

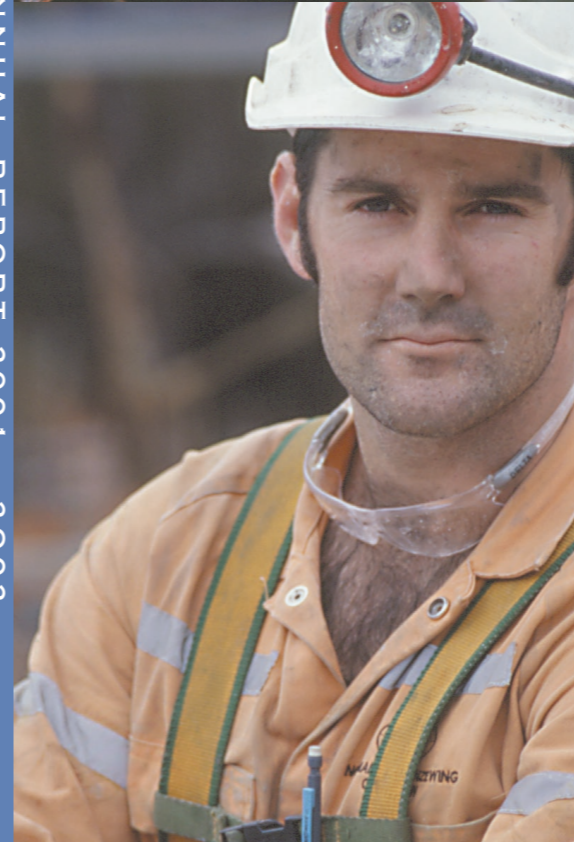
ANNUAL REPORT

2001

MINCOR RESOURCES NL

ANNUAL REPORT 2001 - 2002

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2002



ACN 072 745 692

REGISTERED OFFICE

Level 1
1 Havelock Street
West Perth
Western Australia 6005

POSTAL ADDRESS

PO Box 1810
West Perth
Western Australia 6872



C O R P O R A T E D I R E C T O R Y

Directors David Humann (Chairman) David Moore (Managing Director) Richard Wadley Jack Gardner Jacques du Plessis (Alternate Director)	ACN & ABN Numbers ACN: 072 745 692 ABN: 42 072 745 692
Company Secretary Brian Lynn	Auditors PricewaterhouseCoopers QV1 Building, 250 St Georges Terrace Perth, Western Australia 6000
Registered Office Level 1, 1 Havelock Street West Perth, Western Australia 6005 AUSTRALIA	Bankers Bank of Western Australia ANZ Banking Group
Postal Address PO Box 1810 West Perth, Western Australia, 6872 AUSTRALIA	Solicitors Blakiston & Crabb 1202 Hay Street West Perth, Western Australia 6005
Contact Details Telephone: (+618) 9321 7125 Facsimile: (+618) 9321 8994 Website: www.mincor.com.au Email: mincor@mincor.com.au	Share Registry Computershare Investor Services Pty Ltd Level 2, Reserve Bank Building 45 St Georges Terrace Perth, Western Australia 6000
Stock Exchange Listing Mincor Resources NL shares are listed on the Australian Stock Exchange (Home Branch – Perth) ASX Code: MCR	Date and Location of Annual General Meeting Friday, 8 November 2002 at 2.00pm Venue: Celtic Club, 48 Ord Street, West Perth

Mincor Resources NL
is a company incorporated and domiciled in Australia.
Its registered office is:
Level 1, 1 Havelock Street
West Perth, Western Australia 6005 AUSTRALIA





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*Jason Taylor (Workshop
Leading Hand) conducting
a weekly service on an
Atlas Copco H104 single
boom jumbo*

2 | COMPANY PROFILE

MINCOR IS . . .

- A profitable nickel mining company operating in the heart of the Kambalda nickel district.
- A responsible mining company with a strict code of conduct and strong emphasis on health and safety at its operations.
- A mining company in the great Australian tradition - lean, active and growing.

MINCOR OFFERS . . .

- Long term profits from its Kambalda nickel operations.
- Outstanding exploration potential at Kambalda and elsewhere in Australia.
- Superb nickel mine assets in profitable production, with more on the way.

MINCOR'S TRACK RECORD . . .

- Since 1999 Mincor has produced superior year-on-year returns for shareholders:



MINCOR'S CAPABILITIES . . .

- Mincor has the skills, experience and demonstrated capacity to evaluate, find, acquire, finance and operate profitable mining projects in Australia.

MINCOR'S FUTURE . . .

- Mincor's goal is the creation of shareholder wealth through the development and exploitation of Australia's gold and base metal resources.
- Mincor's vision is to become the premier mid-sized Australian mining company, offering both capital growth and long-term dividends.



Directors and Company Secretary - Mincor Resources NL



Staff and Management - Mincor Resources NL



Staff and Management - Mincor Operations Pty Ltd



COMPANY HIGHLIGHTS | 3

2001 - 2002

- **Strong operational results**

from the Miitel and Wannaway Nickel Mines – Mincor's attributable production 233,776 tonnes ore at 4.10% nickel for 8,636 tonnes nickel metal in concentrate plus 812 tonnes of copper and 120 tonnes of cobalt.

- **Gross Revenues of \$64.2 million**

for an operating cashflow of \$25.5 million and a net profit before tax of \$15.2 million.

- **Outstanding net profit after tax and write-downs of \$9.3 million,**

up 353% on the preceding year and representing 5.5c per share.

- **Third consecutive year of growth in shareholder wealth –**

share price up five times and shareholder's equity up four times since 1999.

- **Results include strong contribution from the Wannaway Nickel Mine –**

successfully acquired and developed during the year.

- **Rapid pay-down of project finance debt –**

Mincor is moving quickly to a zero debt position.

- **Successful farm-out of offshore gold assets**

to selected third parties, leaving Mincor with no financial commitments, but exposed to the upside of any exploration success.

- **Exploration and growth focus** on Mincor's core Kambalda assets –

exceptional drill targets lined up for an aggressive exploration programme throughout 2002/3.



The gorgeous colours of a Kambalda sunset



Mincor head office – Reception

4 | CHAIRMAN'S REPORT

To our shareholders

We have had a second outstandingly good result.

Net profit after income tax expense increased by 353% to \$9.3 million from the \$2 million result achieved in 2001, our first year as a nickel producer. Sales revenues have increased by 284% to \$64.2 million.

The vision we have for sustainable growth and continuing production is described in detail in the report of our managing director, David Moore, and in the Annual Report, which follows.

As part of our growth plan we completed the acquisition of the Wannaway Nickel Mine at Kambalda, Western Australia, for A\$10 million (Mincor's share 76% - A\$7.6 million).

This acquisition has proven to be the success we anticipated it would be and we are able to demonstrate the efficiencies of scale obtained by the results we are achieving in terms of production and profit derived from the Miitel/Wannaway facilities.

During the current financial year we plan to continue our debt reduction programme and to increase our

exploration programme. We will be putting considerable extra effort into extending our existing reserves, evaluating known resources such as the Redross Mine, and hopefully discovering wholly new ore bodies.

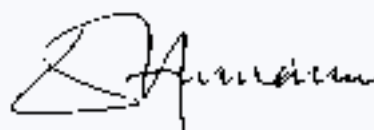
During the year under review and since, we negotiated several joint ventures where our co-venturers will earn interests in properties we hold in Africa and the South Pacific. This means that in exchange for a reduced percentage holding in each property, we can continue the development of these properties without absorbing our own cash.

Mincor continues to support its 75.6% subsidiary, the Tethyan Copper Company Limited, in its business of developing the Reko Diq copper project in Pakistan. TCC's alliance with BHP Billiton, the interest it has garnered from global financial institutions, and the huge mineral resources at Reko Diq itself makes TCC of enormous potential value to Mincor's shareholders - a value we are working to realise.

I wish to thank the board of directors and our management and staff for the

extraordinary and highly successful effort they have contributed to making Mincor the outstanding resource company that it is today. Their pride in the professionally executed mining and exploration activities we have undertaken in our short history is well merited. It is their skill and dedication that provides the very best assurance for our success for many years to come.

We will continue to keep our shareholders informed of our progress during the current year. We appreciate your interest and continuing support.



David Humann
Chairman



David Humann
Chairman

MANAGING DIRECTOR'S REPORT | 5

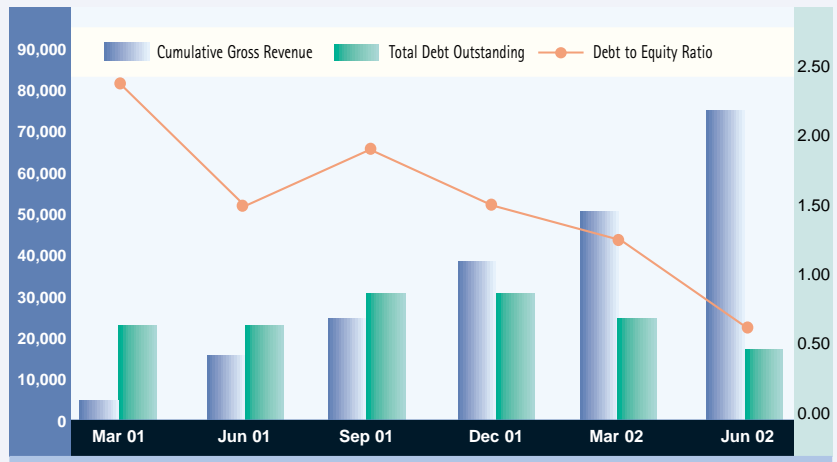
Dear fellow shareholders

Mincor has completed another year of outstanding achievement, with substantial increases in all the important numbers – share price up 139% (June to June), revenues up 284%, profits up 353%. This is also our third consecutive year of growth in shareholder wealth, with the share price up five-fold since 1999 and a four-fold increase in shareholder's equity over the same period.

Despite this strong record, however, Mincor still has much more to offer its shareholders. The Company's cashflows are rapidly repaying the project finance debt, the Redross mine feasibility study has been completed and indicates good returns, and our exploration efforts are moving into top gear – we expect to be drilling without pause throughout the current financial year. Additionally, our acquisitions strategy will take shape through the year as the Company moves to a zero debt position.

Underpinning Mincor's impressive financial performance has been the operational performance of our mines. Our strategy during the past year has been to focus considerable management time on the ongoing operations at Miitel and the acquisition and start-up of Wannaway. This reflected the need to consolidate following the rapid growth inherent in our move from explorer to producer; and a prudent desire to ensure that these highly geared assets operated effectively. The same prudent impulse

lay behind another leg of our strategy, which was rapid debt reduction. This has been very successful, with outstanding debt reduced from a peak of \$32 million in December 2001 to (at the time of writing) \$10.9 million. This, together with its accumulated cash, puts Mincor in a comfortable position with regard to debt, with a debt to equity ratio of 40%, and, in cash terms, essentially no net debt.



It is worth noting at this point that the project finance debt enabled Mincor to acquire assets with a price tag, to Mincor, of over \$36 million, using only \$5 million of shareholder funds. The return on that \$5 million of equity, over the life of the project, will be extraordinary, with accumulated profits after tax after only 16 months of operation of \$11.3 million and operating cashflows of \$32 million.

Other aspects of Mincor's strategy over the past year reflect our desire to focus on core assets. Thus Mincor's offshore gold assets have been farmed-out in transactions which leave the Company exposed to the upside of any exploration success, but with no requirement for cash input until a discovery has been made and fully evaluated.

Perhaps the only aspect of Mincor's strategy which did not come off as planned was the Tethyan Copper Company Ltd ("TCC"). Mincor holds 76% of this company, an unlisted vehicle for the giant copper and gold resources at Reko Diq in Pakistan. The events of 11 September 2001 substantially delayed the next phase of the financing of the TCC. Despite this, numerous significant advances in other areas were made during the year, as related in the operational section hereunder. Mincor intends to proceed with its original financing strategy for TCC, and this investment represents a significant piece of unvalued blue sky for Mincor's shareholders.

6 | MANAGING DIRECTOR'S REPORT

Turning to the year ahead, Mincor's rapidly strengthening financial position means that it is now ready to move to the next phase of its growth. Mincor's strategy going forward is rooted in its fundamental objective of wealth creation through the exploitation of Australia's mineral resources and our vision of becoming Australia's premier mid-cap metal producer, in terms of profitability and shareholder returns.

Mincor's strategy is to maximise the value of the Miitel and Wannaway tenements while growing its position in the Kambalda nickel district and, like ripples in a pond, growing over time outwards from Kambalda, always maintaining our core philosophy of visionary goal-setting, rigorous analysis, careful planning, and hands-on implementation.

