

Preliminary Half Year Report of Mincor Resources NL for the Half Year Ended 31 December 2009

(ABN 42 072 745 692)

*This Preliminary Half Year Report is provided to the Australian Stock Exchange (ASX) under
ASX Listing Rule 4.2A*

Current Reporting Period: Half Year ending 31 December 2009
Previous Corresponding Period: Half Year ending 31 December 2008

The information set out in this Preliminary Half Year Report should be read in conjunction with the
annual report for the year ended 30 June 2009

Results for announcement to the market

				\$'000
Revenue from ordinary activities	Down	6.0%	to	94,364
Profit from ordinary activities after tax attributable to members	Up	162.4%	to	14,172
Net profit for the period attributable to members	Up	162.4%	to	14,172
Dividends	Amount per security		Franked amount per security	
Half year ended 31 December 2009				
Final dividend	N/A		N/A	
Interim dividend	3 cents		3 cents	
Half year ended 31 December 2008				
Final dividend	N/A		N/A	
Interim dividend	2 cents		2 cents	

Dividend payments / Distributions

On 25 September 2009 the Company paid a final fully franked dividend of \$8,007,000 for the year ended 30 June 2009, comprising 4 cents per share.

On 16 February 2010 the Directors declared a fully franked interim dividend of 3 cents per share for the year ended 30 June 2010.

Date the interim 2010 dividend is payable	26 March 2010
Record date to determine entitlements to the dividend	26 February 2010
Date interim dividend was declared	16 February 2010

Total dividend per security (interim)

	Current period	Previous corresponding period
Ordinary securities – Interim dividend	3 cents	2 cents

Total dividends paid or payable on all securities

	Current period \$'000	Previous period \$'000
Ordinary securities (payable on 26 March 2010)	6,006	3,978
Total	6,006	3,978

Net Tangible Assets

	Current period	Previous period
Net tangible assets per ordinary security	98.40¢	104.20 ¢

Details of Entities Over Which Control Has Been Gained or Lost**Control gained over entities**

Name of entity (or group of entities)	N/A
Date control gained	N/A

	2009 \$'000
Contribution of the controlled entity (or group of entities) to profit/(loss) from ordinary activities before tax during the period, from the date of gaining control.	N/A

	2008 \$'000
Net profit/(loss) of the controlled entity (or group of entities) for the whole of the previous corresponding period.	N/A

Loss of control of entities

Name of entity (or group of entities)	N/A
Date control lost	N/A

	2009 \$'000
Contribution of the controlled entity (or group of entities) to profit/(loss) from ordinary activities during the period, up to the date of losing control.	-

	2008 \$'000
Contribution of the controlled entity (or group of entities) to profit/(loss) from ordinary activities for the whole of the previous corresponding period.	-

Details of Associates and Joint Venture Entities

Name of Entity	Ownership Interest		Contribution to net profit	
	2009 %	2008 %	2009 \$'000	2008 \$'000
Associates	-	-	-	-
Joint Venture Entities	-	-	-	-
Aggregate Share of Profits/(Losses)	-	-	-	-

Other Information

Except for the matters noted above, all the disclosure requirements pursuant to ASX Listing Rule 4.2A are contained within Mincor Resources NL's Half Year Financial Report for the period ended 31 December 2009 which accompanies this Preliminary Half Year Report.

Sign here:



(Director)

Print name: David Moore

Date: 16 February 2010



MINCOR RESOURCES NL
(ACN 072 745 692)

HALF YEAR FINANCIAL REPORT
31 December 2009

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DIRECTORS' REPORT

Your Directors present their report on the consolidated entity consisting of Mincor Resources NL and the entities it controlled at the end of, or during, the half-year ended 31 December 2009.

DIRECTORS

The following persons were Directors of Mincor Resources NL ("the Company") during the whole of the half-year and up to the date of this report:

<u>Name</u>	<u>Particulars</u>
DJ Humann	Non-Executive Director and Chairman
DCA Moore	Managing Director
JW Gardner	Non-Executive Director
IF Burston	Non-Executive Director

REVIEW OF OPERATIONS

Mining Operations

The Company produced 6,175 tonnes of nickel in ore, 5,611 tonnes of nickel in concentrate for the half year to 31 December 2009 (2008: 10,155 tonnes of nickel in ore, 8,976 tonnes of nickel in concentrate).

During the period, the Company's South Kambalda Operations produced 70,408 dry metric tonnes at an average nickel grade of 3.15%, to produce 2,219 tonnes of nickel in ore and 1,973 tonnes of nickel in concentrate (2008: 244,352 dry metric tonnes at 2.65% for 6,472 tonnes of nickel in ore and 5,594 tonnes of nickel in concentrate).

