

Quarterly Report

For the period ended 31 March 2013

Driving Growth Through Exploration



HIGHLIGHTS

- Lower Quarterly production of 1,944 tonnes nickel-in-ore (Dec Quarter: 2,619 tonnes) due to one-off operational constraints in February and March.
- Production levels have since returned to normal, with Mincor remaining on track to meet its full-year production target of 9,000 tonnes nickel-in-ore.
- Unit costs increased as a result of the lower production, with cash costs rising to A\$6.79/lb (Dec Quarter: A\$5.02/lb).
- However, the Company remains on track to meet its cash cost forecast for the full year of \$5.50/lb, inclusive of royalties.
- Infill drilling at South Miitel continues to yield strong results, with the following better intersections from the N30 Resource (all estimated true widths):
 - **7.8 metres @ 4.33% nickel**
 - **8.1 metres @ 3.18% nickel**
 - **2.4 metres @ 3.67% nickel**
 - **4.6 metres @ 3.74% nickel**
- Highly significant new multiple-line gold anomaly discovered through soil sampling on Mincor's Kambalda tenements – the first of four priority gold targets in this area.
- Field exploration commences at the Bolobip copper-gold porphyry target in PNG following completion of work at Edie Creek.
- After dividend payments of **\$3.76 million**, capital development and underground exploration expenditures of **\$5.75 million**, regional exploration expenditures of **\$2.36 million**, the payment of an accrued electricity invoice of **\$3.6 million** and positive provisional pricing adjustments of **\$0.58 million**, Mincor had Quarter-end working capital (cash and receivables minus creditors and accruals) of **\$66.43 million** (end-Dec: \$75.92 million) and cash at bank of **\$62.20 million** (end-Dec: \$70.19 million). The Company has no debt.

Managing Director's comments

"The March Quarter saw a temporary and unforeseen dip in nickel production due to one-off operational constraints. The issues have been addressed and production levels are returning to normal, enabling us to maintain our production and cost guidance for the full financial year to 30 June 2013."

"While the nickel price environment remains challenging, Mincor remains on track to deliver 9,000 tonnes of nickel-in-ore at a competitive cash cost of \$5.50/lb for the full year."

"We continue to invest in exploration and are especially pleased at the exciting new gold targets emerging on our Kambalda tenements – with one strong soil anomaly already shaping up as a candidate for drilling later in the year."

M I N C O R
R E S O U R C E S N L

TEL 08 9476 7200
FAX 08 9321 8994
EMAIL mincor@mincor.com.au

WEBSITE www.mincor.com.au
ASX CODE MCR

POSTAL ADDRESS
PO Box 1810
West Perth WA 6872 Australia

PRINCIPAL/REGISTERED OFFICE
Level 1, 56 Ord Street
West Perth WA 6005 Australia

Mincor is a leading
Australian nickel producer
and 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.

TABLE 1: Production, Grade, Revenue and Costs – Quarter ending 31 March 2013

	SOUTH KAMBALDA OPERATIONS ⁽¹⁾	NORTH KAMBALDA OPERATIONS ⁽²⁾	TOTAL FOR MAR 2013 QUARTER	PRECEDING QUARTER (Dec 2012) TOTAL
Ore Tonnes Treated (DMT)	49,827	16,336	66,163	79,900
Average Nickel Grade (%)	2.76	3.49	2.94	3.28
Nickel-in-Concentrate Sold (tonnes)	1,202.3	528.9	1,731.2	2,343.0
Copper-in-Concentrate Sold (tonnes)	126.4	46.1	172.5	204.4
Cobalt-in-Concentrate Sold (tonnes)	28.8	11.5	40.3	42.8
Sales Revenue* (A\$)	13.54m	5.95m	19.49m	28.70m
Direct Operating Costs** (A\$)	11.72m	5.13m	16.85m	16.84m
Royalty Costs (A\$)	0.58m	0.14m	0.72m	0.96m
Operating Surplus*** (A\$)	1.24m	0.68m	1.92m	10.90m
Capital Costs****	5.67m	0.08m	5.75m	7.04m
Payable Nickel Produced (lbs)	1,722,799	757,987	2,480,785	3,357,458
Mining Costs (A\$/lb)	3.89	3.98	3.92	2.82
Milling Costs (A\$/lb)	1.20	0.94	1.12	0.99
Ore Haulage Costs (A\$/lb)	0.34	0.05	0.25	0.22
Other Mining/Administration (A\$/lb)	1.37	1.79	1.50	0.99
Royalty Cost (A\$/lb)	0.34	0.18	0.29	0.29
By-product Credits (A\$/lb)	(0.30)	(0.26)	(0.29)	(0.29)
Cash Costs (A\$/lb nickel)	6.84	6.68	6.79	5.02
Cash Costs (US\$/lb nickel) ⁽³⁾	7.10	6.93	7.05	5.21

⁽¹⁾ Production from Mariners and Miitel.