During the coming year we expect to commission our third mine, the historic Redross Nickel Mine just south of Miitel. We expect also to add considerably to the ore reserves at Miitel itself, and have high hopes for the discovery of a new orebody through our aggressive exploration programme which is already underway. We will also commence a gold-focussed exploration programme on our Widgiemooltha tenements, which are near the site of some of the earliest gold discoveries in Western Australia.

We will continue to add to the large land package we have already accumulated in Western Australia. This package covers highly prospective terrain throughout the Eastern Goldfields and their extensions. Exploration on this ground has commenced and will grow as more of the licences are granted.

Additionally, we will be actively seeking project acquisition opportunities, looking to leverage our cashflow and operating skills into new mining assets that will add to earnings per share.

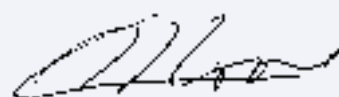
On the financial side we will aim to achieve a judicious balance between debt and equity. Your board has a strong desire to commence dividend payments to shareholders as soon as is prudent and practical, and this desire must be balanced against the capital requirements of the company.

As regards our current operations, our philosophy of continuous improvement applies. We believe that our mines are operating today better than at any time in the past, and hope to be able to say the same in 12 months time. Safety in particular is an area of prime focus for this company. We regret that 4 lost time incidents have occurred at our mines over the past 12 months. Happily, only one of these incidents was of a serious nature, but this was one too many. Mincor's

commitment to safety is absolute, and perhaps the most important of all the numbers we hope to report to you next year will be "zero lost time incidents".

I wish to thank all our contractors and suppliers, and most particularly our mining contractor, Clough Engineering Ltd, for their sterling efforts during the year.

Finally, very special thanks to our employees for the extraordinary efforts they have again put in to make this company the success it is. Our team at the mine sites have done a fantastic job, while the Perth-based staff worked, as always, over and above the call of duty.



David Moore
Managing Director

**MINCOR'S STRATEGY IS
TO MAXIMISE THE VALUE
OF THE MIITEL AND
WANNAWAY TENEMENTS
WHILE GROWING ITS
POSITION**



David Moore
Managing
Director

REVIEW OF MINING OPERATIONS

7

OVERVIEW

Mincor's nickel mines are located in the Widgiemooltha district immediately south of Kambalda, Western Australia. Both mines achieved an excellent operating performance during the year.

The Miitel Nickel Mine continued at full production for the entire year, and delivered nickel-in-concentrate in line with expectations.

The Wannaway Nickel Mine was purchased early in the year, and brought into production in October 2001. Although production ramp-up was initially slower than expected, the mine is now operating at a level that is considerably in excess of original expectations.

Both mines are owned by the Miitel Joint Venture in which Mincor has a controlling 76% interest. The mines are operated by Mincor's operating arm, Mincor Operations Pty Ltd ("MOPL"). Through MOPL Mincor provides mine management services to the Miitel Joint Venture, including mine planning, production control, survey, geological and exploration services, emergency services and daily site management.

Mining is carried out under contract by Clough Engineering Ltd, who are responsible for mining, in accordance with MOPL's production and development plan.



Jim Reeve
General Manager
- Operations



Quarterly production summary for the Miitel Joint Venture since start-up - Miitel and Wannaway

SAFETY

The safety of all employees and contractors is of paramount importance to Mincor, and continues to be an area of focus for improvement.

A safety milestone was achieved at Miitel in early March, when it exceeded one year of operation without a Lost Time Injury.

However, it is regrettable that a total

of 4 Lost Time Injuries were recorded for the year at our operations. One of these was a potentially serious incident, in which an operator was injured by a falling rock slab during the initial checking of the Wannaway Decline shortly after handover. The operator was briefly hospitalised, but made a full recovery within six weeks.

All incidents are investigated by a site-based team, and changes to work practices are made where appropriate.

SALES

Ore produced at the Miitel and Wannaway Nickel Mines is transported (55km and 75km respectively) to WMC Resources Ltd's ("WMC") Mill at Kambalda Nickel Operations, where it is toll-treated by WMC. Ore trucks arriving at the mill are weighed before the ore is dumped on the ore pad. A random selection procedure is used to divert an average of 1 in 5 truckloads to a sample stockpile and the accumulated ore is sampled according to an agreed procedure. This allows average grades

to be determined for the entire ore delivery. The moisture content is also determined, and a correction applied to the weighed tonnage.

Concentrates produced from milling are sold to WMC under a long term off-take agreement. Payment is made by WMC in United States Dollars based on the prevailing spot price.

Other details of the off-take agreement are confidential, but the agreement is based on normal commercial terms for this type of arrangement.

MIITEL NICKEL MINE (MINCOR – 76%)

Production

The Miitel Nickel Mine continued its excellent performance throughout the year. Overall, the ore tonnages produced were slightly lower than budgeted, but grades were somewhat higher. The net effect was that contained nickel-in-ore was almost exactly as budgeted for the year.

Table 1: Production for 2001/2002 – Miitel Nickel Mine

	Total Ore Tonnage Mined (dry)	Total Ore Tonnage Delivered (dry)	Ni (%) Grade	Cu (%) Grade	Co (%) Grade	MINCOR'S ATTRIBUTABLE INTEREST	
						Ore tonnes	Nickel-in-Concentrate
2001/2002	195,730	191,943	4.49	0.42	0.10	145,877	5,900

(Note: Some of these figures may differ slightly from provisional results previously reported. This is due to delays inherent in the ore sampling and assaying procedures at the Kambalda Mill. The above figures are final.)

Mining progressed on seven levels in the central/southern part of the N01 orebody:

- 206m Level – Stopping of this high-grade upper boundary of the N01 ore zone was completed.
- 230m Level – Stopping essentially completed, and the crown pillar successfully extracted.
- 254m Level – South end development was completed with stopping at an advanced stage.
- 278m Level – Development completed, stopping in progress.
- 302m Level – Development completed, stopping progressing.
- 326m Level – Development completed, stopping continuing.
- 350m Level – Development completed, first lift of flatback stopping in progress.

Generally, both the distribution of ore and the orebody thickness have been in line with expectation.

At the extreme southern end of the orebody a sub-grade zone was encountered on the 302 and 326 levels. This effectively reduced the amount of mineable ore in this immediate area. On the other hand, current exposures of the orebody on the 350m level indicate a thicker than expected ore zone of largely high-grade massive sulphides. Development of the 374m level subsequent to 30 June 2002 has confirmed that these thicknesses and grades continue to that level.

Figure 1 illustrates the outline of mining to 30 June 2002. Also shown is the adjusted orebody outline as a result of drilling to test the boundary position.

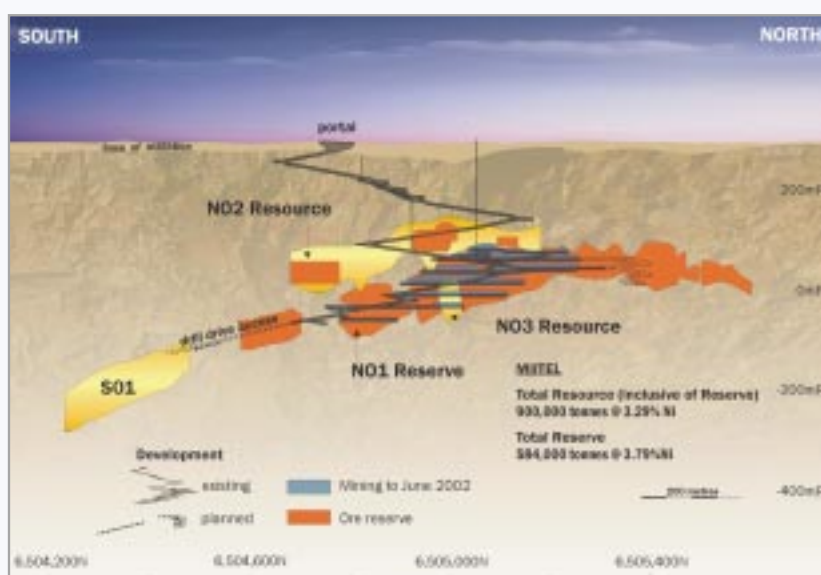


Figure 1: Miitel Long Section

Costs

Direct cash cost (mining, milling, haulage and royalties) per pound of nickel-in-concentrate (after byproduct credits) was A\$1.52, and total cost (plus depreciation and amortisation) was A\$2.01.

Drilling

A considerable amount of underground drilling was carried out during the year. Most of this was aimed at providing greater detail within the orebody, and at defining the boundary of the orebody, to assist with mine planning.

However, a number of drill holes were drilled in the area immediately to the south of the existing ore reserve, and these indicate continuing strong mineralisation, which remains open to the south and at depth. Further drilling is limited by lack of suitable access. However, a 300 metre drill drive to the south is scheduled for late calendar 2002 and this will allow detailed evaluation to continue.

The drilling already completed in this southern area indicates strong mineralisation, together with greater structural complexity than previously seen.



Ore being loaded onto a road train

Resources and Reserves

Resources and Reserves were recalculated for Miitel as at 30 June 2002.

Table 2: Mineral Resource – Miitel – depleted for mining to the dates indicated

	INFERRED		INDICATED		MEASURED		TOTAL	
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)
June 2001	254,595	3.30	571,992	4.89	84,777	7.05	911,364	4.65
June 2002	443,000	2.43	350,000	4.25	107,000	7.50	900,000	3.29

(NB: Resources are inclusive of Ore Reserve.)

Table 3: Ore Reserve – Miitel – depleted for mining to the dates indicated

	PROBABLE		PROVEN		TOTAL	
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)
February 2001	844,639	3.96			844,639	3.96
June 2001	679,040	3.92	118,418	5.36	797,458	4.13
June 2002	445,000	3.37	139,000	5.16	584,000	3.79



Ian Junk (Resident Mine Manager), Brent Kail (Senior Surveyor, Miitel) and Leigh Junk (Senior Planning Engineer)



Miitel mine facilities

In essence, the total ore reserve at Miitel has evolved from 844,000 tonnes @ 3.96% nickel containing 33,422 nickel tonnes (the reserve on which the project was evaluated, acquired and financed), to the current mining-depleted reserve of 584,000 tonnes @ 3.79% nickel which, when added to the ore tonnes already mined, gives a total reserve (mined and not yet mined) of 848,000 tonnes at 4.01% nickel for 34,012 nickel tonnes. This is marginally better, in terms of contained nickel, than the original reserve. This total figure includes some new reserves discovered outside of the original ore reserve boundary, which compensate for unmineralised areas encountered within the original reserve outline.

These new reserves include the southern extensions to the main N01 ore surface. This extension has been named the N05 ore surface. It appears to be a distinct new ore lens, and is open down-plunge to the south in the direction of the S01 Inferred Resource. The drill drive mentioned above is being developed in order to allow evaluation of this new ore lens via underground drilling.

Future Developments

During the year decline access will be completed into the northern end of the orebody at the 254m level, with a second access at the 210m level. This will open up the northern end for development and stoping.

Additional access will be excavated to develop selected areas of the lower grade upper ore surface, designated the N02 ore zone.

The 300-metre south drill drive will also be completed, allowing further evaluation of the southern extensions of the ore trend. This drive will then be used to provide access for development and stoping.

*Brent Kail,
Senior Surveyor
– Miitel*



WANNAWAY NICKEL MINE (MINCOR – 76%)

Overview

The Wannaway Nickel Mine was purchased from WMC Resources Ltd early in the financial year, with handover occurring on 21 September 2001.

Upon handover, checking and refurbishment of the facilities was

carried out and mining commenced in October 2001. The focus of these activities was the N02 ore zone, which had not been previously mined. However, a footwall access decline was in place, as well as three ramps to within 10 metres of the orebody.

Mincor's evaluation of the project indicated that the optimal mining proposal was a moderately high production rate, using flatback stoping

from eight levels at 21m vertical spacing, from an optimised ore reserve in the central/lower part of the N02 (the 'Central Higher Grade Zone'). This ore reserve amounted to 290,000 tonnes at 3.58% Ni. However, there is also an additional lower grade resource in the upper/southern part of the N02 (referred to as the 'Southern Lobe') amounting to 110,000 tonnes at 2.24% Ni (mining diluted resource).

Production

Operations commenced in late October 2001 and by March 2002 had achieved the budgeted production rate of 15,000 tonnes ore per month. Since then mine de-bottlenecking has resulted in a consistent increase in the

production rate to an average of 18,000 tonnes per month.

Generally, the orebody has performed in line with expectations. However, because of structural remobilisation of massive sulphides, the ore tends to be less consistent than at Miitell, with

extremely high-grade zones interspersed with areas of comparatively low-grade. Nevertheless the total ore reserve remains robust, and has been somewhat upgraded, as reported in the 'Resources and Reserves' section below.

