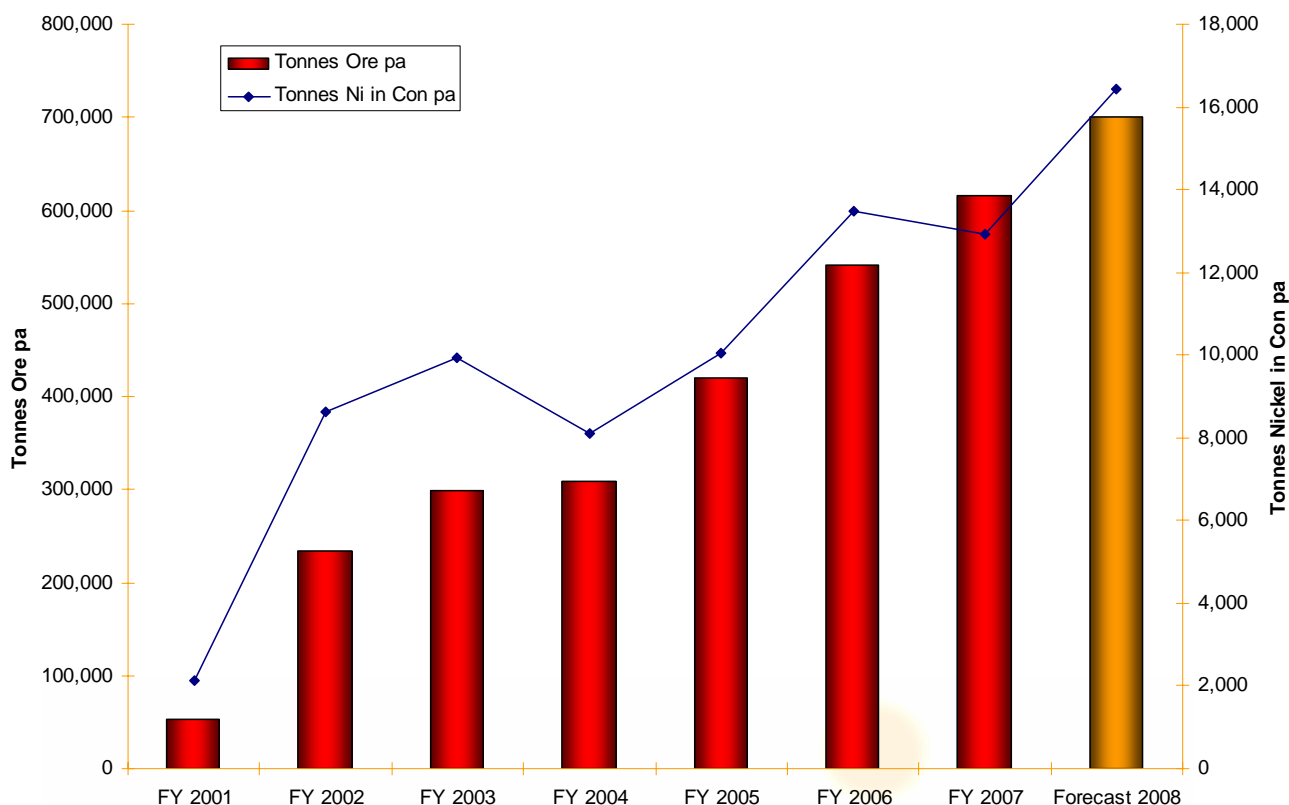


## HIGHLIGHTS OF THE QUARTER

- Mincor achieves full-year production targets with 12,927 tonnes nickel-in-concentrate produced and sold – announces 28% increase in forecast production for new financial year
- Mincor enters S&P/ASX 200 Index – ends financial year as top performing Company in the Index
- Mincor concludes landmark deal to acquire Otter Juan nickel mine
- \$68.5 million GMM acquisition (including Otter Juan, McMahon and Durkin) completed 2 July
- Carnilya Hill nickel project given go-ahead with production to commence January 2008
- Continued exploration success with Mariners 09 and North Miitel extensions emerging as significant new discoveries
- \$13 million additional revenue recognised for March quarter based on final nickel settlement prices
- Outstanding June Quarterly Operating Surplus of \$44.9 million. Estimated operating surplus for 2006/07 Financial Year of \$192.5 million (FY2005/06: \$69.3 million)
- Current cash and receivables net of creditors and accruals stands at **\$77.38 million** after settlement of the GMM acquisition.

## MINCOR CONTINUES UNMATCHED RECORD OF PRODUCTION GROWTH



The graph above illustrates Mincor's attributable production since start of mining in March 2001. Mincor has demonstrated a capacity to continually increase production while at the same time increasing its Mineral Resources. Mincor's total nickel metal in Mineral Resources are higher today that at any time in the past.

## MINING OPERATIONS, KAMBALDA (Mincor 100%)

**TABLE 1: Production, Grade, Revenue and Costs – March to June 2007**

	MIITEL <sup>(1)</sup>	REDROSS	MARINERS	WANNAWAY	TOTAL
Ore Tonnes Mined (DMT)	61,213	38,085	51,730	5,349	156,377
Ore Tonnes Treated (DMT)	63,611	39,550	56,778	6,688	166,627
Average Nickel Grade (%)	2.11	3.24	1.89	2.82	
Nickel-in-Concentrate Sold	1,124.8	1,077.2	899.1	162.9	3,264.0
Copper-in-Concentrate Sold	115.9	76.1	94.1	14.9	301.0
Cobalt-in-Concentrate Sold	23.3	20.9	17.3	3.6	65.1
Sales Revenue* (A\$)	26.96m	26.30m	21.95m	4.93m	80.14m
Direct Operating Costs** (A\$)	10.65m	6.67m	9.45m	1.62m	28.39m
Indirect Costs*** (A\$)	2.65m	2.42m	1.36m	0.39m	6.82m
Operating Surplus**** (A\$)	13.66m	17.21m	11.14m	2.92m	44.93m
Capital Development/Exploration Costs (A\$)	3.52m	0.62m	2.05m	0.29m	6.48m
<b>Costs Per Pound Payable Nickel</b>					
Payable Nickel Produced (lbs)	1,611,870	1,543,624	1,288,389	233,449	4,677,332
Mining Costs (A\$/lb)	4.02	2.40	4.43	3.33	3.56
Milling Costs (A\$/lb)	1.41	0.92	1.58	0.99	1.27
Ore Haulage Costs (A\$/lb)	0.30	0.23	0.41	0.37	0.32
Other Mining/Administration (A\$/lb)	0.88	0.77	0.92	2.26	0.92
Royalty Cost (A\$/lb)	1.64	1.57	1.05	1.66	1.46
By-product Credits (A\$/lb)	(0.55)	(0.44)	(0.54)	(0.55)	(0.51)
Cash Costs (A\$/lb Ni) – Quarter	7.70	5.45	7.85	8.06	7.02