⁽²⁾ Production from Otter Juan and McMahon.

⁽³⁾ Average March 2013 quarter RBA settlement rate of US\$1.0387 (31 December 2012: \$US1.0387).

* Sales Revenue – estimate, awaits the fixing of the three-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 mine 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 three-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 March Quarter, Mincor established the final nickel prices for the production months of October, November and December. As a result Mincor recognised a positive sales revenue adjustment of **\$0.58 million** attributable to those production months. This adjustment **has not** been included in the sales revenue figures disclosed in Table 1 above.

For the March 2013 Quarter the Company recorded an average provisional AUD selling price of \$16,678 (\$7.57/lb).

MINING – KAMBALDA NICKEL OPERATIONS

Overview

Nickel production during February and March was below budget due to short-term operational constraints. These issues have since been resolved and production is returning to normal levels (see further below).

The dip in production resulted in increased unit costs (cash costs) for the Quarter due to the fixed cost nature of the mining operations. There was no unbudgeted increase in actual expenditures. The fall in gross revenues reflects the lower production combined with sharply lower nickel prices since late February.

Mine production – March 2013				
Mine	Tonnes	Grade	Nickel-in-ore	Nickel-in-concentrate
Miitel	30,322	2.18	660.8	576.8
Mariners	19,505	3.65	712.7	625.5
Otter Juan	3,106	5.88	182.7	169.4
McMahon	13,230	2.93	387.6	359.5
Totals	66,163	2.94	1,943.8	1,731.2

Since the end of the Quarter, production has returned to forecast levels and Mincor's production guidance for the full year remains unchanged. The Company expects to meet its original production target of 9,000 tonnes nickel-in-ore for the full year, at cash costs of \$5.50/lb payable nickel.

A major round of truck, loader, drill and pump refurbishing, which commenced in September 2012, was completed in March 2013. The total cost, estimated at approximately \$1.3 million, was reported into normal operating costs.

Southern Operations

At **Mariners Mine** production was impacted by a temporary shortfall in available production areas due to the main N10B ore body still being in the ramp-up phase, while geotechnical issues and unscheduled power outages hindered production in the Terrace ore body.

The vulnerability of the mine to this form of bottleneck is diminishing as the advancing decline provides access to additional production headings in the N10B ore body. Mincor is actively pursuing mechanisms to speed up decline development.

Overall production tonnes were down 21% on the previous Quarter, resulting in increased unit production costs. Actual expenditures were constant.

At **Miitel Mine** production tonnes were down 4% on the previous Quarter. However, costs increased due to rehabilitation work required in part of the N18 ore body, which led to a number of production inefficiencies during February and March. The troublesome area has now been rectified.

The final round of capital costs for the development of the N29C ore body was incurred, including the completion of the raise-bores. The N29C ore body is now fully developed and is expected to contribute strongly to production in the coming quarters.

Northern Operations

Production tonnes at **McMahon** were 35% lower than the previous Quarter due to an unforeseen requirement for additional production drilling where the long-hole stopes met the airleg stopes on the 1303-3 Level. This was exacerbated by the budgeted completion of jumbo ore development.

Production at **Otter Juan** continued during the March Quarter. Nickel production increased due to the high grade ore from the 36G stope. Otter Juan is expected to continue to produce small amounts of high grade ore, augmenting McMahon's production, despite originally being scheduled to close in November 2012.

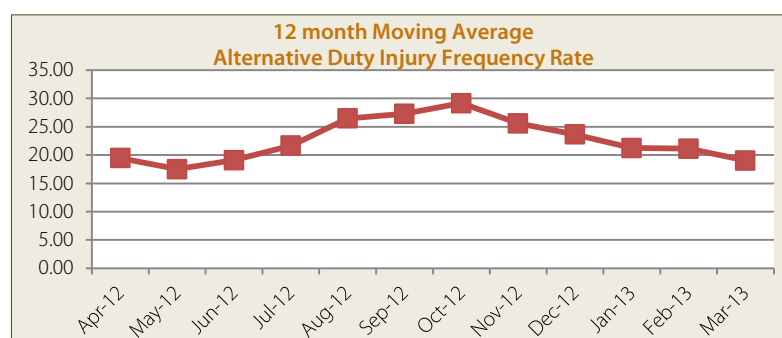
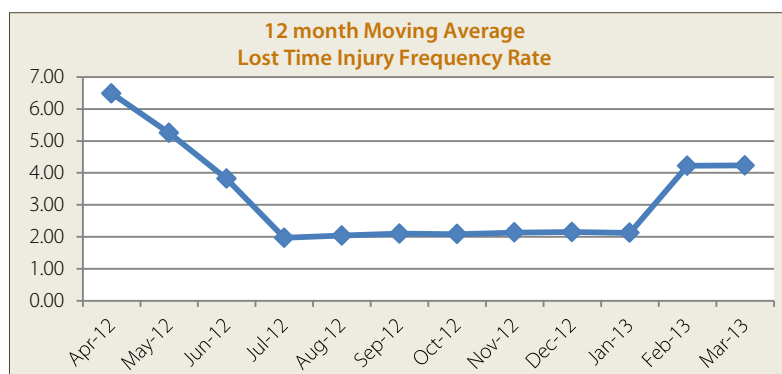
HEALTH AND SAFETY