Table 4: Production for 2001/2002 – Wannaway Nickel Mine

	Total Ore Tonnage Mined (dry)	Total Ore Tonnage Delivered (dry)	Ni (%) Grade	Cu (%) Grade	Co (%) Grade	MINCOR'S ATTRIBUTABLE INTEREST	
						Ore tonnes	Nickel-in-Concentrate
2001/2002	115,750	115,664	3.50	0.33	0.07	87,905	2,736

(Note: Some of these figures may differ slightly from provisional results previously reported. This is due to delays inherent in the ore sampling and assaying procedures at the Kambalda Mill. The above figures are final.)

To the end of June 2002 access ramps and strike driving of the ore had been essentially completed on all eight levels (389m, 410m, 431m, 452m, 473m, 494m, 515m and 542m levels). All levels except the 473 and 515 were in various stages of advancement with respect to flatback mining, and operations were proceeding satisfactorily.

Figure 2 shows the position as at the end of June 2002. This long section clearly shows the degree of variability with respect to strike length from level to level.

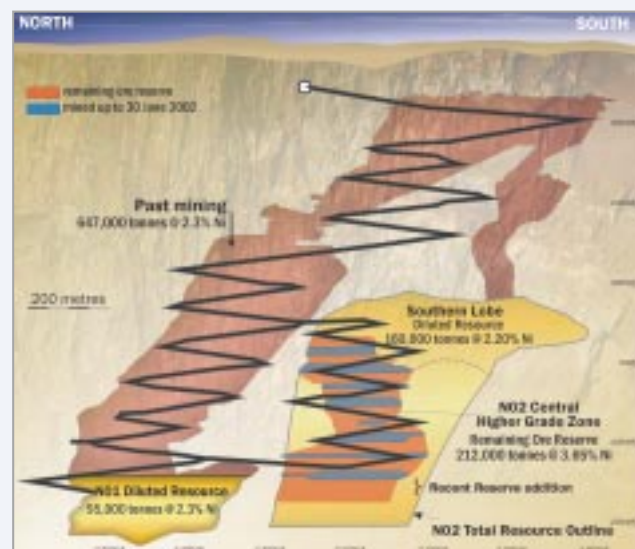


Figure 2: Wannaway Long Section

Costs

Direct cash cost (mining, milling, haulage and royalties) per pound of nickel-in-concentrate (after byproduct credits) was A\$1.89, and total cost (plus depreciation and amortisation) was A\$2.56.

Drilling

Underground drilling was carried out to test for ore extensions below the 542m level, with considerable success, adding approximately 40,000 tonnes at 2.63% nickel to the ore reserve.

Access development to this new level (the 563) is currently underway. However, deeper drilling has indicated declining grades with depth, and the current ore reserve has not been extended below the new 563m level.

Drilling of the northern and southern boundaries allowed the current outline (Figure 2) to be established. Drilling of the upper part of the N02 is showing signs of moderate extensions of high-grade mineralisation in that area. Drilling into the lower grade Southern Lobe is in progress.



*The Senior Mine Geology Team –
Darryl Mapleson, Andrew Bewsher and
Andrew Paterson*

Resources and Reserves

The remaining Resource on the N02 Ore Zone is shown below.

Table 5: Mineral Resource – Wannaway N02 Ore Zone depleted for mining

	INFERRED		INDICATED		MEASURED		TOTAL	
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)
June 2002 (N02)	202,000	3.04	38,000	3.07	176,000	4.33	416,000	3.59

(Note: Resources are inclusive of Ore Reserve)

The ore reserve data for the N02 Central Higher Grade Zone is shown below. The September 2001 figures are the optimised ore reserves on which Mincor evaluated, acquired and financed the Wannaway Mine. The June 2002 figures are the same reserve recalculated and depleted for the tonnes mined to June 2002.

Table 6: Ore Reserves – N02 Central Higher Grade Zone depleted for mining to the dates indicates

	PROBABLE		PROVEN		TOTAL	
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)
Sept 2001	290,000	3.58	-	-	290,000	3.58
June 2002	37,000	2.44	175,000	3.90	212,000	3.65

As stated above, 115,750 tonnes of ore at 3.50% Ni have been produced from this ore zone in the year to June 2002.

In order to compare "like for like" the total ore reserve at the start of mining (290,000 tonnes @ 3.58% nickel containing 10,382 nickel tonnes) may be compared to the June 2002 reserve with mining depletion added back, for a total reserve figure of 327,000 tonnes at 3.60% nickel containing 11,770 nickel tonnes – an increase of 12% over the pre-mining reserve estimates, in terms of contained nickel.

An additional resource exists in the lower grade Southern Lobe of the N02 lens. Further definition drilling has recently been done in this area. The economics of mining this resource are being evaluated, and consequently it is listed below as a 'mining-diluted resource'.

Table 7: Mining-Diluted Resource – N02 Southern Lobe

	INFERRED		INDICATED		MEASURED		TOTAL	
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)
Sept 2001	-	-	110,000	2.24	-	-	110,000	2.24
June 2002	-	-	160,000	2.20	-	-	160,000	2.20

(Using current mining parameters and a 1% Ni block grade cut-off)

As part of Mincor's philosophy of extracting maximum value from its operations, work has begun on rehabilitating access routes to portions of the remaining reserve in the lower levels of the old N01 ore surface. Production will proceed using airleg methods at a moderate rate of 2,000–3,000 tonnes per month.

Again because the economics of this N01 Lower Levels mineralisation have not been finalised, it is listed below as a 'mining-diluted resource'.

Table 8: Mining-Diluted Resource – N01 Lower Levels

	INFERRED		INDICATED		MEASURED		TOTAL	
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)
N01 Lower Levels	-	-	-	-	95,000	2.30	95,000	2.20

Future Developments

A strike drive is planned in order to test the N02 Southern Lobe. There is a reasonable expectation, given the variable nature of mineralisation in the high-grade zones encountered to date, that some sections of higher grade ore will be exposed by this development.

The current mining operation is scheduled to end in May 2003, with the final depletion of the N02 Central Higher Grade Zone ore reserve. At that point, the operation is on target to have achieved or exceeded the total financial return expected from the original acquisition. However, the substantial resource remaining in the N02 Southern Lobe may support a reduced mining operation for some years. The feasibility of such an operation is being evaluated at present. Further mining of the N01 Lower Levels may be included in this future operation.

(The Miitel Resource and Reserve were compiled by D Mapleson. The Wannaway Resource and Reserve were compiled by D Mapleson and A Paterson, both of whom are full-time employees of Mincor Operations Pty Ltd and satisfy the requirements of a Competent Person as defined in the JORC Code.)



A bogger just emerged from the Wannaway portal



John du Plessis (Boilermaker) repairing a Terex truck seat

14 | REVIEW OF DEVELOPMENT PROJECTS

REDROSS NICKEL MINE

Overview

The Redross Mine is situated 11km south of Mtell along strike of the same Komatiite-basalt contact. It was worked as an underground operation between 1970 and 1978 by Anaconda Australia Inc. WMC excavated a shallow open pit and treated ore from surface stockpiles between 1989 and 1993.

The two main economic ore lenses at Redross are the N01 (formerly the Redross Vein) and the N10 (formerly the Eastern Vein). The N01 is the main ore body with 78% of the contained metal in Reserve. The mineralisation occurs in three stratigraphic positions: ultramafic-hosted in the up dip direction; as open contact mineralisation on the basalt-ultramafic contact; and as basalt-basalt mineralisation on the down plunge extremities. The N10 mineralisation occurs only as open contact ore in a flanking position to the main mineralised channel.

Feasibility Study Results

During the year Mincor completed a detailed feasibility study on Redross. This included three new drill holes to confirm the mineral resource and obtain geotechnical data. In addition hydrology and engineering studies were commissioned to obtain more detail on dewatering and mine scheduling.

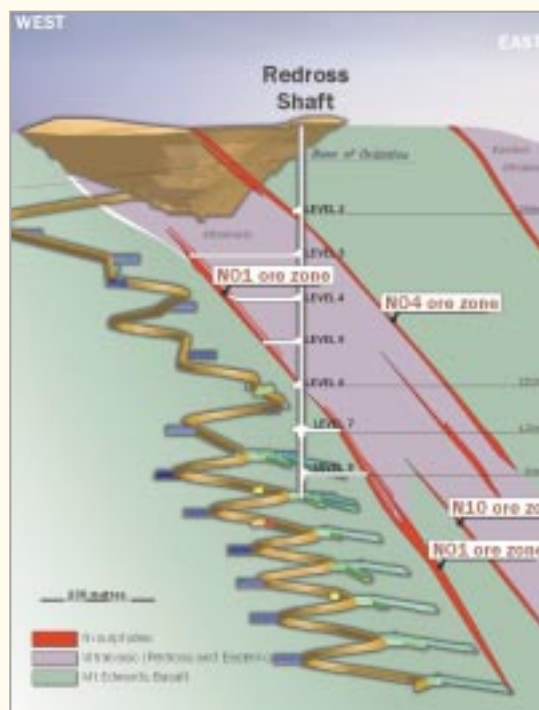


Figure 3: Redross Cross Section

Table 9: Redross – Mine Resource

	INFERRED		INDICATED		MEASURED		TOTAL	
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)
Total	32,359	3.29	312,895	5.19	-	-	345,255	5.01

Table 10: Redross – Ore Reserve

	PROBABLE		PROVEN		TOTAL	
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)
Total	483,654	3.19	-	-	483,654	3.19



Panorama shot of the Redross open pit with Head Frame on the horizon

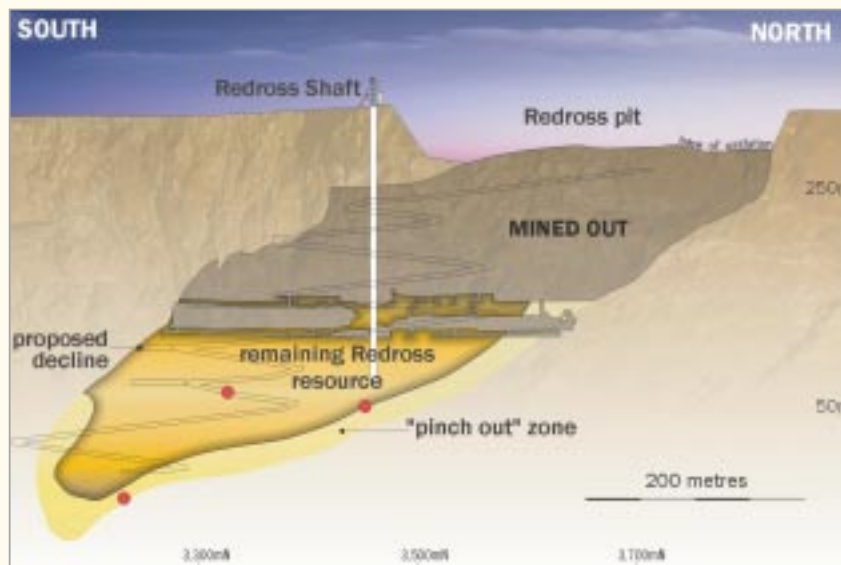


Figure 4: Redross Long Section

Development

The development of Redross will require the excavation of a decline from the base of the open pit. This will take approximately ten months before ore production can commence. The existing shaft will be used for ventilation and emergency egress.



Drilling at Redross

Production

Production will proceed via half upping and footwall stripping, one of the mining methods currently successfully employed at Mincor's Miitel operation. Production is planned at a rate of 12,500 tonnes per month or 150,000 tonnes per annum. The N01 and N10 ore bodies will be extracted in ten and four stopping blocks respectively. As the ore bodies are relatively thin and the dip flat at 50 degrees, the strike drives will all be resued.

Mincor's existing Ore Tolling and Concentrate Purchase Agreement with WMC Resources Ltd will apply to the Redross Mine in the same way as it now applies to the Miitel Mine. This provides Mincor with an assured processing facility, guaranteed metallurgical recoveries, and guaranteed offtake of nickel concentrate.

Economic Evaluation

The feasibility study assumes a life of mine nickel price of A\$11,000 per tonne (current price is around A\$12,300 per tonne). Pre-production capital development costs are estimated at a maximum of \$10.7 million, though Mincor believes these may be reduced to \$8.5 million. The net present value (10% discount rate) lies between \$6 million and \$8 million (depending on the optimisation of capital development costs), and the internal rate of return is 40%. At current nickel prices and optimised capital costs the net present value of the project is \$11.3 million.

The average cash cost per tonne ore is estimated at \$137/t, and the average cash cost per pound nickel is estimated at A\$1.99/lb.



Exploration Potential

There is considerable exploration potential in and around the Redross Mine, where little recent exploration work has been conducted.