The Company's North Kambalda Operations produced 118,471 dry metric tonnes at an average nickel grade of 3.34% for 3,956 tonnes of nickel in ore and 3,638 tonnes of nickel in concentrate (2008: 109,701 dry metric tonnes at 3.36% for 3,683 tonnes of nickel in ore and 3,383 tonnes of nickel in concentrate).

Exploration and Development Projects

During the half year the consolidated entity spent \$7.8 million on exploration activities, comprising \$3.0 million on regional exploration projects and \$4.8 million on extensional exploration activities.

Exploration and development drilling continued throughout the period, with considerable success at Mariners Nickel Mine, Miitel Nickel Mine, Otter Juan Nickel Mine and Bluebush. The Company has committed to an aggressive exploration drilling programme targeting nickel and other base metals on its tenements throughout Australia.

Corporate Matters

The consolidated entity generated a profit after tax of \$14.2 million (2009: loss after tax of \$22.7 million) for the half year.

On 25 September 2009 the Company paid a fully franked annual dividend of 4.0 cents per share to shareholders, bringing the Company's total dividend payments to date to \$80.6 million.

On 16 February 2010 the Directors declared a fully franked interim dividend of 3.0 cents per share in respect of the year ending 30 June 2010.

During the half-year ended 31 December 2009 1,125,676 ordinary shares were issued following the exercise of 20,000 employee options at an exercise price of 70 cents per share, 1,051,676

employee options at an exercise price of 85 cents per share and 54,000 employee options at an exercise price of \$1.74 per share.

Events Subsequent to 31 December 2009

On 16 February 2010 the Directors declared a fully franked interim dividend of 3.0 cents per share in respect of the year ending 30 June 2010.

Auditor Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 3.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in Class Order 98/100 issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' Report and financial report. Amounts in the Directors' Report and financial report have been rounded off to the nearest thousand dollars in accordance with that Class Order.

This report is made in accordance with a resolution of the Directors.



DCA Moore
Director
PERTH

16 February 2010

PricewaterhouseCoopers
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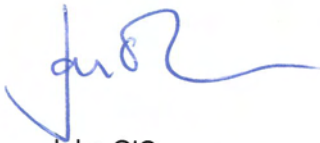
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Auditor's Independence Declaration

As lead auditor for the review of Mincor Resources NL for the half year ended 31 December 2009, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Mincor Resources NL and the entities it controlled during the period.



John O'Connor
Partner

Perth
16 February 2010

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the half-year ended 31 December 2009

	CONSOLIDATED	
	31 December 2009 \$'000	31 December 2008 \$'000
Revenue	94,364	100,386
Mining contractor costs	(11,362)	(29,637)
Ore tolling costs	(7,548)	(12,967)
Utilities expense	(3,554)	(5,493)
Mining suppliers and consumables	(4,154)	(3,795)
Royalty expense	(2,073)	(3,209)
Employee benefits expense	(12,833)	(17,871)
Finance costs	(177)	(102)
Foreign exchange loss	(3,145)	-
Exploration costs expensed	(2,988)	(6,727)
Depreciation and amortisation expense	(20,862)	(32,038)
Impairment of property, plant and equipment	-	(17,287)
Other expenses from ordinary activities	(5,744)	(6,446)
Profit /(loss) before income tax	19,924	(35,186)
Income tax (expense)/benefit	(5,752)	12,475
Profit /(loss) attributable to the members of Mincor Resources NL	14,172	(22,711)
Other comprehensive income		
Changes in the fair value of available-for-sale financial assets	424	(1,179)
Changes in the fair value of cash flow hedges	(14,053)	5,353
Income tax relating to components of comprehensive income	4,089	(1,252)
Other comprehensive (loss)/income for the half-year, net of tax	(9,540)	2,922
Total comprehensive income/(loss) for the half-year attributable to the members of Mincor Resources NL	4,632	(19,789)
	Cents	Cents
Earnings/(loss) per share	7.10	(11.42)
Diluted earnings/(loss) per share	7.09	(11.42)

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2009

	CONSOLIDATED	
	31 December 2009 \$'000	30 June 2009 \$'000
Current Assets		
Cash and cash equivalents	99,359	75,801
Trade and other receivables	29,184	35,461
Inventory	3,436	3,122
Current tax asset	-	1,377
Derivative financial instruments	12,103	25,200
Total Current Assets	144,082	140,961
Non-Current Assets		
Available-for-sale financial assets	1,634	1,210
Property, plant and equipment	88,892	94,982
Exploration, evaluation and development expenditure	12,868	13,021
Derivative financial instruments	982	1,022
Total Non-Current Assets	104,376	110,235
TOTAL ASSETS	248,458	251,196
Current Liabilities		
Payables	21,382	22,699
Interest bearing liabilities	1,036	1,463
Current tax liabilities	1,080	-
Provisions	1,537	1,379
Derivative financial instruments	4,020	2,566
Total Current Liabilities	29,055	28,107
Non-Current Liabilities		
Interest bearing liabilities	-	25
Provisions	4,744	4,630
Deferred tax liabilities	16,167	18,452
Derivative financial instruments	1,503	656
Total Non-Current Liabilities	22,414	23,763
TOTAL LIABILITIES	51,469	51,870
NET ASSETS	196,989	199,326
Equity		
Contributed equity	32,394	31,392
Reserves	4,354	13,858
Retained profits	160,241	154,076
TOTAL EQUITY	196,989	199,326