<sup>(1)</sup> "Miitel" includes North Miitel.

\* Sales Revenue – estimate, awaits the fixing of the three-month nickel reference price – see "Note on Sales Revenue Adjustments" below.

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

\*\*\* Indirect Costs – royalties and net finance costs.

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

**TABLE 2: Production Summary – Financial Year 2006/07**

	MIITEL <sup>(1)</sup>	REDROSS	MARINERS	WANNAWAY	TOTAL
Ore Tonnes Treated (DMT)	254,643	139,133	197,935	24,519	616,230
Average Nickel Grade (%)	2.26	3.27	2.14	2.47	
Nickel-in-Concentrate Sold	4,900.4	3,891.1	3,616.4	519.3	12,927.20
Copper-in-Concentrate Sold	497.4	260.2	366.3	50.8	1,174.7
Cobalt-in-Concentrate Sold	101.7	74.0	69.0	11.3	255.9
Sales Revenue* (A\$)	122.01m	96.71m	88.44m	16.84m	324.00m
Direct Operating Costs** (A\$)	40.64m	23.09m	35.31m	6.43m	105.47m
Indirect Costs*** (A\$)	10.79m	8.52m	5.51m	1.17m	25.99m
Operating Surplus**** (A\$)	70.58m	65.10m	47.62m	9.24m	192.54m
Capital and Development Costs	8.89m	8.21m	5.30m	0.48m	22.88m
<b>Costs Per Pound Payable Nickel</b>					
Payable Nickel Produced (lbs)	7,022,341	5,575,996	5,182,247	744,190	18,524,774
Mining Costs (A\$/lb)	3.42	2.23	4.14	4.29	3.30
Milling Costs (A\$/lb)	1.24	0.87	1.33	1.13	1.15
Ore Haulage Costs (A\$/lb)	0.26	0.22	0.33	0.37	0.28
Other Mining/Administration (A\$/lb)	0.86	0.82	1.01	2.85	0.97
Royalty Cost (A\$/lb)	1.54	1.53	1.06	1.57	1.40
By-product Credits (A\$/lb)	(0.55)	(0.43)	(0.52)	(0.57)	(0.51)
Cash Costs (A\$/lb Ni) – Full Year	6.77	5.24	7.35	9.64	6.59

<sup>(1)</sup> "Miitel" includes North Miitel.

\* Sales Revenue – estimate, awaits the fixing of the three-month nickel reference price.

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

\*\*\* Indirect Costs – royalties and net finance costs.

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

## Operating Surplus – Note on 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. The Company's policy for accounting purposes is to estimate this figure using a 10% discount to the average LME spot price during the month of delivery. This figure is then subject to an adjustment (up or down) when the final nickel price is known. However, the Company has chosen to discount the average LME spot price for April, May and June by a further 10% to take account of the recent significant fall in the nickel price. The revenue figures shown in this report incorporate this double (20%) discount to the spot price for those months of delivery.

During the June 2007 quarter, Mincor established the final nickel price for the production months of January, February and March 2007. As a result, Mincor recognised additional sales revenue of \$13.36 million attributable to those production months. This additional revenue **has not** been included in the sales revenue disclosed in Table 1 above.

## MINING PROGRESS – KAMBALDA NICKEL OPERATIONS

### Overview

Mincor produced 3,264 tonnes of nickel-in-concentrate, or 3,880 tonnes of nickel-in-ore, for the quarter. This brought production for the financial year to 12,927 tonnes of nickel-in-concentrate, consistent with the previously advised production target of between 12,500 and 13,500 tonnes of nickel-in-concentrate. Ore tonnes mined for both the quarter and the financial year were at record levels.

Cash costs per pound of nickel at Miitel, Mariners and Wannaway were all lower than the previous quarter due to higher ore tonnes mined and processed.

The cash cost per pound of nickel at Redross was marginally higher than the previous quarter due to lower ore grades and marginally higher costs per tonne from a small component of remnant mining.

Direct costs per tonne of ore (including royalties) at Miitel, Mariners and Wannaway were all lower than the previous quarter, again due to higher volumes mined. Direct costs per tonne at Redross were slightly higher than the previous quarter due to the commencement of higher cost remnant mining in the upper levels.

Underground exploration drilling continued to experience success at North Miitel and Mariners (see further below).

During the quarter, mining at the North Dordie Open Pit commenced. At the end of the quarter, pre-stripping of the pit was largely complete and the top of the ore surface had been exposed. Mining of the ore will be undertaken during the September quarter.

### Miitel Mine – Mining Progress

Production from Miitel was in line with expectations and back to normal levels after restricted production in the March quarter. The loader operator shortages experienced during the first quarter of the calendar year were ameliorated but manpower constraints remain an issue.

Ore production was primarily sourced from North Miitel with the bulk of production coming from mechanised flat back cut and fill stopes.

A total of 271 metres of operational waste development accessing ore on 520, 515, 497, 470, 570 and 421 levels was completed.

Capital development of the North Miitel decline, North Miitel vent decline, South Main decline, 256 vent incline and South Vent decline continued with a total of 622 metres achieved. The South Miitel capital development accelerated during the quarter with 410 metres of development achieved.