Nickel mineralisation is contained in stacked *en echelon* shoots around a structurally emplaced wedge of basalt at the base of a 60 to 120 metre thick komatiite flow. The strike length of the original (pre-mining) ore zone was 490 metres and it remains open at depth.

The down dip extent of the remaining mineralisation is terminated by the basalt wedge which has produced a basalt – basalt ore position. Potential exists for a faulted offset continuation of the shoot. Mincor intends to explore this potential and will be seeking to extend the known mineralisation both down plunge and along strike.



*The Redross
Head Frame*

*Rob Hartley,
Projects
Manager*

MIITEL/WANNAWAY TENEMENTS (MINCOR – 76%)

Mincor's exploration activities during the past year were focussed on the discovery of new nickel deposits on the Miitel and Wannaway tenement blocks.

The Miitel and Wannaway Tenement areas comprise contiguous blocks, each covering over 15km of the strike of the prospective basalt-komatiite (basal) contact on both the eastern and western flanks of the "Widgiemooltha Dome".

On the eastern side, this contact hosts the Miitel, Redross and Mariners orebodies and appears to have been structurally repeated with Miitel and Redross on the "inner" contact and Mariners on the "outer" contact. A third repetition of this contact hosts mineralisation at North Dordie and potential exists for the discovery of further repetitions (Figure 5). A similar situation exists on the western side where the contact hosts the Wannaway deposit.

The 15km quoted above is based in each case on the length of the tenement block – in reality the prospective strike length becomes a multiple of this when repetitions are taken into account.

A Note on Komatiites ...

Komatiite forms as an iron and magnesium rich lava, commonly extruded from submarine volcanic centres. These lavas were very hot and liquid and enriched in elements such as nickel leading to the deposition of nickel sulphides, often in channels developed in preceding flows of basaltic lavas.

Due to movements in the Earth's crust over time, these lava flows are preserved today in a sub-vertical position, along with the deposits of nickel sulphide. These nickel sulphides are located at or near the lower limit of the komatiites adjacent to the underlying basalts.

The search for new mineralisation at Miitel and Wannaway thus has three natural points of focus:

- The strike extent of the three known mineralised Basal Contacts;
- The possible presence of further repetitions of the Basal Contacts; and
- Known areas of mineralisation (mines, resources and anomalies).

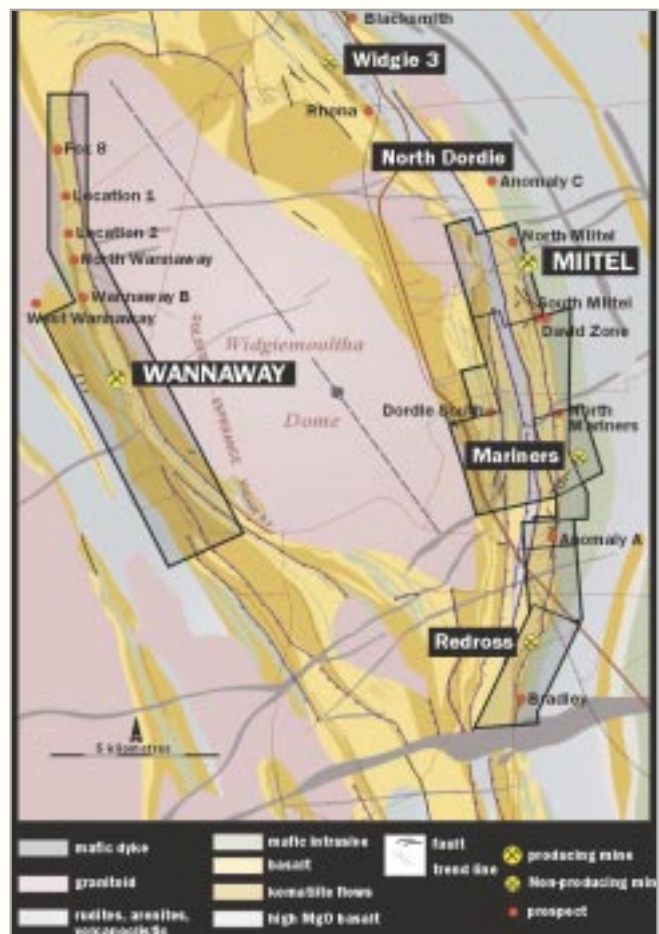


Figure 5: Location map showing regional geology



Richard Hatfield,
Exploration
Manager



Drilling and overhead aeromag being conducted

Data Analysis and Geophysics – precursors to drill hole targeting...

The large volume of data acquired with the purchase of the Miitel Block was incorporated into a computer database in order to facilitate access and interpretation. A review of all known targets was carried out. This process was later repeated for the Wannaway Block.

Both the Miitel and Wannaway blocks were surveyed using ultra-detailed aeromagnetics (15 metre line spacing) and a trial programme of moving and fixed loop ground electromagnetic surveying was completed at Miitel, Anomaly A and Redross. The aeromagnetics was successful in highlighting ultramafic lithologies in addition to the Miitel, Mariners and Dordie units and confirmed a common link between elevated magnetism along Basal Contact positions and nickel deposits.

Trial ground electromagnetics was less successful, with a sulphide-rich (and thus conductive) hanging wall chert (the Widgie chert) effectively limiting the depth to which the ground EM technique could penetrate.

The Next Step – drilling...

The first phase of exploration drilling consisted of a programme of air core drilling (47 holes for a total of 1,456 metres) followed by 2 diamond holes (350 metres) on Lake Zot to confirm the position and attitude of the Basal Contact relative to its aeromagnetic response. A programme of 10 Reverse Circulation ("RC") drill holes

(1,218 metres) saw initial testing of selected magnetic anomalies derived from the aeromagnetic survey as well as 2 holes at Anomaly A, and 2 holes into a shallow level electromagnetic target derived from the trial survey.

Two of the RC holes were drilled beneath the outcropping gossanous rocks in the southern portion of the Wannaway Block and confirmed the presence of a Basal Contact position at that locality.

And Currently – drill-testing both the near mine and regional potential...

Kambalda-style nickel ore bodies are physically small and famously hard to find. They have a tiny footprint and thus require intensive drilling. The key ingredient is to have the right ground – a prolific area such as Mincor's Widgiemooltha tenements, for example. New exploration ideas, new technologies and a different set of economic parameters tend to combine in such districts to produce new discoveries.

Mincor has commenced a major drilling programme which, in combination with down-hole electromagnetics, will see a large number of high quality targets tested during the 02/03 financial year. Initially, this will focus on near-mine potential at Miitel, Wannaway and Redross, and then extend to greenfields and conceptual targets elsewhere on the tenements.

Miitel North

A programme of approximately 3,000 metres of diamond drilling is currently underway, testing the northern extent of the Miitel NO1 ore body as well as a sparsely drilled mineralised zone located down plunge a short distance to the north (Figure 6). If a new ore lens is discovered it could have the potential to add considerably to the life of the Miitel Mine. Better down-hole nickel intersections shown in Figure 6 (using data from previous exploration) include:

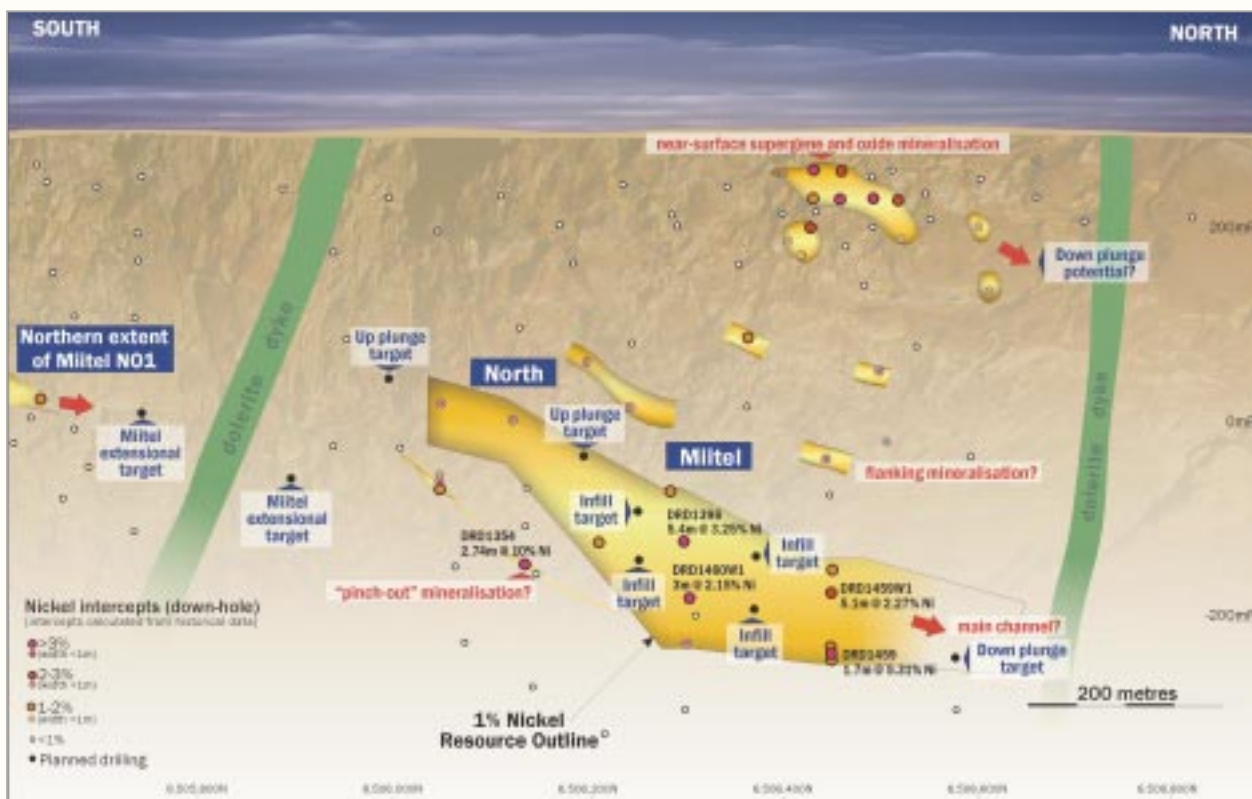


Figure 6: Miitel North Long Section

- 5.4m @ 3.26% Ni from 499m in DRD1396;
- 2.74m @ 10.27% Ni from 471.56m in DRD1354, about 20m below the basal contact;
- 1.7m @ 5.31% Ni from 588.9m and 3.0m @ 1.90% Ni from 549m in DRD1459;
- 5.1m @ 2.27% Ni from 535.9m in DRD1459W1;
- 3.0m @ 2.15% Ni from 550m (hanging wall, just above Basal Contact) and 1.5m @ 3.37% Ni from 555.5m in DRD1460W1.



A Kambalda Lizard



Drill core showing massive nickel sulphide intersection



Drill rods

Wannaway "N03"

Detailed aeromagnetic data has repeatedly confirmed the common relationship between magnetic anomalies and nickel sulphide deposits (the anomalies may not be directly related to actual nickel sulphides but may reflect important characteristics within the ultramafic host rocks). This is certainly the case at Miitel, Mariners, Redross and for

the N01 and N02 ore bodies at Wannaway.

At Wannaway, Mincor's new magnetic survey has highlighted the existence of a third magnetic anomaly immediately north of the magnetic highs that appear to be associated with the N01 and N02 surfaces (Figure 7). New conceptual thinking has also opened the possibility that the main sulphide channel at

Wannaway may be orientated at approximately 90 degrees to the previously interpreted orientation, strongly supporting the concept of a third ore lens below the third magnetic anomaly. This area is completely untested by drilling and represents an exciting target. Some 1,800 metres of drilling is planned to test this target.