The 12 month moving average Lost Time Injury (LTI) Frequency rate for all Mincor Operations is 4.23 and just above the Nickel Industry Underground average of 3.8.

There was one Lost Time Injury in the March Quarter, in which an employee assisting jumbo stoping operations at Mariners was severely injured. The employee is now recovering well in Perth, where he and his family are being supported by the Company. A detailed investigation was completed.

The number of Lost Time Injuries over the last 12 months now stands at 2.

By the completion of the Quarter, Mariners had achieved 34 days free of lost time injuries, Miitel had achieved 660 days and Otter Juan/McMahon 207 days.



Safety initiatives

The following improvement strategies were undertaken during the Quarter:

- Developed a Diesel Particulate Management Plan.
- Blanket Drug and Alcohol tests across all sites.
- Conducted Fire Extinguisher Audit across all operations.
- Conducted in-house First Aid Training to personnel.
- Conducted in-house Fire Extinguisher Training to personnel.
- Continued to report Positive Performance Indicators (lead indicators) and targets for all sites.
- Reviewed and implemented Task Observation system to more effectively monitor outcomes.
- Redeployment of Safety and Training Coordinator to Miitel 3 days/week (2 days/week Otter Juan) and full time Safety and Training Coordinator based at Mariners.
- Reviewed and re-implemented all procedures relating to jumbo operation and jumbo off-siding.

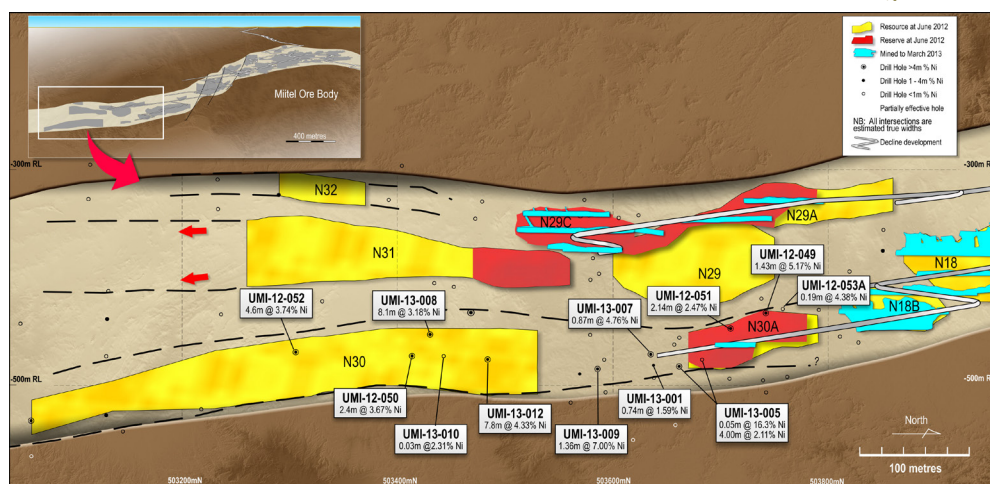
KAMBALDA NICKEL – EXTENSIONAL EXPLORATION

South Miitel

The drilling program testing near-mine exploration opportunities at South Miitel continued throughout the Quarter. Two underground drill rigs focused on testing targets in and around the N30A and the N30 Mineral Resources. These resources reside in separate mineralised sub-channels within the overall Miitel Channel.

Progress was made on all targets with a number of strong intersections returned.

FIGURE 1: South Miitel Long Section



The N30 Mineral Resource

The N30 has a strike length of 425 metres and plunges gently to the south. The current northern boundary is located 100 metres to the south of the main decline. Five holes were completed in the Quarter with four of the five returning strong intersections:

- UMI-12-050: **7.49 metres @ 3.67% nickel** (estimated true width 2.4 metres)
- UMI-12-052: **13.7 metres @ 3.74% nickel** (estimated true width 4.6 metres)
- UMI-13-006: **0.08 metres @ 2.31% nickel** (estimated true width 0.03 metres)
- UMI-13-008: **16.4 metres @ 3.18% nickel** (estimated true width 8.1 metres)
- UMI-13-012: **16.46 metres @ 4.33% nickel** (estimated true width 7.8 metres)

The increased density of drilling is elucidating a complex basal contact morphology and it is possible that the overall N30 Mineral Resource will ultimately comprise more than one ore surface.

