGURE 2: Mons drill-hole locations with position of basal contact and detailed aeromagnetic



REGIONAL EXPLORATION

Tottenham Copper Project (Mincor 100%)

A reconnaissance air core drilling program consisting of 54 holes for 2,195 metres was completed at Tottenham, testing the northern extension of a concealed quartz-magnetite unit. The contact is the key stratigraphic horizon that hosts copper mineralisation in the district. The aircore program confirmed the presence of footwall basalts, quartz-magnetite units and hanging-wall metasediments consistent with the Tottenham stratigraphy. Assays are pending.

Due to rain the drill testing of the Hudson soil anomaly located west of Mt Royal was not undertaken and has been postponed to next Quarter.

Old soil pulps have been re-submitted for analysis for low-level gold values, a significant mineralisation indicator. A program of additional soil sampling was also carried out. Results are awaited.

PAPUA NEW GUINEA

Edie Creek (Mincor earning up to 51%)

Soil sampling at 25 metre intervals along grid lines spaced 100 metres apart is nearing completion and once all assays are received and evaluated this will assist in the targeting of areas outside the known prospects as well as extensions to known mineralisation.

A ground magnetic survey comprising 109 line kilometres along lines spaced between 25 and 100 metres apart was completed. The results show a dominant northwest structural trend and reveal possible dilational zones associated with sinistral movement along these NW structures – ideal localities for gold deposition.

The old mine workings together with all available mining information, drill holes, bench samples and geological studies were digitised and a new set of plans, cross sections and longitudinal sections completed for the Edie Creek and Enterprise mine areas, including detailed grade information.

Drill testing of epithermal and mesothermal gold targets along the structural corridor is scheduled to commence early in August.

May River (Mincor earning up to 72%)

A number of new targets identified by last year's airborne VTEM and ZTEM surveys as well as known prospects require follow up. However, due to weather conditions and logistical considerations the next phase of field work at May River will not commence until later in the year; a program of social mapping will be carried out in the interim.

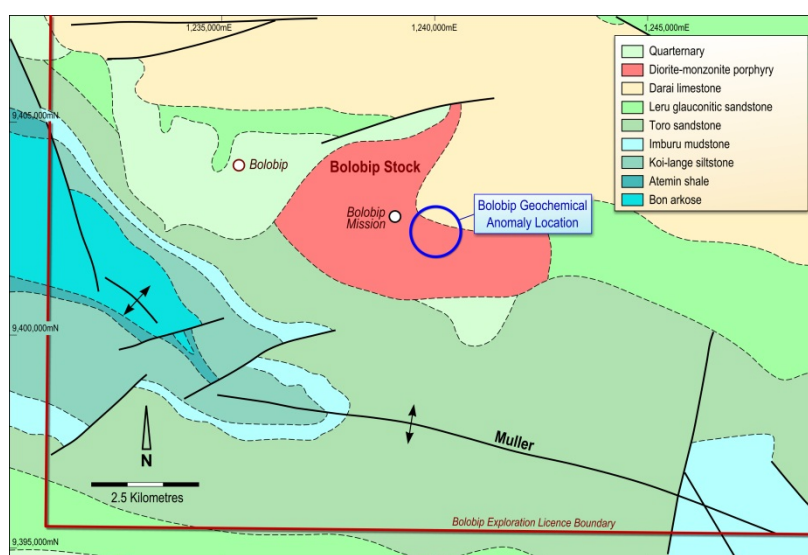
Bolobip (Mincor earning up to 72%)

A detailed review of all ridge and spur soil sampling, rock-chip sampling and grid wacker drilling carried out by CRA in the late 1980s has highlighted the potential of the Bolobip area to host a porphyry copper-gold deposit.

The wacker drilling was conducted over a 1.3 square kilometre gridded area at 25 metre intervals along lines spaced 200 metres apart. Depth of drilling varied from a few centimetres to several metres depending on soil cover, while in areas of outcrop rock-chip samples were collected (a wacker drill is a hand-held device used to drill shallow holes down to the freshest rock possible within the limits of the device). The original work was carried out by CRA to better define an anomalous zone outlined by ridge and spur sampling.

Mincor's evaluation of the data included levelling of the datasets allowing assay results from different sample types and batches to be used meaningfully.

FIGURE 3: Wacker grid sampling together with ridge and spur soil sampling showing a central zone of elevated copper and gold, highlighted by the circle



The data clearly demonstrates the presence of an extensive zone of copper and gold anomalism, rimmed by anomalous values of zinc, lead and manganese. This signature is consistent with what would be expected from the leached cap of a large mineralised copper-gold porphyry intrusive (see assay plots below).

This interpretation is further supported by the scale of the anomaly (approximately one kilometre in diameter), the underlying geology (a multiphase intrusive body of monzonite to diorite composition), and the location within a known belt of porphyry ore deposits, including Ok Tedi some 60 kilometres to the west.