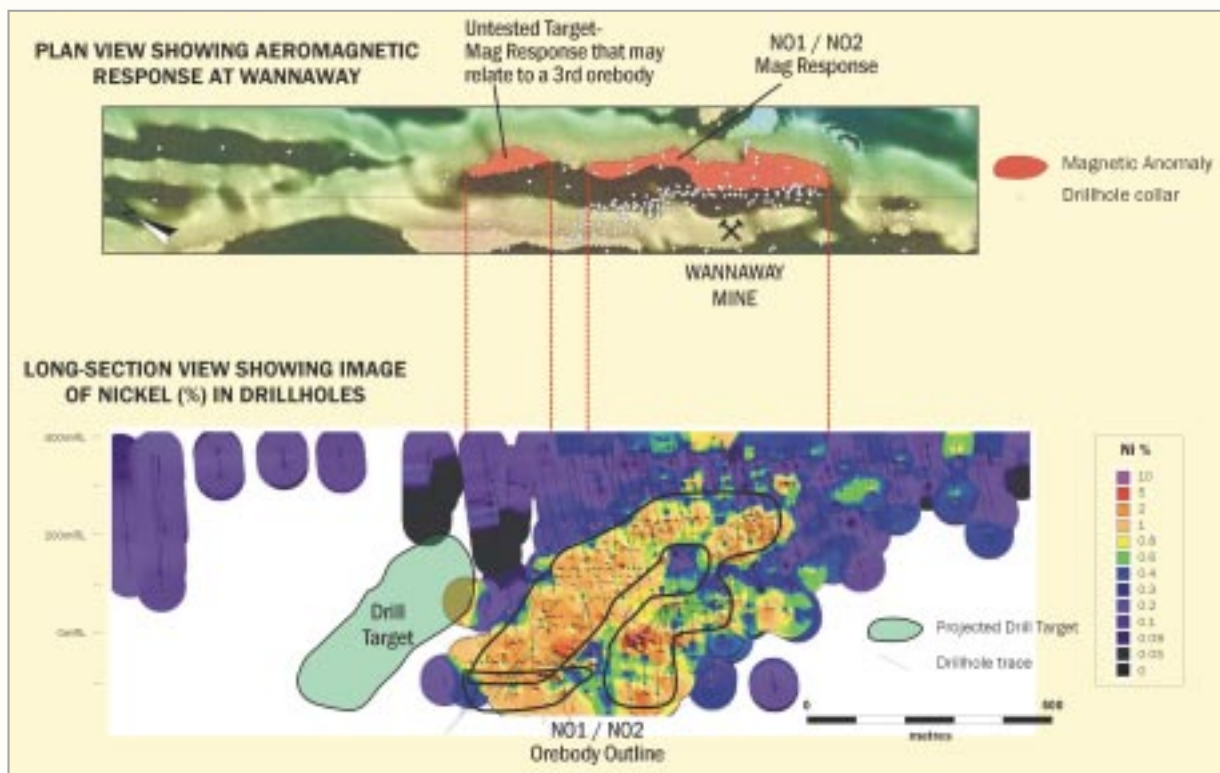


Figure 7: Untested drill target area immediately north of the Wannaway N01 orebody



View South towards Mariners portal



Dingo on Lake Zot

Redross

The importance of structural controls on nickel mineralisation around the Widgiemooltha Dome is becoming increasingly evident. Originally continuous nickel sulphide channels are commonly disrupted and can occur as discrete "pods". Hence, the apparent end of a mineralised channel may be merely a barren or poorly mineralised zone between pods. This is illustrated by the Mariners orebody, which comprises a series of pods extending down dip to the north.

At Redross, the southerly (down plunge) extent of the Redross ore body, and the potential for a series of pods down dip to the north, represent two target concepts that will be drill-tested during the year.

Lake Zot

Also highlighted by the aeromagnetics is the strong magnetic signature of both the Miitel and Mariners contact zones between the two mines below Lake Zot (Figure 9). Currently only 2 holes intersect these zones below 200 metres vertical depth along a strike length of more than 3km (nearly double that if both zones are taken into account). The N01 ore surface at Miitel starts at a depth of approximately 200 metres. In order to effectively cover this area, an initial programme of 1,500 metres of broadly spaced diamond drilling is planned, which will be followed up with down-hole electromagnetic surveys.



Drilling on Lake Zot

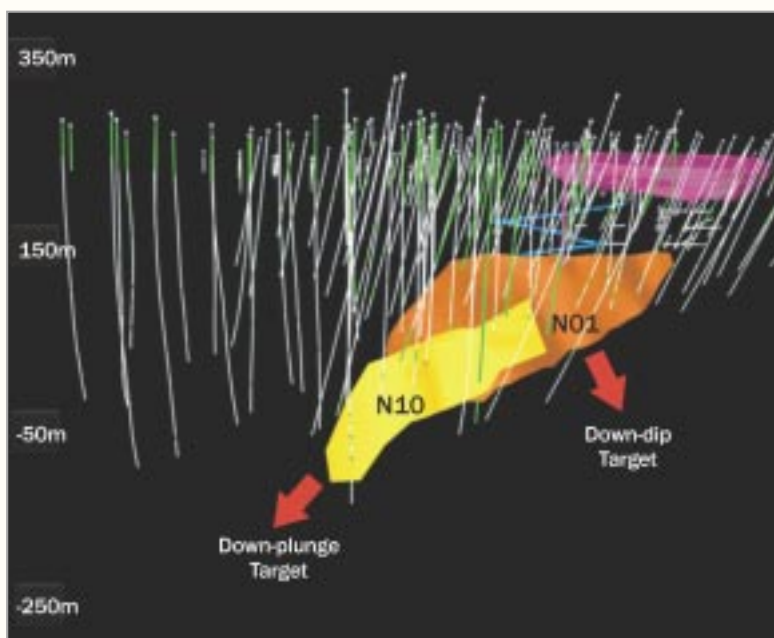


Figure 8: Down-dip and down-plunge targets at Redross

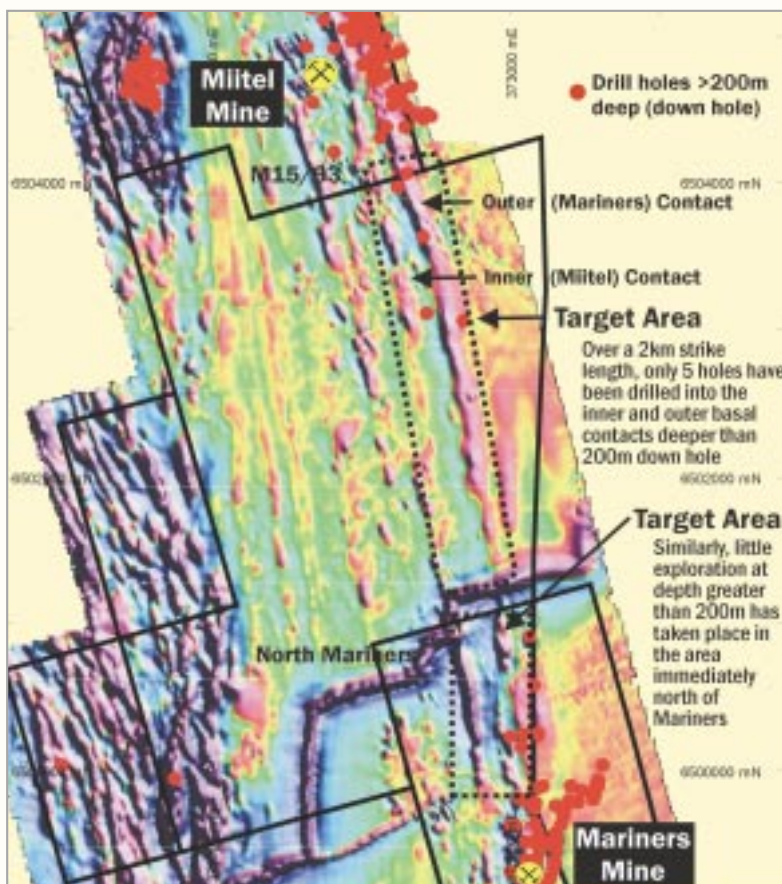


Figure 9: Aeromagnetic image showing the Miitel-Mariners trend

Other Regional Targets

Numerous prospects that have received varying levels of exploration follow-up in the past are located along the Basal Contact on both the Miitel and Wannaway tenements. It is possible that the mineralisation identified at targets such as Anomaly A and Bradley may in each case represent one of a series of pods. This concept is shown in Figure 10 and will be tested with a series of deep holes at each target. Deeper drill-testing is also scheduled for North Dordie and Location 1 (refer Figure 5).

Mincor also recognises significant gold potential on both sides of the Widgiemooltha Dome. A thorough review of the gold potential is currently underway.

OTHER PROSPECTS IN WESTERN AUSTRALIA

Mincor is active throughout the Kambalda – Widgiemooltha – Norseman region. During the year, applications were submitted for an additional 5 Prospecting Licences, 2 Exploration Licences and 1 Mining Licence totalling 62km². In addition to the Miitel and Wannaway Joint Venture tenements, Mincor now has a total of 2,123km² of exploration ground granted or under application in Western Australia (Figure 11).

Tramways (Mincor 100%)

The Tramways E63/754 and adjacent P63/1167, 1168, 1169, 1170 and 1171 Licences have now been granted (Figure 11). It is Mincor's intention to commence exploration with a detailed high-resolution aeromagnetic survey in order to better define the main structural trends and lithological contacts. The area is interpreted to cover the southern extension of the Boulder-Lefroy fault, a major crustal feature associated with high-grade gold mineralisation at Kalgoorlie's Golden Mile and other locations. In addition, the western portion of E63/754 contains the interpreted strike position of ultramafic lithologies in contact with footwall basalts that may be prospective for nickel sulphide mineralisation.

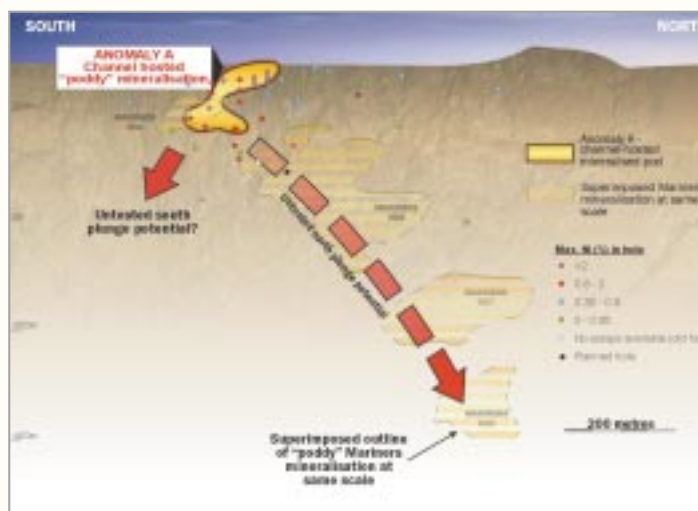


Figure 10: Anomaly A with Mariners ore body superimposed.

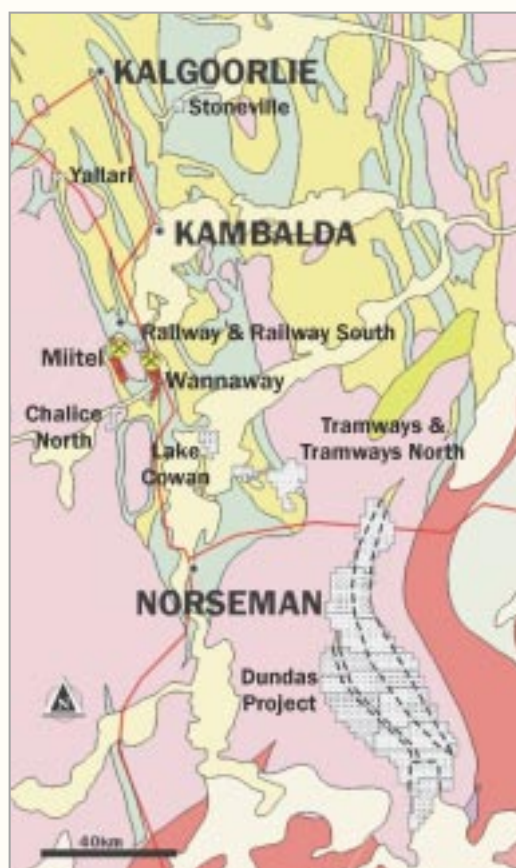


Figure 11: Location map showing Mincor tenements and applications

Dundas (Mincor 100%)

The southernmost two of the ten Dundas applications have now been granted (Figure 11). In total, these Dundas Licences and applications (ELA's) cover approximately 1,878km² of the Archaean Buldania greenstone belt and abut the contact margin between rocks of the Archaean Yilgarn Craton and the Proterozoic Albany Fraser Province. They occupy an area previously held by Pan Australian Resources NL who carried out regional exploration work including aeromagnetics, regolith and geochemical research and some first pass reverse circulation (RC) and rotary air blast (RAB) drilling. This led to the establishment of an effective soil sampling method and confirmed the presence of Archaean age greenstones. The drilling also confirmed the presence of gold mineralisation in the area. A number of nickel, copper and zinc soil anomalies as well as aeromagnetic targets remain untested.

Other Applications (all Mincor 100%)

The Railway and Railway South applications adjoin the Mital tenement block and are considered prospective for komatiite hosted nickel sulphide mineralisation and granite margin associated gold mineralisation.

The Lake Cowan application is situated within the Higginsville trend, slightly east of the Tramways Licences, and the Yallari and Stoneville applications cover small areas prospective for nickel and gold mineralisation in the Mount Monger and Coolgardie areas, respectively.