The N30A Mineral Resource

The N30A resource lies within a deeply embayed channel north of the N30 (that is: back towards the current mine area). Drilling during the Quarter targeted the peripheries of the resource to aid mine design. Four holes were completed:

- UMI-12-049: **2.28 metres @ 5.17% nickel** (estimated true width 1.43 metres)
- UMI-12-051: **4.46 metres @ 2.47% nickel** (estimated true width 2.14 metres)
- UMI-12-053A: **0.26 metres @ 4.38% nickel** (estimated true width 0.19 metres)
- UMI-13-005: **0.20 metres @ 16.3% nickel** (estimated true width 0.05 metres); and
13.42 metres @ 2.11% nickel (estimated true width 4.00 metres)

Drilling has now closed the mineralisation along dip and to the north. The N30A lies close to the existing decline and the first ore drive along this ore body commenced late in the Quarter.

Between the N30 and N30A Resources – the ‘Gap Zone’

In the lower sub-channel there is a 150 metre undrilled ‘gap’ between the N30A and the N30 Mineral Resources.

Three holes testing the area on an initial wide grid were completed from the 608 drill drive, returning promising results:

- UMI-13-001: **3.30 metres @ 1.59% nickel** (estimated true thickness 0.74 metres)
- UMI-13-007: **1.68 metres @ 4.76% nickel** (estimated true thickness 0.87 metres)
- UMI-13-009: **2.97 metres @ 7.00% nickel** (estimated true thickness 1.36 metres); and
4.90 metres @ 2.51% nickel (estimated true thickness 1.36 metres); and
5.30 metres @ 1.79% nickel (estimated true thickness 2.06 metres)

The multiple intersections in UMI-13-009 are particularly promising, with the 7% nickel intersection on a new and previously undetected surface.

Mariners Mine

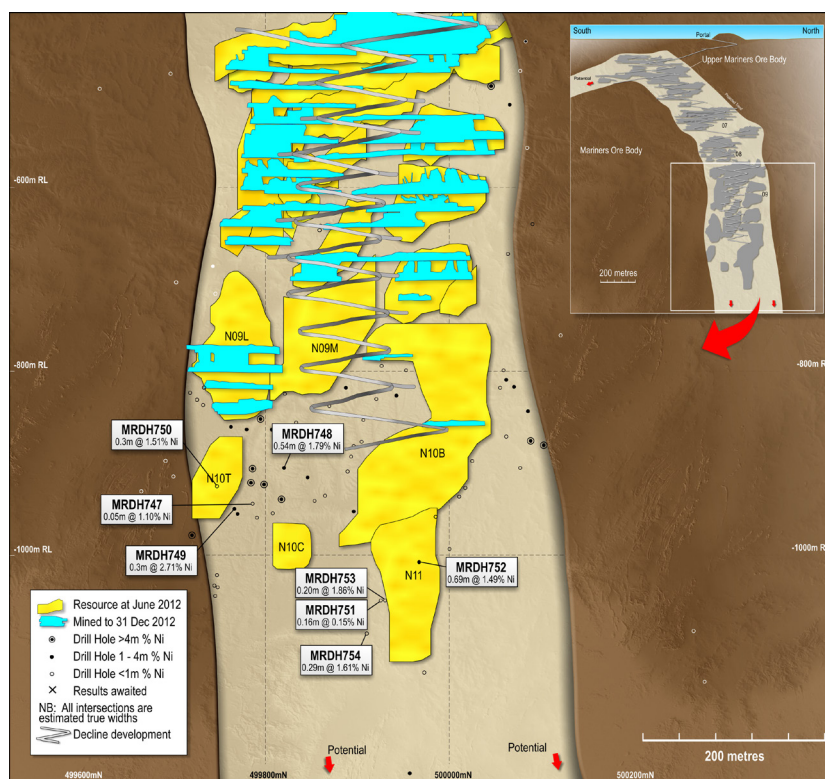
One drill rig was deployed at Mariners for most of the Quarter. The main target areas were the extension of the Terrace position down-plunge around the N10T Resource, and the N11 mineral resource located down-plunge of the N10B ore body.

N10T Mineral Resource

A number of Mincor’s initial holes in the N10T resource returned promising intersections, as previously reported. During the March Quarter four additional holes were completed attempting to extend the limits of the better zones:

- MRDH0747: **0.20 metres @ 1.10% nickel** (estimated true width 0.05 metres)
- MRDH0748: **1.49 metres @ 1.79% nickel** (estimated true width 0.54 metres)
- MRDH0749: **1.46 metres @ 2.71% nickel** (estimated true width 0.30 metres); and
8.67 metres @ 1.13% nickel (estimated true width 1.79 metres)
- MRDH0750: **1.19 metres @ 1.51% nickel** (estimated true width 0.30 metres)

FIGURE 2: Mariners Long Section



These results are disappointing and fail to extend the existing high-grade zones. As the decline advances, better drill positions will become available and further drilling is planned.