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2009

	Notes	Contributed equity \$'000	Reserves \$'000	Retained profits \$'000	Total \$'000
Balance at 1 July 2008		31,244	20,589	186,651	238,484
Total comprehensive income/(loss) for the half-year		-	2,922	(22,711)	(19,789)
		31,244	23,511	163,940	218,695
Transactions with owners in their capacity as owners:					
Dividends provided for or paid		-	-	(11,933)	(11,933)
Employee share options		-	476	-	476
		-	476	(11,933)	(11,457)
Balance at 31 December 2008		31,244	23,987	152,007	207,238
Balance at 1 July 2009		31,392	13,858	154,076	199,326
Total comprehensive income/(loss) for the half-year		-	(9,540)	14,172	4,632
		31,392	4,318	168,248	203,958
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs		1,002	-	-	1,002
Dividends provided for or paid		-	-	(8,007)	(8,007)
Employee share options		-	36	-	36
		1,002	36	(8,007)	(6,969)
Balance at 31 December 2009		32,394	4,354	160,241	196,989

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the half-year ended 31 December 2009

	CONSOLIDATED	
	31 December 2009 \$'000	31 December 2008 \$'000
Cash Flows from Operating Activities		
Receipts from customers (inclusive of GST)	104,656	106,176
Payments to suppliers and employees (inclusive of GST)	(54,854)	(93,509)
	49,802	12,667
Interest received	1,024	2,579
Other revenue	504	489
Interest paid	(65)	(104)
Income tax paid	(1,490)	(13,818)
Net Cash Inflow from Operating Activities	49,775	1,813
Cash Flows from Investing Activities		
Payment for purchase of subsidiary, net of cash acquired	(1,671)	(6,196)
Payments for property, plant and equipment	(14,955)	(31,957)
Payments for exploration, evaluation and development expenditure	(2,134)	(7,966)
Proceeds from sale of property, plant and equipment	-	18
Net Cash Outflow from Investing Activities	(18,760)	(46,101)
Cash Flows from Financing Activities		
Proceeds from issue of shares	1,002	-
Dividends paid	(8,007)	(11,933)
Finance lease payments	(452)	(430)
Net Cash Outflow from Financing Activities	(7,457)	(12,363)
Net Increase/(decrease) in Cash and Cash Equivalents	23,558	(56,651)
Cash and Cash Equivalents at the Beginning of the Half-Year	75,801	112,499
Cash and Cash Equivalents at the End of the Half-Year	99,359	55,848

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2009

NOTE 1

Summary of significant accounting policies

This general purpose financial report for the interim half-year reporting period ended 31 December 2009 has been prepared in accordance with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2009 and any public announcements made by Mincor Resources NL during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year end and corresponding interim reporting period, except as set out below.

Changes in accounting policy

Mincor Resources NL had to change some of its accounting policies as the result of new or revised accounting standards which became operative for the annual reporting period commencing on 1 July 2009.

The affected policies and standards are:

- Principles of consolidation – revised AASB 127 *Consolidated and Separate Financial Statements* and changes made by AASB 2008-7 *Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
- Business combinations – revised AASB 3 *Business Combinations*
- Segments – new AASB 8 *Operating Segments*
- Statement of comprehensive income – revised AASB 101 *Presentation of Financial Statements*

Principles of consolidation

AASB 127 (revised) was implemented from 1 July 2009. There has been no impact on the current period as there have been no transactions whereby an interest in an entity is retained after the loss of control of that entity, no transactions with non-controlling interests and no dividends paid out of pre-acquisition profits.

AASB 127 (revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. This is different to the Group's previous accounting policy where transactions with minority interests were treated as transactions with parties external to the group.

The standard also specifies the accounting when control is lost. Any remaining interest in the entity must now be re-measured to fair value and a gain or loss is recognised in profit or loss. Under the Group's previous accounting policy, the retained interest in the carrying amount of the former subsidiary's assets and liabilities becomes the cost of investment. If the investment is accounted for as an available-for-sale financial asset, it is subsequently revalued to fair value, however, any revaluation gain or loss is recognised in the available-for-sale investments revaluation reserve.

The Group will in future allocate losses to the non-controlling interest in its subsidiaries even if the accumulated losses should exceed the non-controlling interest in the subsidiary's equity. Under the previous policy, excess losses were allocated to the parent entity.