Two raise bore holes were completed in North Miitel, being a 43-metre return airway and a 45-metre escapeway.

### Redross Mine – Mining Progress

Redross continued to operate on an owner mining basis and has exceeded expectations in this regard. The mine delivered record ore tonnes and the second highest nickel tonnes on record for the quarter.

Airleg stoping from stoping blocks situated between 8 level and 17 level accounted for 21,690 tonnes of ore; long hole and half upper stoping contributed 9,539 tonnes, with the remainder from ore development and stockpiled ore.

Long hole stoping of the lower levels increased as a proportion of production during the quarter and is expected to be maintained at the current levels over the coming financial year.

Operational development concentrated on accessing the remnant ore on the 6 level. 119.5 metres of operational development was achieved for the quarter.

Rehabilitation and redevelopment to access the old workings commenced during the quarter, with a view to starting remnant mining in those areas.

### Mariners Mine – Mining Progress

Mining operations at Mariners progressed satisfactorily and, as predicted in the previous quarterly report, delivered record ore tonnes for the quarter due to the commencement of the long hole stopes in the 08 ore body. Manning and equipment availability was good. Operations consisted of level development, mechanised flat back stoping and long hole avoca stoping.

Capital development focused on the main decline and 1622 vent return drive with 255 metres being achieved. The decline is currently halted to provide a diamond drilling site to further delineate the new N09 ore body. Development will recommence early in the coming quarter.

The 16 level to 17 level escapeway raise bore was completed early in the quarter with 16 metres of raise boring performed.

Underground exploration drilling continued to test the new N09 discovery down-plunge of the 08 ore body, with significant success (see further below).

### Wannaway Mine – Mining Progress

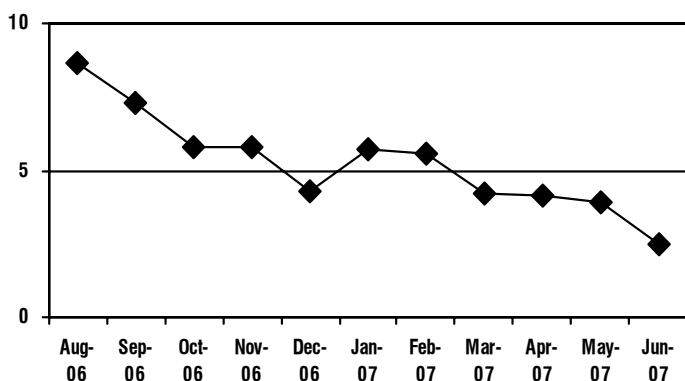
Wannaway continued satisfactorily as a small-scale remnant operation working on an owner-operator basis. Mining equipment operated reliably. Production continued to be sourced from air leg mining of remnant ore positions. 152 metres of operational development was completed with the majority developing the 840 level stoping block.

Work continued on evaluating the ore block between 392 and 494 levels with development to commence early in the coming quarter.

### HEALTH, SAFETY AND THE ENVIRONMENT

There were no lost time injuries for the June quarter, giving a 12 month moving average Lost Time Injury Frequency Rate of 2.6. While no injuries are acceptable, this is a good result and is substantially better than industry benchmarks.

#### 12 Month Moving Average Lost Time Injury Frequency Rate



In addition, Mincor's mining contractor continued to improve and to establish very high scoring on the monthly leading key performance indicators. During the quarter Miitel passed one year free of lost time injuries and by quarter-end Wannaway had gone 698 days without a lost time injury. These excellent results are a tribute to the hard work and dedication of all personnel.

Mincor continues to focus closely on safety systems and behaviours and continues to roll out new safety initiatives. These include:

- Supervisor Training and Enhancement Program
- Review of RUC Contractors Safety Management System and Safe Systems of Work for Carnilya Hill
- Documentation of Mincor's Safety Management System for inclusion on the intranet
- Inspection of all Fire Refuge Chambers
- Improvement to Fitness for Work testing systems
- Communication to all employees regarding the risk of dehydration
- First aid training

Work in the coming quarter will include:

- Continual improvement of the Ground Control Management Plan
- Documentation of the Major Hazard Standards for Electrical Hazards
- Review of the Major Hazard Standard for Mobile Equipment
- Continuing the development of the safe work procedures for underground operations

### DEVELOPMENT PROJECTS – KAMBALDA

#### North Dordie Open Pit (Mincor 100%)

Operations at the North Dordie Open Pit commenced during the quarter. As at the end of the quarter the majority of the pre-strip was complete and the top of the primary ore surface was exposed. At quarter end a total of 379,000 bulk cubic metres of material had been mined from the pit down to the 280/285 level. Approximately 1,300 tonnes of ore was delivered to the ore pad but not delivered to the concentrator. Most of North Dordie's ore will be mined and delivered in the September quarter.

#### Carnilya Hill (Mincor 70%)

During the quarter, the Company and its joint venture partner took the decision to proceed with the development of a new mining operation at Carnilya Hill. The new operation will be based on an initial ore reserve of 483,500 tonnes @ 2.9% nickel for 14,000 tonnes of contained nickel metal.

Life-of-mine capital costs are estimated at \$28 million. Production is expected to commence in January 2008 and ramp up to a rate of approximately 15,000 tonnes of ore per month, or approximately 5,000 tonnes of nickel per annum (Mincor's equity share 3,500 tonnes nickel).

By the end of June Mincor had, after a competitive tender process, awarded the mining contract to RUC Mining Contractors Pty Ltd. Surface site works commenced during June, and as at the date of this report Mincor and RUC had mobilised to site and underground rehabilitation of the existing decline was well advanced.

### FEASIBILITY STUDY PROJECTS – KAMBALDA

#### McMahon Nickel Project (Mincor 100%)

With the settlement of the GMM acquisition on 2 July, Mincor's feasibility study on McMahon became a high priority. Detailed engineering and costing studies are underway and a program of resource confirmation drilling commenced in late June.