Apart from the surface sampling and some hand-trenching, no testing of this anomaly has been done. There has been no geophysical work and no drilling.

CORPORATE MATTERS

Hedging Arrangements

Mincor has sold forward 480 tonnes of payable nickel to December 2012, distributed as 80 tonnes per month, at an average price of A\$27,459 per tonne. Mincor is currently unhedged beyond December 2012.

Major Expenditures, Cash and Debt

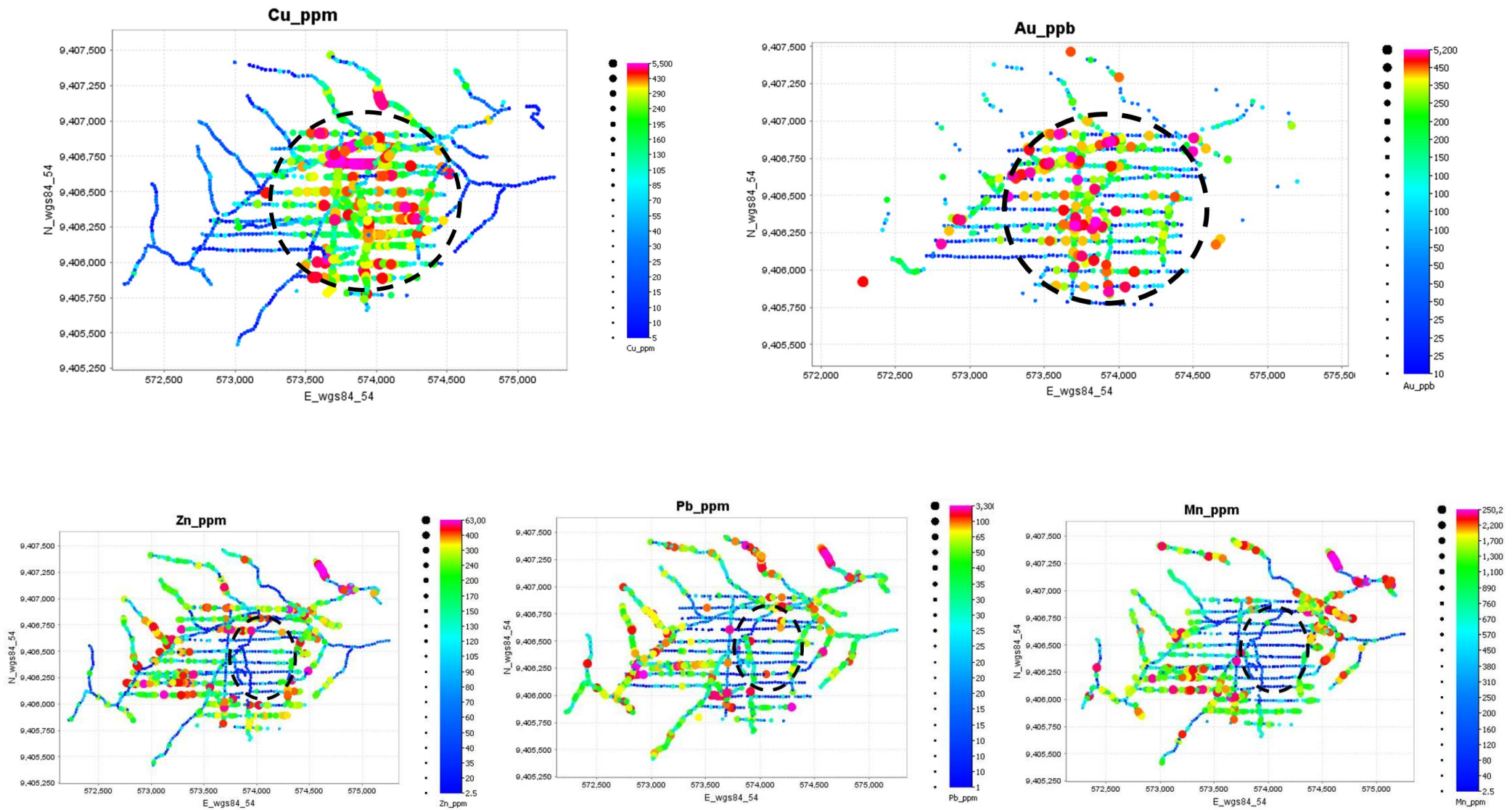
Under the terms of its share buyback program announced 21 June 2011, Mincor has bought back and cancelled a total of 12.4 million of its own shares, representing 6.2% of its share capital before the start of the buyback. Of this total, 6,063,609 shares were bought back during the June Quarter, for an outlay of \$4.12 million. The program ended on 4 July 2012 following the completion of the 12 month buyback period. The total cost of the shares purchased under the buyback program was \$9.1 million.