Lastly, dividends received from investments in subsidiaries, jointly controlled entities or associates after 1 July 2009 are recognised as revenue even if they are paid out of pre-acquisition profits. However, the investment may need to be tested for impairment as a result of the dividend payment. Under the entity's previous policy, these dividends would have been deducted from the cost of the investment.

Business combinations

AASB 3 (Revised) was implemented from 1 July 2009. There has been no impact on the current period as no acquisitions have taken place in the 6 months to 31 December 2009.

AASB 3 (Revised) continues to apply the acquisition method to business combinations, but with some significant changes.

All payments to purchase a business are now recorded at fair value at the acquisition date, with contingent payments classified as debt and subsequently remeasured through the income statement. Under the Group's previous policy, contingent payments were only recognised when the payments were probable and could be measured reliably and were accounted for as an adjustment to the cost of acquisition.

Acquisition-related costs are expensed as incurred. Previously, they were recognised as part of the cost of acquisition and therefore included in goodwill.

Non-controlling interests in an acquiree are now recognised either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. This decision is made on an acquisition-by-acquisition basis. Under the previous policy, the non-controlling interest was always recognised at its share of the acquiree's net assets.

If the Group recognises acquired deferred tax assets after the initial acquisition accounting there will no longer be any adjustment to goodwill. As a consequence, the recognition of the deferred tax asset will increase the Group's net profit after tax.

Segment reporting

The Group has applied AASB 8 *Operating Segments* from 1 July 2009. AASB 8 requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes. This has not resulted in an increase in the number of reportable segments presented.

Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Chief Executive Officer.

Statement of Comprehensive Income

The Group has applied amended standard AASB 101 *Presentation of Financial Statements* from 1 July 2009 and requires that certain items included in the Statement of Changes in Equity also be shown in the Statement of Comprehensive Income. This amended standard impacts presentation only and has no effect on the profit attributable to the members of Mincor Resources NL.

NOTE 2

Segment information

Description of segments

The Company has one reportable operating segment being nickel mining operations.

In determining operating segments the Company has had regard to the information and reports the chief operating decision maker uses to make strategic decisions regarding resources. The Chief Executive Officer (CEO) is considered to be the chief operating decision maker and is empowered by the Board of Directors to allocate resources and assess the performance of the Company. The CEO assesses and reviews the business using a total Group nickel business approach and utilises an executive team consisting of the Chief Operating Officer, Chief Financial Officer, General Manager – Corporate Development and Exploration Manager to assist with this function. The CEO assesses the performance of the operating segment based on a measure of net profit after tax.

NOTE 3

Dividends

Dividends provided for or paid during the half-year

CONSOLIDATED	
31 December 2009	31 December 2008
\$'000	\$'000
8,007	11,933

Dividends not recognised at the end of the half-year

Since the end of the half-year the Directors declared a fully franked interim dividend of 3 cents (2008: 2 cents) per fully paid ordinary share.

Interim dividend expected to be paid out of retained profits at the end of the half-year, but not recognised as a liability

6,006	3,978
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NOTE 4

Equity Securities Issued

	2009	2008	2009	2008
	Shares	Shares	\$'000	\$'000
Issues of ordinary shares during the half-year				
Exercise of options issued over fully paid ordinary shares	1,125,676	-	1,002	-

NOTE 5

Contingent Liabilities

There has been no change in contingent liabilities since the last annual reporting date.

NOTE 6

Events Subsequent to Reporting Date

On 16 February 2010 the Directors declared a fully franked interim dividend of 3.0 cents per share in respect of the year ending 30 June 2010.

DIRECTORS' DECLARATION

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 4 to 10 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that Mincor Resources NL will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



DCA Moore
Director

PERTH

16 February 2010

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Independent auditor's report to the members of Mincor Resources NL

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial statements of Mincor Resources NL, which comprises the statement of financial position at 31 December 2009, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, other selected explanatory notes and the directors' declaration for the Mincor Resources NL Group (the consolidated entity). The consolidated entity comprises both Mincor Resources NL (the company) and the entities it controlled during that half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Mincor Resources NL, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. It also includes reading the other information included with the financial report to determine whether it contains any material inconsistencies with the financial report. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

**Independent auditor's report to the members of
Mincor Resources NL
(continued)**

Our review did not involve an analysis of the prudence of business decisions made by directors or management.

Matters relating to the electronic presentation of the reviewed financial report

This review report relates to the financial report of the company for the half-year ended 31 December 2009 included on Mincor Resources NL's web site. The company's directors are responsible for the integrity of the Mincor Resources NL web site. We have not been engaged to report on the integrity of this web site. The review report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on this web site.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Mincor Resources NL is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

PricewaterhouseCoopers

PricewaterhouseCoopers



John O'Connor
Partner

Perth
16 February 2010