Mincor's first drill-hole was one of two designed to test the area to the north and east of historic drill-hole KD9486W2 (13.95 metres @ 3.01% nickel from 480 metres on section 550920N). Drill-hole KMD001 returned 1.83 metres @ 1.11% nickel from 510.68 metres. The intersection overlays

sediment. The drilling program will continue through the current quarter.

### Durkin Deeps Nickel Project (Mincor 100%)

Detailed engineering and design work, as well as costing studies, are underway at Durkin Deeps. A program of confirmatory and extensional exploration drilling is due to commence during the September quarter.

## KAMBALDA NICKEL EXPLORATION

### Mariners NO9 (Mincor 100%)

Underground drilling continued throughout the quarter at Mariners, with a number of significant nickel intersections achieved, some of which were reported to the market on 5 June 2007. All significant intersections achieved to date are shown on the accompanying diagram. Results obtained during the June quarter are tabled below.

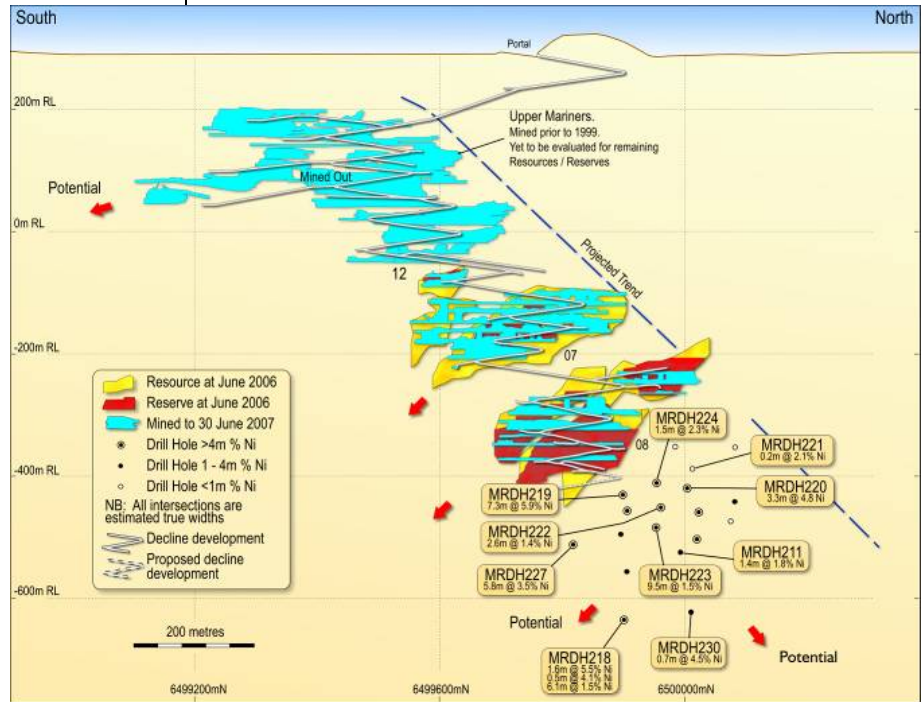
The recent results confirm a substantial new discovery. The structure appears to consist of two overlapping mineralised zones which have a moderate southerly plunge within the overall steeply north-plunging trend. Mineralisation outlined to date remains open to the south and down-plunge. The distribution of the higher nickel grades and the presence of high-tenor massive sulphides suggest that there is a significant core of substantial widths and grade within the overall mineralised zone. Drilling to date confirms high nickel grades extending to a vertical depth of at least 200 metres below the current (June 2006) lower limit of the NO8 ore body. Drilling is continuing.

Table of Mariners NO9 drilling results for the June quarter:

- MRDH0211: **1.4 metres @ 1.8% nickel**  
(previously reported, 5 June 2007)
- MRDH0217: **4.4 metres @ 1.9% nickel**
- MRDH0218: **1.6 metres @ 5.5% nickel**  
(previously reported, 5 June 2007)
- MRDH0218: **0.5 metres @ 4.1% nickel**  
(previously reported, 5 June 2007)
- MRDH0218: **6.1 metres @ 1.5% nickel**  
(previously reported, 5 June 2007)
- MRDH0219: **7.3 metres @ 5.9% nickel**  
(previously reported, 5 June 2007)
- MRDH0220: **3.3 metres @ 4.8% nickel**  
(previously reported, 5 June 2007)
- MRDH0221: **0.2 metres @ 2.1% nickel**
- MRDH0222: **2.6 metres @ 1.4% nickel**
- MRDH0223: **9.5 metres @ 1.5% nickel**
- MRDH0224: **1.5 metres @ 2.3% nickel**
- MRDH0227: **5.8 metres @ 3.5% nickel**
- MRDH0230: **0.7 metres @ 4.5% nickel**

All results are reported as estimated true widths.

### Mariners – Long Section



### North Miitel Extensions (Mincor 100%)

Underground drilling at North Miitel during 2007 has confirmed a significant new extension to the North Miitel ore body, expanding along strike into an area previously categorised as an inferred resource.

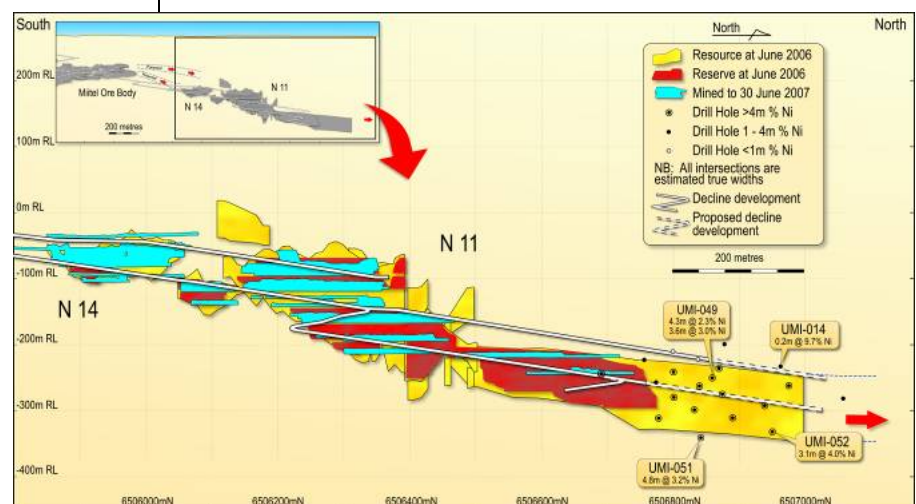
The latest drill results also demonstrate that this mineralised zone extends in the down-dip direction beyond the boundary of the previous inferred resource. The results also show continuity of mineralisation throughout the zone. The mineralised zone remains open along strike to the north.