N11 Mineral Resource

The N11 resource is located down plunge of the well-developed high grade N10B ore body. Four infill holes were completed, however, drill angles were not optimal and none of the holes intersected the contact at their targeted position. The program was terminated pending the development of better drill positions as the decline advances.

- MRDH0751: **0.65 metres @ 0.15% nickel** (estimated true width 0.16 metres)
- MRDH0752: **2.76 metres @ 1.49% nickel** (estimated true width 0.69 metres)
- MRDH0753: **0.57 metres @ 1.86% nickel** (estimated true width 0.20 metres)
- MRDH0754: **0.63 metres @ 1.61% nickel** (estimated true width 0.29 metres)

KAMBALDA – REGIONAL EXPLORATION

Mincor's Regional Exploration program in Kambalda is targeted at the discovery of new ore bodies in this highly prospective nickel and gold district.

Regional Nickel Exploration

Over the past 12 months Mincor has confirmed the discovery of three new nickel sulphide prospects in the Kambalda District. Prospectivity is based on nickel sulphide intersections returned in drill holes at Cassini North, Mons and BC, as discussed in previous reports.

Due to the heavy near-mine and underground drilling schedule, regional exploration work during the Quarter focused on the development, design and implementation of a number of major soil sample programs for both gold and nickel around the Widgiemooltha Dome, and the completion of a surface geophysical survey at BC.

Cassini Basal Contact

A detailed interpretation of the Cassini North Prospect suggests the interpreted basal contact up-plunge of the mineralised trend is untested and concealed under tertiary cover. Nine aircore drill holes have been designed to locate the contact position for subsequent diamond drilling.

In parallel, a second aircore program consisting of 70 holes has been designed, aimed at testing an interpreted 10 kilometre southern strike extension to the Cassini basal contact, focusing on magnetic highs on M15/1458 and M15/1457. A Program of Works was approved by the Department of Mines and Petroleum late in the Quarter.

BC1 Anomaly (M15/1457)

The results of a moving loop TEM survey over the BC1 magnetic anomaly were received. The survey was initiated in November 2012, but delayed due to rain. Unfortunately the survey proved ineffective due to the presence of strongly conductive overburden. The BC Prospect remains a high quality regional nickel sulphide play.

Kambalda Gold Exploration

Since Mincor last considered the gold potential of its Kambalda tenements, in 2006, the Company's tenement holdings in the Widgiemooltha area have more than doubled.

These new tenements are highly prospective for gold mineralisation. Nearby gold deposits include Chalice, Wattle Dam, the Higginsville Gold Camp and the St Ives Gold Camp. The structures and rock units that control and host the Higginsville, Wattle Dam and Chalice deposits are interpreted to extend onto Mincor's tenements. These structures define a number of prospective gold corridors, much of which lie on ground that Mincor has acquired since it last carried out gold exploration in this area.

Four high-priority target areas were identified (refer Figure 3).

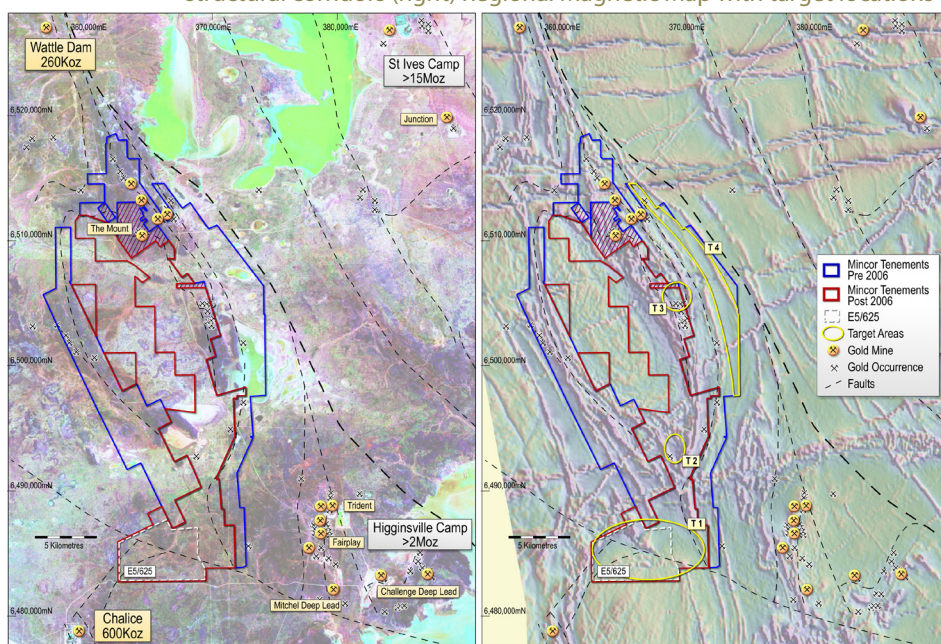
Target 1: Tenement E15/625 is a large area interpreted to contain a number of highly prospective structural corridors for gold mineralisation. At present there are only a few historic drill holes, which were targeted at nickel mineralisation.