Mincor's most recent application has been the Chalice North ELA covering 23km² immediately north of the Chalice Mine approximately 15km south of Wannaway (Figure 11).



*The Mincor Exploration Team:
Rob Hartley (Projects Manager)
Jim Kerr (Senior Geologist) and
Richard Hatfield (Exploration Manager)*

24 | OFFSHORE GOLD ASSETS

GEITA / IMWERU PROJECT, TANZANIA

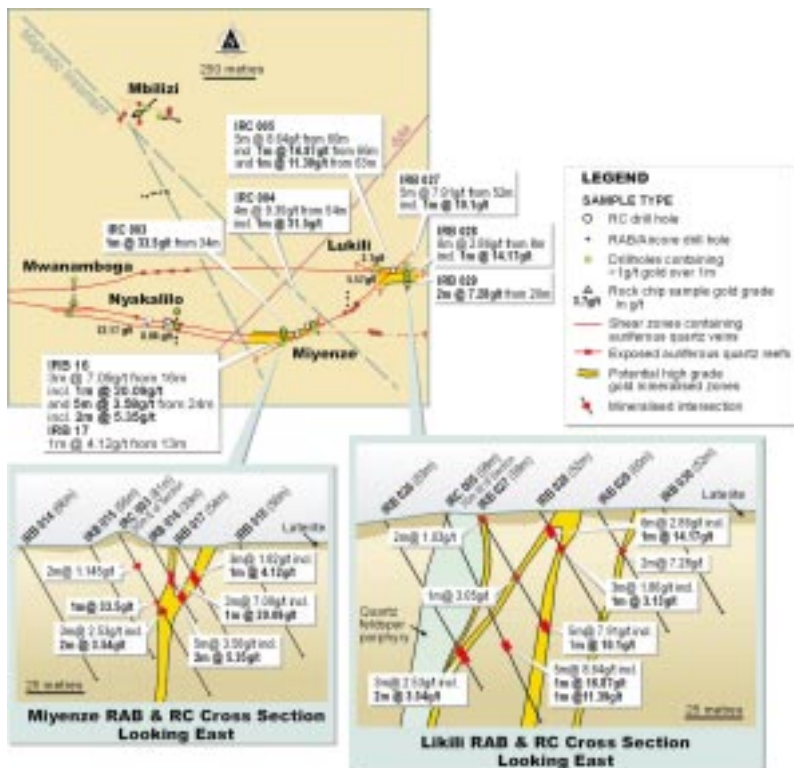


Figure 12: Imweru cross-sections and drill holes

The Imweru Project, located within the Geita Greenstone Belt in the Lake Victoria Goldfields of northern Tanzania, is subject to an option agreement currently being finalised with the major Canadian gold company Barrick.

Barrick have agreed to a four-year option over the Imweru licence, during which time they will continue the exploration and development of high-grade gold reefs discovered by Mincor during an evaluation programme of

geophysics, RAB, Aircore and RC drilling in 2000. Barrick's option allows it to purchase Mincor's interest in the Licence through payment of US\$500,000 to Mincor, and a 1% net smelter return royalty of up to US\$3 million.

The Option Agreement follows the completion of a positive pre-feasibility study by Mincor on the viability of a small-scale gold mining operation at Imweru.

Mineralised gold reefs discovered by Mincor within the Imweru licence are now thought to extend both to the east and west of the licence area into the Barrick-controlled "Mgusu" gold resources, which adjoin the licence boundary.

The combined Mgusu / Imweru trend forms an excellent exploration target with significant potential to host a sizeable gold resource.



The Kamanga Ferry about to leave Mwanza. This is the quickest route to Geita, Tanzania



Jim Kerr, Senior Geologist

BANKOLÉ PROJECT, GUINEA

During the year Mincor completed farm-out negotiations with Compagnie Minière Atlantique SA ("CMA"), a private European company exploring for world-class gold deposits in West Africa.

Under the farm-out agreement, Mincor exchanged its right to earn an 80% interest in the Bankolé Project for a

20% fully vested interest in the licence. Under the agreement, Mincor's interest is free-carried until CMA completes a Bankable Feasibility Study and makes a decision to mine.

Under the terms of its farm-in agreement, CMA, via a third partner, Australian United Gold Ltd, drill-tested a broad gold-in-soil geochemical

anomaly, completing 3,054 metres of shallow RAB drilling.

Drilling confirmed that the gold-in-soil anomaly is associated with broad zones of gold mineralisation within saprolite material, which require deeper follow-up RC drilling. A table of selected intersections is presented below.

Hole No.	From (m)	To (m)	Interval (m)	Au (g/t)	Comment
KT017	20	28	8	1.10	Including 6m @ 1.84 g/t
KT019	4	16	12	1.46	Including 2m @ 7.53 g/t
KT020	0	30	30	0.43	Including last 2m @ 1.65 g/t
KY069	18	28	10	0.60	Including 2m @ 2.48 g/t

SOUTH PACIFIC GOLD PROJECTS

The South Pacific Gold Projects, comprising the Sabeto licence in Fiji and all of the Vanuatu licences, are currently subject to a Letter Agreement with Alcaston Mining NL. The agreement provides for the following:

- Payment to Mincor of 5 million shares in Alcaston.
- Committed expenditure by Alcaston of \$500,000 on the properties.
- No interest in the properties earned by Alcaston unless a total of \$2 million has been spent by Alcaston on the properties within three years. On completion of the \$2 million of expenditure, Alcaston will have earned a 75% interest in the properties, and a 2% net smelter return royalty will be payable to Mincor in relation to Alcaston's 75% interest.
- For a 45-day period following completion of the \$2 million expenditure, Alcaston will have the option to buy Mincor's remaining interest through the issue of a further 15 million shares in Alcaston, and a 2% net smelter return royalty in relation to that further 25% interest.
- If Alcaston does not exercise this option, then Mincor's interest will be carried through to completion of a positive bankable feasibility study and the decision to mine. Mincor will repay this carried interest from 75% of its share of production revenues.

The transaction is conditional on the satisfactory completion of due diligence investigations by Alcaston, which were underway at the time of this report.

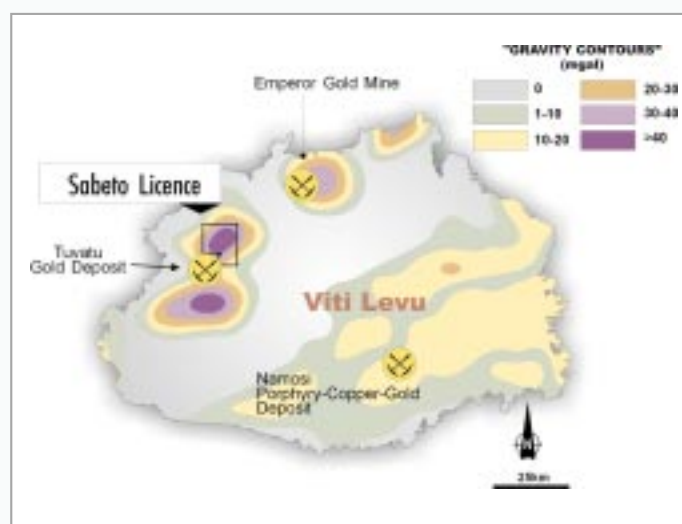


Figure 13: Sabeto Location and Gravity Anomaly

The flagship property of the South Pacific Gold Projects is the Sabeto licence, situated 25km from Nadi on the western side of Viti Levu, in the Republic of Fiji.

At Banana Creek, epithermal veins, exposed at the margin of a monzonite intrusive, assay up to 60g/t gold in grab samples and are located within a 1km long gold-in-soils anomaly associated with a radiometric potassium high similar to that observed at the Tuvatu deposit.

The next phase of exploration at Sabeto will involve a substantial drill programme designed to test identified and interpreted epithermal vein systems at depth.

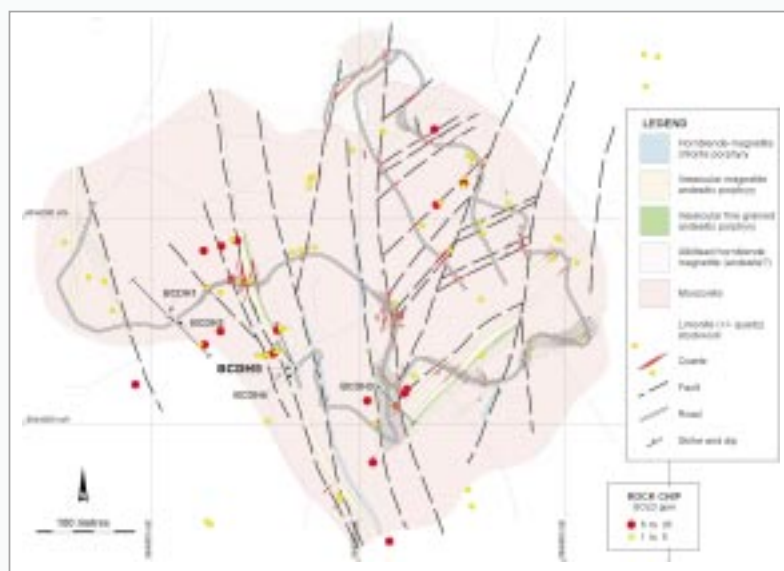


Figure 14: Banana Creek Geology



View from Banana Creek Prospect looking west over moderately dipping Miocene volcanoclastics



Steeply dipping epithermal vein set within intensely brecciated volcanics

Vanuatu Projects

Mincor holds an interest in five epithermal gold exploration licences on the islands of Malekula and Espiritu Santo. The most advanced project of this group of licences is Webe Creek, where a number of geophysical, geochemical and geological surveys and follow-up trenching have been completed. The principal target is the Laonasmata prospect, where epithermal gold/silver vein systems were discovered within a broad gold-in-soils anomaly associated with a magnetic low and IP chargeability high.

The next phase of planned exploration at Laonasmata is to drill-test the "La Fete", high-level epithermal gold/silver vein system.

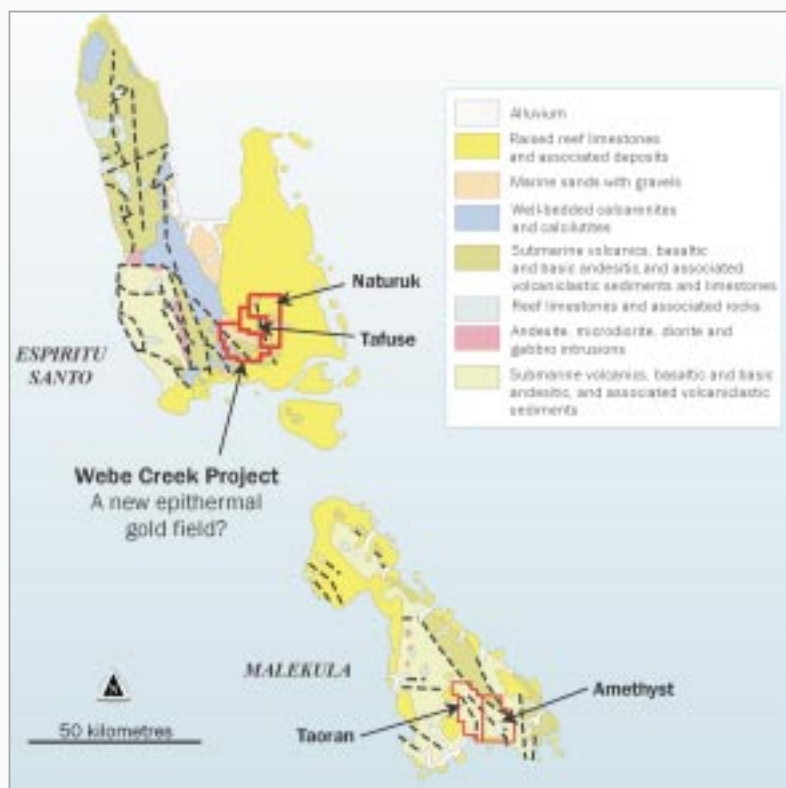


Figure 15: Vanuatu Licence Location Map and Geology

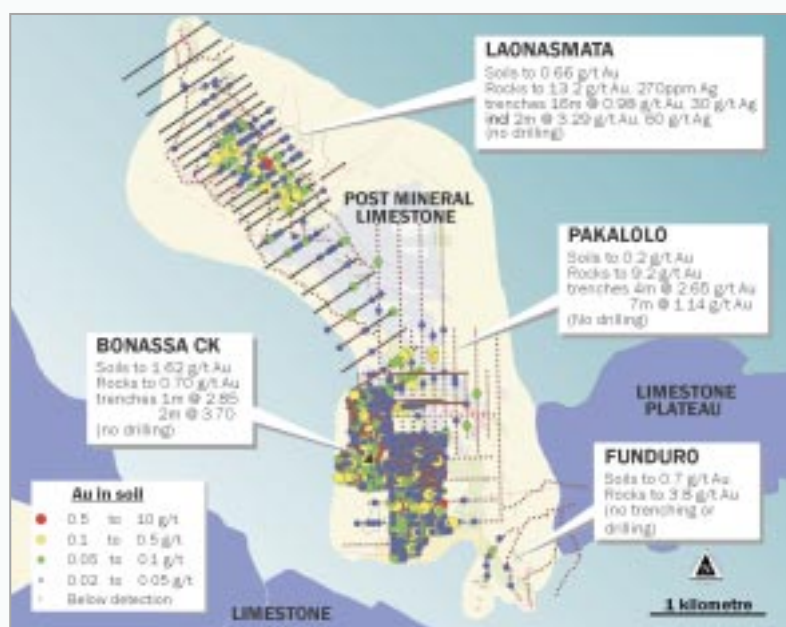


Figure 16: Webe Creek Prospects



Exploration Camp at Webe Creek, Vanuatu

REKO DIQ PROJECT, PAKISTAN

The Tethyan Copper Company Limited ("TCC") is a specialist copper vehicle created to explore, finance and develop the giant copper resources at Reko Diq in Pakistan, in Alliance with BHP Billiton.