All results to date are shown on the accompanying diagram, and the results received for the quarter are tabulated below.

- UMI-07-014: **0.2 metres @ 9.7% nickel**
- UMI-07-049: **3.6 metres @ 3.0% nickel**
- UMI-07-049: **4.3metres @ 2.3% nickel**
- UMI-07-051: **4.8 metres @ 3.2% nickel**
- UMI-07-052: **3.1 metres @ 4.0% nickel**

All results are reported as estimated true widths.

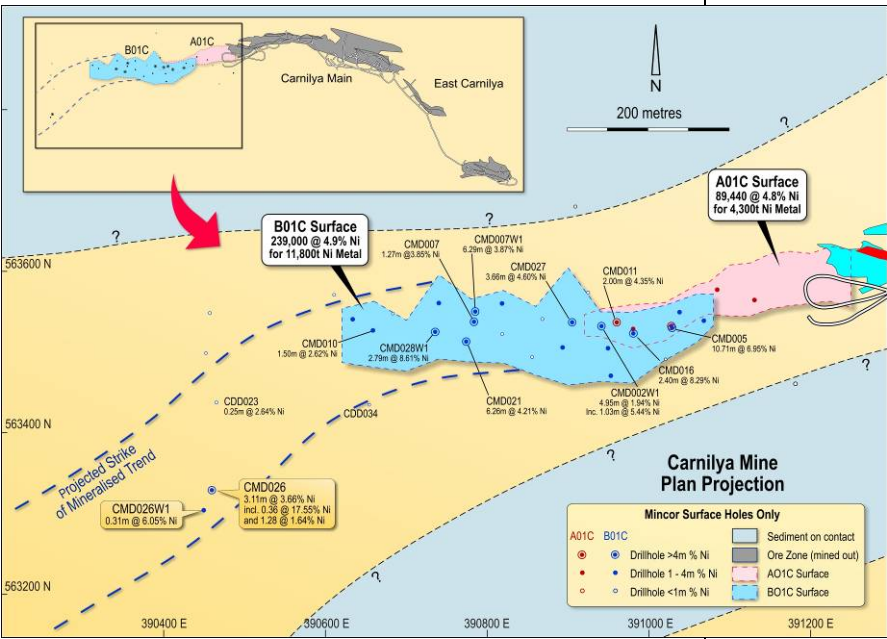
### North Miitel – Long Section



### Carnilya Hill (Mincor 70%)

Exploration drilling continued in the quarter with the completion of two diamond drill-holes and a wedge for 2,112 metres.

The grades intersected in CMD026, and CMD026W1 coupled with the newly defined DHEM anomalies highlight the very strong potential for the Carnilya Hill mineralisation to continue down-plunge to the west.



### South Miitel (Mincor 100%)

Two parent holes and a wedge (SMD007, SMD009 and SMD009W1) were drilled on a section approximately 200 metres to the south of SMD003 (0.78 metres @ 4.21% nickel). Results from the drilling are in the following table.

Although SMD007 and SMD09W1 intersected generally weak mineralisation, the DHEM carried out on these holes generated a number of anomalies believed to be related to nickel mineralisation.

These anomalies lie within the South Miitel trend and will be tested with further drilling. SMD009 appears to define the base of the system.

CMD026 intersected 3.11 metres @ 3.66% nickel, from 698.74 metres down-hole. This includes 0.36 metres @ 17.55% nickel from 698.74 metres down-hole, followed by 1.47 metres of weakly mineralised ultramafic rock and then 1.28 metres @ 1.64% nickel from 700.57 metres. All intersections are close to true width.

TABLE 3: Miitel South Surface Drilling

Hole ID	Depth From	Depth To	Intercept
SMD007	793.05	793.18	0.13m @ 1.24% Ni
SMD009	-	-	NSA (<1%Ni)
SMD009W1	862.85	863.6	0.75m @ 1.03% Ni

The result indicates a major extension to the mineralised channel structure at Carnilya Hill, with the new intersection located 280 metres down-plunge of the last substantial intersection (2.79 metres @ 8.61% nickel in CMD028W1) in the mineralised channel. Recently completed down-hole electro-magnetics (DHEM) indicate the presence of a strong in-hole/off-hole EM anomaly centred below the new intersection and extending both up-plunge and down-plunge to the east and west.

### Zone 29 East (Mincor 70%)

Zone 29 East is part of the Carnilya Hill Joint Venture and lies adjacent to the Zone 29 ore body that was previously mined by View Resources Ltd. The current resource at Zone 29 is 61,100 tonnes @ 3% nickel and is based on 28 reverse circulation and one diamond drill-hole intersections.

A follow-up hole, CMD026W1, is a downward wedge off the parent hole CMD026 and intersected 0.31 metres @ 6.05% nickel from 706.82 metres in matrix and stringer sulphides mineralisation.

A decision was made to conduct a diamond drilling program to confirm the current Zone 29 resource as well as attempt to extend the current mineralised trend. Four diamond drill-holes and a pre-collar (CMD029-CMD033) were drilled at Zone 29 East for a total of 786.7 metres.

Interpretation of the open intersections down-dip of CMD028W1 and CMD021 indicates the possibility that the host ultramafic extends beyond the previously interpreted limits and if so, could link with CMD026 down-plunge. CMD034 tested this theory and was drilled 115 metres down-dip of CMD010W1.