Target 2: Deep-lead gold mineralisation has been identified in historic drill holes. These gold intersections remain open and follow up drilling is required.

Target 3: Gold mineralisation has been identified in historic drill holes located on the mafic-porphyry contact. Gold intersections by previous explorers remain open. Follow up drilling is planned.

Target 4: The large Lake Zot Dolerite (a rock-type known to form an ideal host for gold mineralisation) is surrounded by gold-bearing structures and concealed beneath a palaeochannel. Further regional drill traverses are planned.

FIGURE 3: Mincor's Widgiemooltha tenements showing those acquired since 2006 (left) Satellite Image showing the locations of nearby gold mines and interpreted structural corridors (right) Regional Magnetic Map with target locations



Gold Target 1: E15/625

Following detailed orientation studies an initial soil sampling program was designed and completed during the Quarter. Some 665 samples were collected on a wide grid covering the entire area of the tenement.

Results have been received and demonstrate the presence of two highly significant and coherent gold anomalies identified in multiple samples on multiple lines. The anomalous soil gold values are up to 10 times background levels and field checks have confirmed that they are not the result of cultural activities and there are no signs of previous exploration drilling.

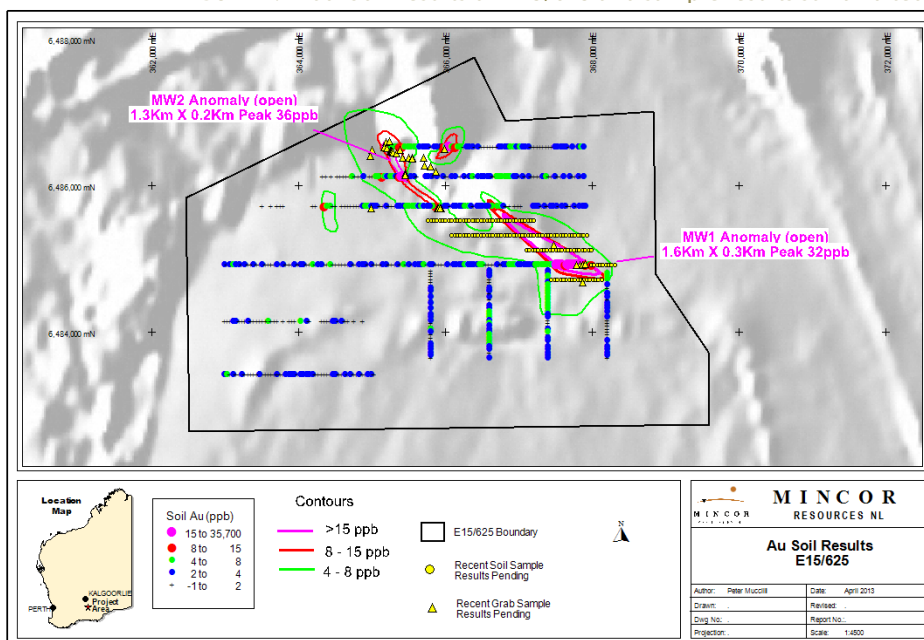
The **MW1 Anomaly** is 1,600 metres by 300 metres in size and remains open. The peak soil value is 32 parts per billion (ppb) gold. The anomaly sits directly above a west-north-west fault zone which could be interpreted as a regional corridor for gold mineralisation. The soil profile appears to be residual, containing pisolites at surface, and has a well-developed calcareous horizon.

FIGURE 4: Initial Soil Results on E15/625 and sample results still awaited

The **MW2 Anomaly** is 1,300 metres by 200 metres in size. The peak soil gold value is 36ppb. The anomaly overlies sub-cropping felsic volcanics, shales and basalt. The subsurface calcareous horizon is less well developed.

As follow-up a further 41 grab samples and 165 infill soil samples were taken and submitted to the laboratory. Results are awaited.

Pending these results, a second round of more detailed infill sampling is planned, and if warranted this will be followed up by aircore drilling.



REGIONAL EXPLORATION

Tottenham Copper Project (Mincor 100%)

The re-assay (for gold and multi-elements) of approximately 4,000 pulps was successful in generating several new gold targets in the Burdenda-Larkins trend north of Carolina.