As at 30 June 2012, Mincor had cash of **\$75.90 million** (end Mar 2012: \$75.19 million); and receivables net of creditors and accruals of \$2.12 million, giving a working capital position of **\$78.02 million** (end Mar 2012: \$81.66 million). The Company has no debt.

During the Quarter Mincor recorded a **\$2.45 million** decrease in revenue received (compared to revenue booked as receivables in the previous quarter) due to provisional pricing adjustments.

The information in this Public Report that relates to Exploration Results is based on information compiled by Peter Muccilli and Richard Hatfield, both of whom are Members of The Australasian Institute of Mining and Metallurgy. Messrs Muccilli and Hatfield are full-time employees of Mincor Resources NL. Messrs Muccilli and Hatfield have 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 Competent Persons as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Messrs Muccilli and Hatfield consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Figure 4: Wacker grid sampling together with ridge and spur soil sampling showing rimming zinc, lead and manganese around a central zone (highlighted by the circle) that is relatively depleted in these elements but relatively enriched in copper and gold



Mineral Resources as at 30 June 2011***

RESOURCE	MEASURED		INDICATED		INFERRED		TOTAL		
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Ni Tonnes
Mariners	125,000	3.6	417,000	4.8	65,000	3.5	608,000	4.4	26,900
Redross	31,000	5.1	138,000	2.9	67,000	2.9	236,000	3.2	7,500
Burnett	-	-	121,000	4.8	-	-	121,000	4.8	5,700
Miitel***	175,000	4.2	318,000	3.6	545,000	3.0	1,038,000	3.4	35,100
Wannaway	-	-	123,000	2.6	16,000	6.6	139,000	3.0	4,200
Carnilya Hill*	63,000	4.1	41,000	2.3	-	-	104,000	3.4	3,500
Otter Juan**	45,000	3.3	114,000	4.7	79,000	2.3	238,000	3.7	8,700
McMahon/Ken	-	-	264,000	2.9	79,000	6.2	343,000	3.7	12,600
Durkin	-	-	251,000	5.2	127,000	5.0	378,000	5.1	19,300
Gellatly	-	-	29,000	3.4	-	-	29,000	3.4	1,000
Cameron	-	-	96,000	3.3	-	-	96,000	3.3	3,200
Stockwell	-	-	557,000	3.1	-	-	557,000	3.1	17,100
Grand total	439,000	4.0	2,469,000	3.8	978,000	3.5	3,887,000	3.7	144,800

- 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.
- ** Otter Juan includes Coronet and McCloy.
- *** Miitel has been partly updated to December 2011 with inclusion of N29C and modification of N29A.

Resources are estimated to a 1% nickel cut-off. No minimum mining width criteria are used. The Resource estimation is done using inverse distance or kriging methods, depending on the data density. Volume models are constructed using all available data including underground drive and stope mapping. Grade interpolation using assay results from diamond drill core and, in places, underground face samples.

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 he is undertaking to qualify as a Competent Person 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 his information in the form and context in which it appears.

Ore Reserves as at 30 June 2011***

RESERVE	PROVED		PROBABLE		TOTAL		
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Ni Tonnes
Mariners	49,000	2.9	329,000	3.8	378,000	3.7	13,900
Redross	33,000	3.5	-	-	33,000	3.5	1,200
Miitel***	108,000	2.6	185,000	3.2	293,000	3.0	8,600
Wannaway	-	-	39,000	2.9	39,000	2.9	1,100
Carnilya Hill*	33,000	3.3	-	-	33,000	3.3	1,100
Otter Juan**	40,000	3.6	14,000	3.8	54,000	3.6	2,000
McMahon	-	-	242,000	2.4	242,000	2.4	5,600
Grand total	263,000	3.0	809,000	3.2	1,072,000	3.1	33,500

- Figures have been rounded and hence may not add up exactly to the given totals.
- * Reserves for Carnilya Hill are those attributable to Mincor – that is, 70% of the total Carnilya Hill Reserve.
- ** Otter Juan includes Coronet and McCloy.
- *** Miitel has been partly updated to December 2011 with inclusion of N29C and one extra level on the N29A.

Appropriate dilution for the various mining methods was applied to the Indicated and Measured Resources. Using a 1.5% nickel cut-off and minimum mining width criteria, areas were selected as being mineable. Additional modifying factors to account for ore loss, recovery, further dilution, etc were then applied to achieve an estimated Reserve.

The information in this Public Report that relates to Ore Reserves is based on information compiled by Mr Peter Teasdale, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Teasdale is a permanent employee of Mincor Resources NL. Mr Teasdale 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 a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Teasdale consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

- REPORT ENDS -