CMD030 and CMD031 were drilled within the Zone 29 East resource and both returned modest intersections. CMD029 and CMD032 were drilled outside the resource, with only CMD029 returning some encouragement. The drilling has indicated the plunge the mineralisation may be steeper to the east and remains open. This steepened trend will be tested with the diamond tail of the CMD033 pre-collar.

While CMD034 did not intersect significant mineralisation, a DHEM survey identified a moderate to strong off-hole anomaly up-dip off the target position. The dimensions of the anomaly extend from the known mineralisation in CMD010W1 to a point 50 metres above CMD034. The anomaly is considered an excellent target to extend the current limit of the resource and will be tested in the future.

The Zone 29 East resource will be updated with the latest drill-hole intersections.

TABLE 4: Assay Results for Zone 29 East Drilling

HOLE ID	INTERSECTION			
	From	To	Interval	Ni%
CMD029	112	112.63	0.63	1.34
CMD030	141.8	143.28	1.48	2.08
CMD031	169.82	170.21	0.39	1.09
CMD032	222.8	222.85	0.05	NSA

**Dordie Far West (Mincor 100%)**

As part of its regional nickel exploration work Mincor has developed a number of targets along the ‘Dordie Far West Contact’. This is the innermost basal contact zone of the Widgiemooltha Dome.

The new targets include a number of soil geochemical anomalies at the Dordie Far West group of tenements (E15/809, E15/812 and E15/721). The soil anomalies are associated with magnetic anomalies along the preserved basal contact and have not been previously drill-tested. They are thus considered to have high exploration potential.

Two RC holes (MRC151 and MRC152) and 27 Air-core holes (MAC050-MAC076) were drilled as an initial test of these anomalies.

MRC151 returned 16 metres @ 1.11% nickel from 20 metres depth, immediately above the basal contact, and 30 metres down-dip from MRC152, which returned 2 metres @ 1.75% nickel from 12 metres in weathered ultramafic. Both intersections have anomalous copper, indicating that they may be sulphide-related.

The results are considered highly encouraging and follow-up drilling is planned.

**Kambalda West Joint Venture (Mincor earning 70%)**

Tenement E15/884 is located 26km south of the historic Nepean Nickel Mine and forms part of the Kambalda West Joint Venture with Image Resources Ltd. Open file aeromagnetic data highlights a magnetic trend that is believed to reflect the extension of ultramafic rocks from Nepean Mine south onto E15/884.

Following detailed target generation work Mincor drilled a total of 73 rotary air blast (RAB) and air-core reconnaissance holes on E15/884 for 3,010 metres. Drilling focused on the magnetic anomaly, with the drill density varying from 400 x 80 metres over the best developed sections of the magnetic anomalies to a coarser 800 x 80 metres grid on the lower amplitude sections.

The drilling intersected a stratigraphic package comprising mafic amphibolites, ultramafic (serpentinised) and meta-sediments. The package has been intruded by later felsic rocks.

The stratigraphy is believed to be similar to the package found at Nepean and is interpreted to contain the important footwall contact on a number of sections.

All nickel results have been returned. RAB hole NR048 intersected 6 metres @ 1.84% nickel from 18 metres in weathered ultramafic rock. Multi-element assays suggest lateritic enrichment. A complete litho-geochemical analysis will be undertaken once all the assays are returned.

A moving loop surface electromagnetic survey will be undertaken next quarter over the entire strike of interpreted ultramafics on this lease.

**RAV 8 Joint Venture (Mincor earning 80%)**

Under its joint venture agreement with Tectonic Resources NL Mincor may earn an interest of 80% in the RAV 8 nickel project. The RAV 8 Mine produced 15,931 tonnes of nickel metal from 460,169 tonnes of ore at a grade of 3.46% nickel. The ore was sourced from both an open pit and underground development.

RAV 8 mineralisation appears to follow an overall linear trend which had been tested only a short distance beyond the current underground development.

During the quarter, 3 surface diamond holes (RMD001-RMD003) and 3 RC pre-collars (RMD003-RMD005) for a total 1,784 metres were completed.

RMD001 and RMD003 were drilled down-plunge of the RAV 8 number 1 ore body. Neither hole intersected significant mineralisation. DHEM was conducted on RMD001 and did not identify anomalies related to nickel mineralisation. Assays are pending for both holes.

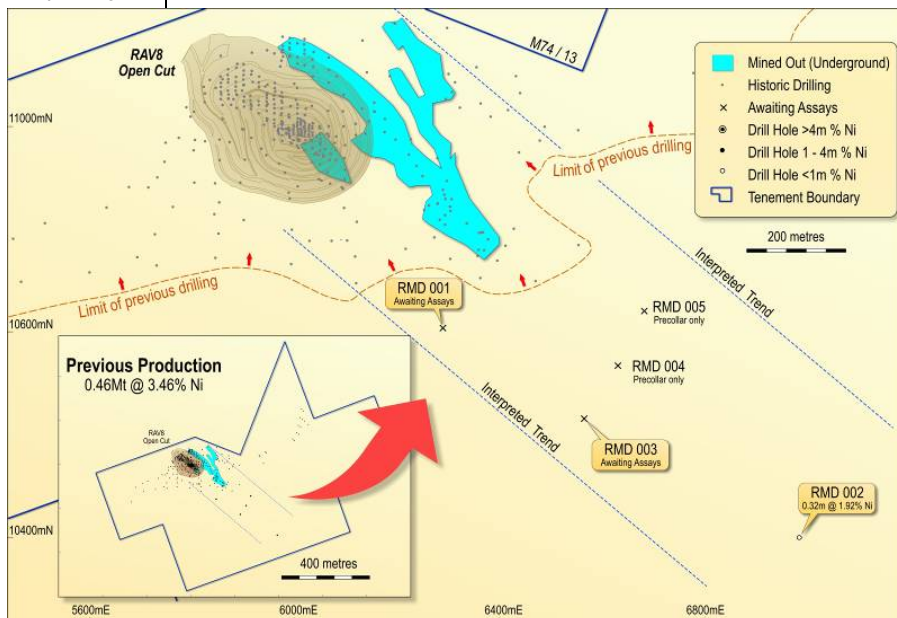
RMD002 was drilled approximately 1,000 metres down-plunge of the RAV 8 ore body, targeting a late-time ground EM (SQUID) anomaly approximately 450 metres below surface.