Between October 2000 and February 2001, TCC carried out a 30-hole drilling programme at the H4 Starter Project, part of the Reko Diq system. This work successfully defined an Indicated Resource for the H4 Starter Project (*SRK Consulting, June 2000*).

In July 2001, Scoping Studies by SRK Consulting and Signet Engineering Ltd were completed, demonstrating the economic viability of an SX-EW copper mine at the H4 Starter Project based on the assumptions used.

In February 2002, BHP Billiton completed a detailed report on the bacterial column leaching of the Reko Diq ore confirming the recoveries used in the Scoping Study.

In March 2002, the Reko Diq project was granted Export Processing Zone status by the federal government of Pakistan providing a favourable fiscal regime for the project and allowing for

relaxations in customs duty and sales tax. Also in March 2002, the provincial government of Balochistan implemented the provisions of the National Mineral Policy in the form of a new mineral policy with the adoption of the Balochistan Mineral Rules 2002.

During the period of April to June 2002, Snowden Consultants completed a sign-off on the Reko Diq Western Porphyries Resource and completed an Independent Geologic Report on the mining tenements assets.

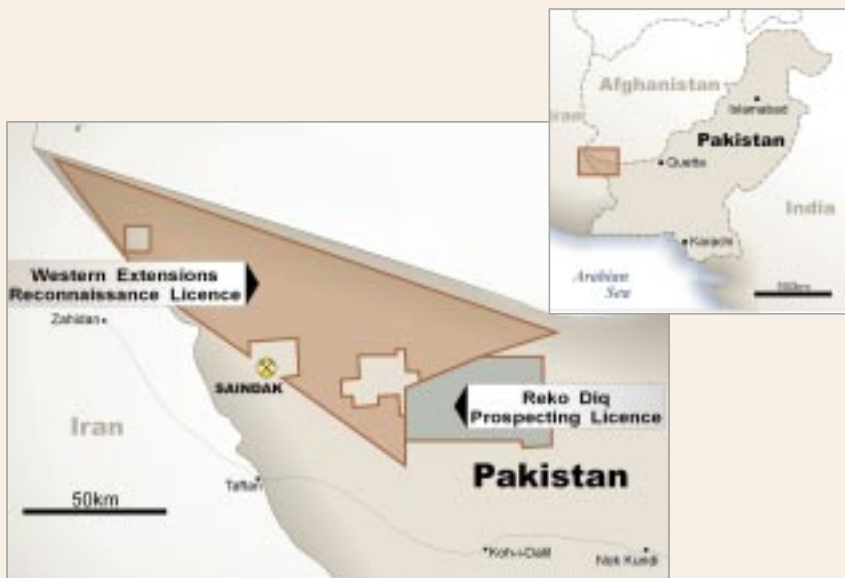


Figure 17: Reko Diq location and tenement map



John Schloderer,
General Manager -
Tethyan Copper
Company Ltd

Vision and Goals

TCC's vision is to use the development of a medium-sized copper mine at the H4 Resource as a starter project to a very large copper-gold porphyry mine based on the enormous resource potential of the 19 known mineralised porphyry systems in the immediate area.

TCC will seek a listing during the course of this year to raise funds for a bankable feasibility study on the H4 Starter Project and a major round of exploration and resource drilling. The bankable feasibility study is expected to take 18 months to complete. If both the listing and the feasibility study are successful, project finance for mine development and construction will be sought, at an appropriate ratio of debt to equity.

Location and Infrastructure

The region is located in Pakistan's sparsely populated southwestern desert Province of Balochistan. The infrastructure is good, with a sealed road and rail line passing only 30km south of the Reko Diq Complex.

The Reko Diq Intrusive Complex is an ancient volcanic system which hosts 19 known copper-gold porphyry deposits in an area of about 10km by 15km. It comprises an older central porphyry surrounded by younger porphyries. Supergene copper mineralisation (the H4 Starter Project) is developed over the central porphyry. There is substantial hypogene (unweathered) mineralisation in the younger porphyries.



Figure 18: Tethyan Magmatic Arc



Local geologists and staff enjoying a break at the Reko Diq Camp



The Reko Diq Camp at Sunrise

H4 STARTER PROJECT

The H4 Starter Project is a zone of supergene enriched copper mineralisation, mostly chalcocite, developed above a primary porphyry system in the centre of the Reko Diq Complex. The area is flat with reasonable outcrop and good access.

TCC drilled 30 holes totalling 3,467 metres between October 2000 and February 2001. BHP had previously drilled 16 holes into the same zone. TCC's drilling indicated the presence of a sizeable copper resource below 20 metres to 80 metres of barren leached cap.

From the drill data, SRK Consulting estimated the following resource:

Indicated Resource: 68 million tonnes @ 0.8% copper
 Inferred Resource: 7 million tonnes @ 0.7% copper
Total Resource: 75 million tonnes @ 0.8% copper
 (all at a cut-off grade of 0.6% copper)

A Scoping Study, to an accuracy of +/-30%, was completed during July 2001 by SRK Consulting.

As a result of the reiterative economic evaluations carried out during the Scoping Study, SRK selected a cut-off grade of 0.3% copper for the proposed mining operation. The resource statement at this cut-off grade is as follows:

Indicated Resource: 94 million tonnes @ 0.7% copper
 Inferred Resource: 15 million tonnes @ 0.6% copper
Total Resource: 108 million tonnes @ 0.7% copper
 (all at a cut-off grade of 0.3% copper)

Following a pit optimisation exercise and the application of practical pit designs, SRK estimated a Probable Reserve from the above Indicated Resource of:

78 million tonnes @ 0.7% copper, using a 0.3% copper cut-off

In accordance with the 1999 'Australasian Code for Reporting of Mineral Resources and Ore Reserves' the reserve is classified as Probable.

The Probable Ore Reserve of 78 Mt @ 0.7% copper using a 0.3% copper cut-off is the economically mineable portion of an Indicated Mineral Resource.

The Scoping Study considered adequate mining parameters with appropriate costs, geotechnical, process and recovery parameters. A pit design was developed taking into account practical mining constraints. Leaching test work was carried out by BHP Billiton Minerals Technology laboratory in Newcastle. A detailed report on the mineralogy and leaching characteristics was completed in February 2002. A composite ore sample was produced from 4 drill holes. The ore leached readily for a total copper extraction of 86% after 167 days of operation.

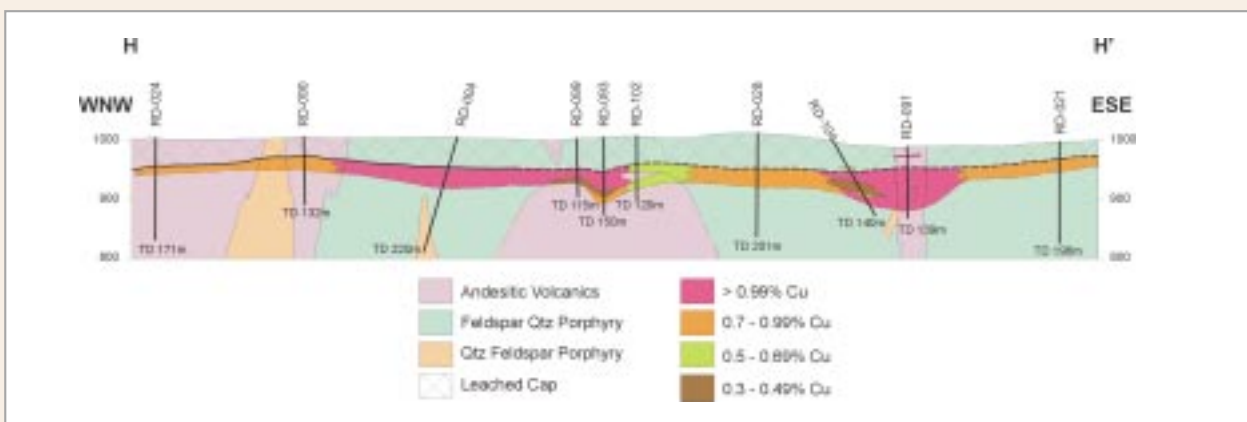


Figure 19: Reko Diq - Cross Section

The Scoping Study indicates that a bacterial leach, solvent extraction and electro-winning operation, to produce 40,000 tonnes copper metal per annum, would have a total capital cost of US\$132.6 million. Ore production would proceed at a rate of 5 million tonnes per annum for the first 3 years, thereafter increasing to a maximum of 8 million tonnes per annum. The average cash cost of production over the life of the project is estimated at US\$0.48 per pound copper.

Such a project, based on the assumptions used (including – most pertinently – a copper price of US\$0.90 per pound), would have an after tax Net Present Value (at a 10% discount rate) of US\$73 million, and generate an internal rate of return of 21% (pre-financing), over a mine life of 12.5 years. The payback period is just over 5 years from the start of construction, 3.5 years from the start of production.

The information in the scoping report that relates to Mineral Resource is based on information compiled by Anthony Wesson, who is a Fellow of the Australian Institute of Mining and Metallurgy. Anthony Wesson is a Technical Director of SRK Consulting. The statement relating to Ore Reserves was compiled by Clive Seymour, who is a Member of The Australian Institute of Mining and Metallurgy and Technical Director of SRK Consulting.

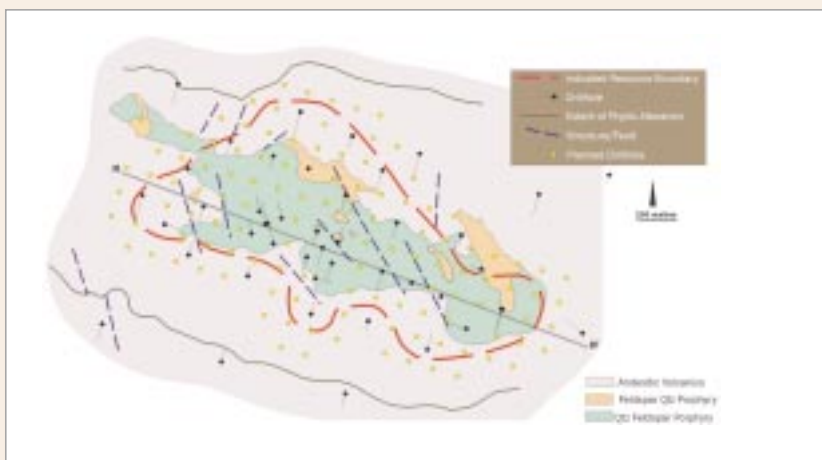


Figure 20: H14 Complex - Cross Section showing drill holes

WESTERN PORPHYRIES

These are four adjacent porphyry bodies with medium to long term potential as the core resource of a world class copper-gold mine at Reko Diq. As previously reported, Mincor has calculated the following Inferred Resource for the Western Porphyries:

730 million tonnes @ 0.6% copper and 0.4g/t gold (0.5% Cu cut-off)

In April 2002, Snowden Consultants reviewed the resource estimate for the Western Porphyries and confirmed that the reported tonnes and grade can be classified as an Inferred Resource under the JORC code.

This resource is derived from 34 drill holes covering approximately half the mineralised envelope, indicating the potential for twice this tonnage in the four porphyry bodies. Mineralisation is continuous with depth and has been

drill-tested in places to 500 metres below surface.

A further fourteen mineralised porphyry bodies have been identified inside the Reko Diq Complex, of which nine have been confirmed by drill-testing.