A further program, to comprise the collection of 1,150 new soil samples, has been designed. This will include infill sampling of the new targets on the Burdenda-Larkins trend; and a more regional program on EL6728 following recent field work in that area. This program is underway.

Gascoyne Uranium Prospect (Mincor 100%)

A modified Program of Works (POW) application for costeaning at Cattle Pool has been lodged with the DMP along with the recently updated Radiation Management Plan (RMP) for the Gascoyne Project. Whilst Heritage Clearance was previously obtained for work in this part of the project area, final DMP approval of the RMP is awaited.

Bonaparte Zn-Pb Prospect (Mincor 100%, JOGMEC earning 40%)

A field inspection of areas covered by Applications for ELA's 80/4530-31 was conducted in March with key Traditional Owners and MG Corporation Elders. Verbal approval for grant was obtained, and grant is now awaiting DEC approval of Environmental Conditions for exploration; this is expected late in the June Quarter.

Bohemia Zn-Pb Prospect, Lennard Shelf (Mincor 100%)

Mincor has been advised that the Gooniyandi Traditional Owners are awaiting the outcome of their Native Title Claim Determination in late May/early June before final approval of the 2013 field programs. A positive outcome is expected, which should allow field work to commence in July 2013.

South Australian Tenements (Mincor 100%)

EL4932

Apollo Minerals Limited entered into a joint venture with Mincor covering tenement EL4932, as announced to the ASX on 11 February 2013. The joint venture agreement remains subject to ministerial consent.

Under the terms of the Agreement, Apollo may earn a 75% joint venture interest through the expenditure of \$2 million on exploration over three years. Further details can be found in the announcement.

EL4931

The application for an Access Deed was lodged with the Woomera Prohibited Area (WPA) Coordination Office, and we are advised that the Deed has been processed. Mincor has also entered into an Indigenous Land Use Agreement (ILUA) with the Antakirinja Matu-Yankunytjatjara Aboriginal Corporation. Registration of the ILUA (by DMITRE) is required before field work can commence; this registration is currently being processed by DMITRE and should be finalised by late April.

PAPUA NEW GUINEA

Edie Creek Gold Prospect (Mincor 17%)

Mincor completed its work at Edie Creek at the end of March. Mincor's exploration included blanket soil sampling and ground magnetics, detailed mapping, trenching and sampling, and a 12 hole diamond drilling program. This work clearly demonstrated the presence of an epithermal and mesothermal gold system. However, the Company believes that this system is widely dispersed and likely to have generated numerous small gold deposits rather than a single viable ore deposit. Therefore, while potential remains, the rewards no longer justify the costs and Mincor elected to cease expenditure on the project.

By the end of March Mincor had spent just over \$5 million on the project and is therefore entitled to a 17% fully-vested interest in the Edie Creek Joint Venture.

Bolobip Copper-Gold Prospect (Mincor earning up to 72%)

The Bolobip prospect comprises a diorite – monzonite multiphase intrusive complex similar in age and geological setting to the Ok Tedi mine, which is located approximately 60 kilometres to the west (Figure 5).

Previous work at Bolobip was carried out in the late 1980s by CRA and comprised stream sediment sampling, ridge and spur soil/rock sampling, bench sampling and a grid-based wacker soil/rock sampling program.

Mincor's compilation of this data has revealed the presence of a roughly one kilometre diameter copper and gold anomaly rimmed with elevated zinc, lead and manganese. This central area of interest has been termed the Kaum Stock, which itself forms part of the much larger Bolobip Stock (Figures 6 and 7).

During February and March, Mincor constructed a base camp at the prospect site and is now carrying out field work. This includes mapping, sampling and trenching. The Company has decided against its original plan to carry out an Induced Polarisation (IP) survey due to the extreme nature of the terrain in certain areas. However, it may be possible to complete an airborne magnetic survey and planning for this was underway at the end of the Quarter. Approximately 1,950 metres of new benching over geochemical targets and potential mineralised trends is underway, together with scout mapping and sampling.

May River Copper-Gold Prospect (Mincor earning up to 72%)

A Community Affairs Officer has been posted at May River and is carrying out demographic mapping of the area.