RMD002 intersected a large ultramafic package from 498.25 to 700.2 metres, at which depth it intersected the basal contact with no mineralisation. Nickeliferous sulphide stringers were intersected returning 0.32 metres @ 1.92% nickel from 627.76 metres, within a serpentinite ultramafic.

DHEM conducted on RMD002 identified two conductive sources. The first is a strong in-hole/off-hole anomaly centered 490 metres down-hole. Although deeper than originally modeled, this source is clearly related to the SQUID conductor and associated with sulphide rich sediment.

A second more subtle off-hole anomaly is centered at 580 metres down-hole. The edge of the anomaly is approximately 50 metres above and west of the hole and may require follow up.

**Rav 8 – Plan Projection**



## GOLD AND BASE METAL EXPLORATION

### Tottenham Copper Project (Mincor 100%)

The Tottenham area in central New South Wales has potential for copper deposits associated with silica and magnetite altered horizons within Gurrilambone Group sedimentary and volcanic rocks. Mincor's exploration program is being conducted on two fronts, with drilling of known, near surface occurrences of oxide copper mineralisation (currently underway) and exploration for sulphide copper ore bodies at depth.

Drilling progress has been slow due to mechanical and weather related delays and lengthy assay turnaround times. A total of 32 new diamond and reverse circulation drill-holes (2,053 metres) had been drilled by quarter-end with approximately 9 holes (650 metres) remaining.

A full update on Tottenham exploration will be released once all results from the current program have been received.

### Tipperary Zinc Project (Mincor earning 85%)

Following the completion last quarter of a 588 metre deep stratigraphic hole, Mincor has, together with joint venture partner Fractore, lodged applications to expand its landholding along strike of the Rathdowney Trend to the south-west. The area applied for is considered highly prospective and is being sought by a number of other mining companies in competition with Mincor.

The results of Mincor's application are awaited.

### Georgina and Bonaparte Zinc-Lead Projects (Mincor 100%)

Native Title agreements are currently being negotiated for both areas and are nearing completion.

Detailed compilation of all data for the Georgina project area, with the aim of prioritising target areas ahead of field work, is being carried out by CSA Australia Pty Ltd.

### Gascoyne Tungsten Project (Mincor 100%)

Following disappointing results from initial reverse circulation drilling, a small program of diamond drilling to test the effectiveness of reverse circulation drilling in evaluating this style of mineralisation is planned.

A review of the uranium potential is also underway as the Project Area is prospective for both unconformity vein-type mineralisation in Palaeoproterozoic metasediments as well as Cainozoic palaeochannel calcrete hosted deposits. Fieldwork will focus on evaluating the potential of several known uranium occurrences.

## CORPORATE MATTERS

### Hedging Arrangements

In line with its strategy of maintaining maximum exposure to the nickel price while securing a minimum level of protection against adverse price movements, Mincor has sold forward a total of 4,876 tonnes of payable nickel metal to August 2009, at an average price of A\$32,404 per tonne.

This represents less than 19% of Mincor's expected production over that period.

This hedging is distributed as follows:

<b>Jul 2007 to Dec 2007</b>	326 tonnes of payable nickel per month at a price of \$30,103/tonne
<b>Jan 2008 to Jun 2008</b>	262 tonnes of payable nickel per month at a price of \$32,341/tonne
<b>Jul 2008 to Dec 2008</b>	125 tonnes of payable nickel per month at a price of \$32,671/tonne
<b>Jan 2009 to Jun 2009</b>	75 tonnes of nickel per month at a price of A\$39,425/tonne
<b>Jul 2009 to Aug 2009</b>	75 tonnes of nickel per month at a price of \$40,657/tonne

### Cash and Debt

As at 30 June 2007, Mincor had cash and receivables of \$237.98 million and creditors and accruals of \$109.85 million, giving a net working capital position of **\$128.13 million**.

During the quarter the Company made an initial payment of \$11.75 million to the shareholders of Goldfields Mine Management Pty Ltd (GMM) as part of the \$68.5 million acquisition of that company. On 2 July Mincor made a further payment of \$50.75 million to the shareholders of GMM. After taking account of that payment, Mincor's net working capital position on 2 July was **\$77.38 million**. A further \$6 million (the balance of the \$68.5 million purchase price) remains payable subject to the meeting of certain conditions pertaining to tenement licences.

During the quarter the Company terminated its \$10 million Revolving Facility with CBA.

The information in this Public Report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Messrs Jim Reeve, Peter Muccilli and Richard Hatfield, all of whom are Members of The Australasian Institute of Mining and Metallurgy. Messrs Reeve, Muccilli and Hatfield are full-time employees of Mincor Resources NL. Messrs Reeve, 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 Reeve, 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.



**Mincor Resources NL**

Postal Address:  
 PO Box 1810, West Perth WA 6872 Australia  
 Email: [mincor@mincor.com.au](mailto:mincor@mincor.com.au)  
 Website: [www.mincor.com.au](http://www.mincor.com.au)  
 Tel: (08) 9321 7125  
 Fax: (08) 9321 8994  
 ABN: 42 072 745 692  
 ASX Code: MCR

**Corporate Details**

Principal & Registered Office:  
 Level 1, 1 Havelock Street  
 West Perth WA 6005 Australia

**Share Registrar Enquiries**

Computershare Investor Services Pty Ltd  
 GPO Box D182, Perth WA 6840 Australia  
 Email: [perth.services@computershare.com.au](mailto:perth.services@computershare.com.au)  
 Tel: (08) 9323 2000 Fax: (08) 9323 2033

**APPENDIX 1 - Surface Drill-holes at Kambalda completed for Nickel Exploration during the Quarter**

Following is a list of collar details for all surface drill-holes at Kambalda completed during the quarter. Coordinates are in the MGA94 (zone 51) coordinate system. RAB holes have not been listed.