FIGURE 5: Map of Papua New Guinea showing prospect locations



FIGURE 6: The Bolobip stock as shown on the published 1: 250,000 Blucher Range sheet, BMR 1972

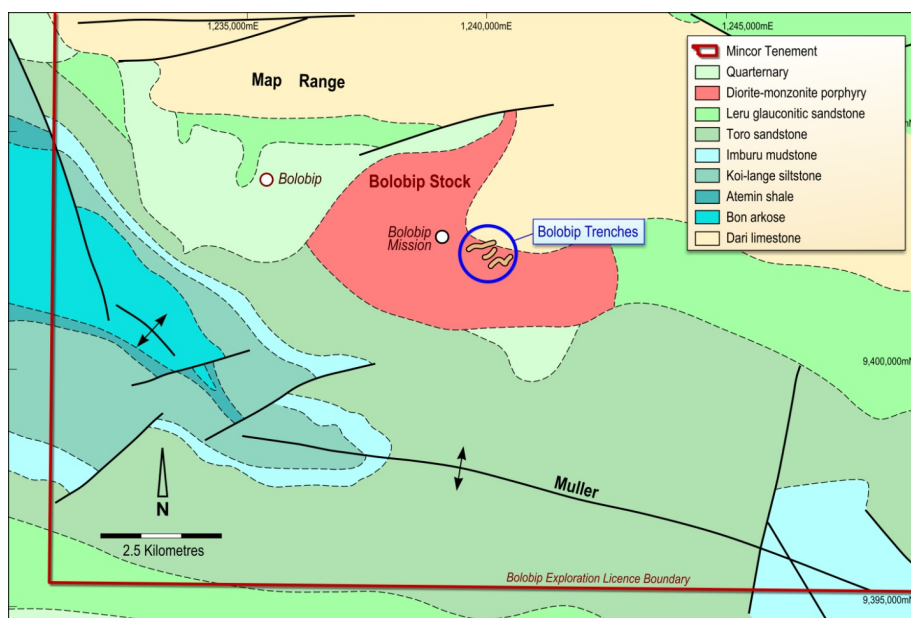


FIGURE 7: Bolobip base camp and surrounds



CORPORATE MATTERS

Hedging arrangements

Mincor currently has no hedging in place.

Major expenditures, cash and debt

During the Quarter Mincor paid out \$3.76 million in dividends to shareholders. Other major expenditures included \$5.75 million in capital and near-mine exploration costs at Mincor's Kambalda mining operations; \$2.36 million in exploration expenditures, and \$3.6 million in back-payments on the revised Power Purchase Agreement with BHP Billiton (this cost had been fully accrued).

As at 31 March 2013, Mincor had cash of **\$62.20 million** (end Dec 2012: \$70.19 million); and receivables net of creditors and accruals of \$4.23 million, giving a working capital position of **\$66.43 million** (end Dec 2012: \$75.92 million). The Company has no debt.

During the Quarter Mincor recorded a **\$0.58 million** increase 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.

Mineral Resources as at 30 June 2012

RESOURCE	MEASURED		INDICATED		INFERRED		TOTAL		
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Ni Tonnes
Mariners	112,000	4.8	332,000	4.5	78,000	3.6	521,000	4.5	23,300
Redross	39,000	4.9	138,000	2.9	67,000	2.9	244,000	3.2	7,900
Burnett	-	-	121,000	4.8	98,000	2.2	219,000	3.6	7,900
Miitel	132,000	3.7	306,000	4.2	333,000	3.1	771,000	3.6	28,000
Wannaway	-	-	110,000	2.6	16,000	6.6	126,000	3.1	3,900
Carnilya Hill*	40,000	3.8	40,000	2.2	-	-	80,000	3.0	2,400
Otter Juan	18,000	4.0	114,000	4.7	79,000	2.3	211,000	3.8	8,000
McMahon/Ken**	70,000	4.5	67,000	3.3	203,000	3.4	340,000	3.6	12,400
Durkin	-	-	251,000	5.2	115,000	4.9	366,000	5.1	18,600
Gellatly	-	-	29,000	3.4	-	-	29,000	3.4	1,000
Cameron	-	-	96,000	3.3	-	-	96,000	3.3	3,200
Stockwell	-	-	554,000	3.0	-	-	554,000	3.0	16,700
Grand total	411,000	4.3	2,158,000	3.8	989,000	3.3	3,557,000	3.7	133,300

- 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.
- ** McMahon/Ken includes Coronet.

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 2012

RESERVE	PROVED		PROBABLE		TOTAL		
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Ni Tonnes
Mariners	53,000	4.3	267,000	3.9	320,000	4.0	12,700
Redross	49,000	3.3	-	-	49,000	3.3	1,600
Miitel	91,000	2.3	161,000	3.5	251,000	3.1	7,800
Wannaway	-	-	39,000	2.9	39,000	2.9	1,100
Carnilya Hill*	-	-	-	-	-	-	-
Otter Juan	12,000	3.3	-	-	12,000	3.3	400
McMahon/Ken**	72,000	3.2	4,000	1.6	76,000	3.1	2,300
Grand total	277,000	3.1	471,000	3.7	747,000	3.5	25,900

- 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.
- ** McMahon Ken includes Coronet.

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 Brett Fowler, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Fowler is a permanent employee of Mincor Resources NL. Mr Fowler 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 Fowler consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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