Hole ID	Prospect	Tenement	Hole Type	MGA N	MGA E	RL	EOH Depth	AZI	Dip
CMD026	CARNILYA	M26/49	Diamond	6563329	390302.7	367	792.4	350	-77
CMD026W1	CARNILYA	M26/49	Diamond	6563329	390302.7	367	536.36	350	-77
CMD029	Zone 29	M26/453	Diamond	6564291	386845.1	378	135	15	-60
CMD030	ZONE 29	M26/453	Diamond	6564267	386918.3	378	160.5	17	-59
CMD031	ZONE 29	M26/453	Diamond	6564211	387060.7	378	200	17	-59
CMD032	ZONE 29	M26/453	Diamond	6564143	387175.2	378	291.2	17	-60
CMD033	ZONE 29	M26/453	RC Pre-collar	6564144	387176.8	378	136	15	-72
CMD034	CARNILYA	M26/49	Diamond	6563423	390504.9	371	783.1	350	-75
MAC050	DORDIE FAR WEST	E15/809	Air Core	6506711	365387	313	77	0	-90
MAC051	DORDIE FAR WEST	E15/809	Air Core	6506787	365419	316	44	0	-90
MAC052	DORDIE FAR WEST	E15/809	Air Core	6506858	365459	318	24	0	-90
MAC053	DORDIE FAR WEST	E15/809	Air Core	6506906	365496	318	22	0	-90
MAC054	DORDIE FAR WEST	E15/721	Air Core	6506990	365546	323	7	0	-90
MAC055	DORDIE FAR WEST	E15/721	Air Core	6507070	365589	328	15	0	-90
MAC056	DORDIE FAR WEST	E15/721	Air Core	6507140	365648	330	8	0	-90
MAC057	DORDIE FAR WEST	E15/721	Air Core	6507208	365686	323	13	0	-90
MAC058	DORDIE FAR WEST	E15/721	Air Core	6507273	365731	317	15	0	-90
MAC059	DORDIE FAR WEST	E15/721	Air Core	6507330	365773	314	20	0	-90
MAC060	DORDIE FAR WEST	E15/721	Air Core	6507399	365821	312	20	0	-90
MAC061	DORDIE FAR WEST	E15/721	Air Core	6507468	365861	309	39	0	-90
MAC062	DORDIE FAR WEST	E15/809	Air Core	6506065	366152	305	73	0	-90
MAC063	DORDIE FAR WEST	E15/809	Air Core	6506129	366195	315	34	0	-90
MAC063	DORDIE FAR WEST	E15/809	Air Core	6506129	366195	305	54	0	-90
MAC064	DORDIE FAR WEST	E15/809	Air Core	6506197	366238	305	56	0	-90
MAC065	DORDIE FAR WEST	E15/809	Air Core	6506260	366285	305	60	0	-90
MAC066	DORDIE FAR WEST	E15/809	Air Core	6506527	366461	305	25	0	-90
MAC067	DORDIE FAR WEST	E15/809	Air Core	6506601	366499	305	35	0	-90
MAC068	DORDIE FAR WEST	E15/809	Air Core	6505812	366592	305	67	0	-90
MAC069	DORDIE FAR WEST	E15.809	Air Core	6505880	366643	315	54	0	-90
MAC069	DORDIE FAR WEST	E15/809	Air Core	6505880	366643	305	34	0	-90
MAC070	DORDIE FAR WEST	E15/809	Air Core	6505950	366690	305	19	0	-90
MAC071	DORDIE FAR WEST	E15/809	Air Core	6506080	366792	305	12	0	-90
MAC072	DORDIE FAR WEST	E15/809	Air Core	6506151	366847	305	17	0	-90
MAC075	DORDIE FAR WEST	E15/812	Air Core	6505224	367388	323	20	0	-90
MAC076	DORDIE FAR WEST	E15/812	Air Core	6505202	367361	323	47	0	-90
MDD153	LOCATION 1	M15/88	Diamond	6508160	358006	320	221	90	-60
MDD154	LOCATION 1	M15/88	RC	6508160	357898	320	116.5	90	-60
MDD154A	LOCATION 1	M15/88	Diamond	6508160	357898	320	370	90	-63
MDD156	LOCATION 1	M15/88	Diamond	6508585	357890	320	297	90	-88

MDD159	DORDIE NORTH	M15/93	Diamond	6504540	370700	290	76	270	-80
MRC151	DORDIE FAR WEST	E15/812	RC	6505297	367291	320	95	45	-75
MRC151	DORDIE FAR WEST	E15/812	RC	6505297	367291	321	95	0	-90
MRC152	DORDIE FAR WEST	E15/812	RC	6505314	367310	320	52	45	-60
MRC152	DORDIE FAR WEST	E15/812	RC	6505314	367310	321	52	0	-90
MRC155	LOCATION 1	M15/88	RC	6508700	357850	320	200	90	-70
MRC156	LOCATION 1	M15/88	RC	6508500	357875	320	238	90	-70
RMD001	RAV 8	M74/13	Diamond	6277937	294743.1	152	371.8	0	-90
RMD002	RAV 8	M74/13	Diamond	6277312	250256.4	152	746.3	0	-90
RMD003	RAV 8	M74/13	Diamond	6277718	249924	152	480	0	-90
RMD004	RAV 8	M74/13	RC Pre-collar	6277798	250014	154	80	0	-90
RMD005	RAV 8	M74/13	RC Pre-collar	6277862	25065	157	106	30	-85
SMD009	SOUTH MIITEL	M15/543	Diamond	6503655	372770	302	100	264	-72
SMD009W1	SOUTH MIITEL	M15/543	Diamond	6503655	372770	302	933	264	-70