REGIONAL DEVELOPMENTS

The 400 million tonne porphyry copper deposit at Saindak, 50km to the west of Reko Diq, is scheduled to be in production by the end of 2002. The recommissioning of the Saindak mining complex was awarded to the China Metallurgical Construction Corporation by the government of Pakistan in late 2001. The resumption of mining activities in the region, with its potential for infrastructure sharing, is likely to have a positive impact for the Reko Diq project development.



H4 Starter Project, Pakistan. Light coloured material in the middle ground is the leached cap

STATEMENT OF HEALTH, SAFETY & ENVIRONMENTAL POLICIES

VISION AND MISSION

Vision

Mincor's stakeholders include its shareholders, employees, local residents and the wider community. Mincor recognises its responsibilities to all its stakeholders and will ensure that its Health, Safety and Environmental standards are second to none.

Mission

Mincor will carry out its business in a responsible manner, and will protect and cherish the natural environment.

Mincor will ensure that its employees are protected from all occupational injuries and diseases.

Mincor will provide a safe working environment for its employees, will ensure that Health and Safety are management's top priority and that its work force is fully trained in Health and Safety matters.

POLICY STATEMENT

Mincor attaches the greatest value to the health and safety of its employees; it is every manager's and supervisor's duty to do everything in his or her power to avert damage, occupational injuries and occupational diseases, and it is also everyone's personal duty to avert damage and occupational injuries and occupational diseases, both in respect of himself or herself and of his or her fellow-workers.

PRINCIPLES AND VALUES

Mincor subscribes to the following ten self-explanatory principles and values:

- All injuries, occupational diseases and damage can be prevented.
- Preventing injuries, occupational diseases and damage makes good business sense.
- Everybody occupying a managerial or supervisory position is personally responsible for the safety and health of those working under him or her.
- Everybody in Mincor's employment carries personal responsibility for his or her own and his or her fellow workers' health and safety.
- Training is an essential element in ensuring the safety and health of employees.
- Safety and health audits are carried out regularly, participatively and meaningfully, with the emphasis on the modification of attitudes.
- Every shortcoming in the field of occupational health and safety is rectified immediately and permanently.
- All injuries, occupational diseases and damage are investigated thoroughly and participatively, not only to determine the direct causes but also to uncover underlying causes.

- People are the most important element of Mincor's occupational health and safety programme.
- Contractor's personnel are viewed as Mincor employees for health and safety purposes. Mincor's safety principles and values apply equally to contractor's personnel.

Deviations from these principles and values and from required conduct are unacceptable.

OBJECTIVES

Elimination of unsafe environments and unsafe working conditions.

Elimination of unsafe acts.

Maintenance of high safety awareness among all employees.

Continual safety training at all levels.

Comprehensive induction of part-time and casual employees.

Insistence on similar safety standards from contractors.



Safety boots



Safety lamps



Newly erected fences with shade cloth covering around the Miitel exhaust fan, providing protection to local flora from any saline spray

The directors of Mincor Resources NL aspire to the highest standards of corporate governance. A description of the Company's main corporate governance practices is set out below.

Board Composition

The Board comprises of five directors (including one alternate), all of whom with the exception of the Managing Director, Mr David C.A. Moore, are non-executive directors. Details of the Directors are set out in the directors' report.

The Board (subject to members' voting rights in general meeting) is responsible for selection of new members and succession planning, and has regard to a candidate's experience and competence in areas such as mining, exploration, geology, finance and administration. The wide commercial experience of its board members assists Mincor Resources NL in meeting its corporate objectives and plans.

The Board delegates responsibility for the Company's administration and operation to its Managing Director, who is accountable to the Board.

Under the Company's Constitution:

- the maximum number of directors on the Board is currently set at 9.
- a director (other than the Managing Director) may not retain office for more than 3 years without submitting for re-election.
- at the Annual General Meeting each year effectively one third of the directors in office retire by rotation and must seek re-election by the shareholders.

Independent Advice

Each director is entitled to independent professional advice at the Company's expense provided that the prior approval of the Chairman is obtained.

Compensation Arrangements

All compensation arrangements for directors and senior executives are determined at Board level after taking into account the current competitive rates prevailing in the market.

Audit Committee

The Audit Committee consists of the following directors:

- DJ Humann
- DCA Moore

The main responsibilities of the Audit Committee are to:

- review and report to the Board on the annual financial report, the half-year financial report and all other financial information published by the Company or released to the market;
- assist the Board in reviewing the effectiveness of the organisation's internal control environment covering:
 - effectiveness and efficiency of operations
 - reliability of financial reporting
 - compliance with applicable laws and regulations
- oversee the effective operation of the risk management framework; and
- recommend to the Board the appointment, removal and remuneration of the external auditors, and review the terms of their engagement, and the scope and quality of the audit.

In fulfilling its responsibilities, the Audit Committee receives regular reports from management and the external auditors. It also meets with the external auditors at least twice a year – more frequently if necessary. The external auditors have a clear line of direct communication at any time to the Chairman of the Audit Committee and the Chairman of the Board.

The Audit Committee has authority, within the scope of its responsibilities, to seek any information it requires from any employee or external party.

Managing Risk

The Board meets regularly to evaluate, control, review and implement the Company's operations and objectives, benchmarked against a strategic plan which is regularly updated.

Regular controls established by the Board include:

- detailed monthly financial reporting; and
- delegated authority to ensure expenditure and revenue obligations are approved by the Managing Director.

The Board recognises the need to identify any areas of significant business risk and to develop and if required implement strategies to mitigate these risks.

Mincor has purchased Director's and Officer's Insurance cover for its board of directors.

Ethical Standards

The Board supports the highest standards of corporate governance, and requires its members, and the staff of the Company to act with integrity and objectivity in relation to:

- Compliance with the law
- Record keeping
- Conflicts of interests
- Confidentiality
- Acquisitions and disposals of the Company's securities
- Safe and equal opportunity employment

The Board and management are also conscious of and aim to ensure fulfilment of the wider obligations of Mincor Resources NL and its staff to people affected by its operations, and for responsible management of the environment.

Health, Safety and Environmental Policy

The Company recognises the importance of maintaining responsible environmental standards and practices in the conduct of its business and is committed to:

- Provide every employee with a safe and healthy work environment in accordance with generally accepted mining industry practice.
- Comply with relevant legislation and adhere to standards of responsible environmental practice for the mining industry, even in the absence of legislation.
- Design, construct and operate exploration, mining and processing facilities to mitigate environmental impacts to the extent technically and economically feasible.
- Maintain a self-monitoring program to ensure ongoing compliance with corporate policy and with government laws and regulations.
- Reclaim disturbed areas in accordance with site specific criteria and applicable regulations and permits.
- Cooperate with governments and other stakeholders in connection with the formulation of environmental laws, regulations and standards affecting the mining industry.
- Support industry associations which promote good environmental practices and which advance environmental protection in mining and mineral processing.
- Communicate this policy to its shareholders, employees, the public, governments, suppliers and customers.

Shareholders

The Board aims to ensure that shareholders are at all times fully informed in accordance with the spirit and letter of the Stock Exchange's continuous and timely disclosure requirements.

The Annual Report is distributed to all shareholders and a quarterly report lodged with the ASX which all members may access. The Annual Report is also made available to shareholders on the Company's website. The Board encourages full participation of shareholders at the Company's General Meeting to ensure a high level of accountability and identification with its strategy and goals.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2002

The Directors present their report on the consolidated entity consisting of Mincor Resources NL ("the Company") and its controlled entities, for the year ended 30 June 2002.

DIRECTORS

The names of the directors of Mincor Resources NL in office at the date of this report are:

Name	Particulars	Shareholding Interest
DJ Humann (Chairman)	Mr Humann joined Mincor Resources NL on 30 September 1999 as a Non-Executive Director and Chairperson of the Company. Mr Humann is a Chartered Accountant and Certified Practising Accountant. He was Chairman and Senior Partner of Price Waterhouse (Hong Kong and China) from 1986 until 1994. He was also the Managing Partner of Price Waterhouse, Asia Pacific Region, and a member of the World Board of Price Waterhouse and of the firm's World Executive Management Committee based in London and New York. He was also a member of the Australasian firm of Price Waterhouse's policy board. Mr Humann is a member of the boards of a number of public and private companies.	500,000 options
DCA Moore (Managing Director)	Mr Moore joined Mincor Resources NL on 30 September 1999 and is the Managing Director of the Company. His previous experience includes 13 years with Shell/Billiton and 3 years with Iscor Ltd (now Kumba Resources Ltd). He has worked internationally in a variety of mining development disciplines, including exploration and project management, business development and strategic planning. During 1999 he devised and implemented the strategy that led to the creation of Mincor via a transaction between Africwest Gold NL and Iscor. Since joining Mincor he has cut all formal ties with Iscor. Mr Moore has worked extensively in South America, southern and eastern Africa and Australasia. He holds a B.Sc (Eng) (Mining Geology).	4,464,374 shares 1,000,000 options
RG Wadley	Mr Wadley joined Mincor Resources NL on 30 September 1999 as a Non-Executive Director of the Company. London-born Mr Wadley is currently Executive Director, Strategy and Business Development for the Kumba Group of companies related to Kumba International BV, which owns 34.11% of the total issued capital in Mincor Resources NL. He joined Kumba in July 1998 following a 24 year career with South African mining house JCI, where he became the Marketing Director of Tavistock Collieries Ltd. Originally trained as a geologist, Mr Wadley spent 12 years in exploration for base metals, uranium and coal throughout southern and central Africa. After completing a Masters Degree in Mining Engineering (Mineral Economics) in 1986 he created and managed JCI's coal and antimony marketing and sales department. During this period he served on the boards of the Richards Bay Coal Terminal company, Consolidated Murchison and United Carbon Producers Pty Ltd. His current responsibilities include Kumba's investment in the Hope Downs iron ore project and resource development projects in Africa, including the Kamoto copper/cobalt project.	Nil

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2002

Name	Particulars	Shareholding Interest
JW Gardner	<p>Mr Gardner is a Non-Executive Director who joined the Company in February 1996. Mr Gardner graduated from the University of Melbourne in 1962 with a Bachelor of Engineering (Mechanical) degree. He also holds a Master of Business Administration degree from Curtin University, Western Australia.</p> <p>After holding directorships and senior management positions with Hawker Siddeley Engineering Pty Ltd, Comsteel Vickers/ANI, Minproc Engineers Pty Ltd and Broken Hill Metals NL between 1970 and 1990, he formed his own Engineering Consultancy. He has consulted on many gold and base metal projects both in Australia and overseas. He is currently actively involved in the Norwegian company, Kenor ASA, as Chief Engineer – Mining Projects.</p>	<p>3,524,275 shares</p> <p>800,000 options</p>
WJ du Plessis (Alternate Director)	<p>Mr Du Plessis joined Mincor Resources NL on 9 May 2001 as an alternate director for Mr Wadley. Mr Du Plessis is Managing Director of Kumba Australia Pty Ltd and other Kumba International BV related Australian companies. Mr Du Plessis is an alternate director in Ticor Ltd and non-executive director of Downs Holding BV.</p> <p>His current responsibilities include Kumba's investments in Australia including the Hope Downs iron ore project where he is a director of Hope Downs Management Services Pty Ltd. He has vast experience in iron ore and coal marketing and also coal buying, and established and headed Kumba's office in the Netherlands. Mr Du Plessis was also responsible for the Iscor London office, before being transferred to Australia. He has 27 years service in the Kumba group of companies and holds Bachelor of Arts, Bachelor of Law and a Master of Business Leadership degrees.</p>	Nil

REVIEW OF OPERATIONS AND SIGNIFICANT EVENTS

1. Corporate Matters

Significant corporate matters during the twelve months to 30 June 2002 included:

- On 21 September 2001, the Company purchased an interest in the Wannaway Nickel Sulphide Mine and the surrounding exploration holdings from WMC Resources Ltd by way of its 76% share in the Miitel Joint Venture, an unincorporated joint venture. The other parties to the Miitel Joint Venture are Clough Limited (12%) and Donegal Resources Pty Ltd (12%). The Miitel Joint Venture paid \$10 million for the Wannaway Nickel Mine, of which the Company's share is \$7.6 million. Production commenced at the Wannaway Nickel Sulphide Mine in late October 2001.
- The Miitel Joint Venture participants raised further project debt finance of \$10.5 million to finance the purchase of the Wannaway Nickel Mine. The Company's share of this project debt was \$7.98 million.
- As part of the extension to the project debt finance facility, the Company hedged an additional 3,116 tonnes of nickel metal at an average Australian dollar nickel price of approximately A\$10,300 per tonne.
- During the year the Miitel Joint Venture participants repaid \$12.0 million of the project debt finance facility (\$9.1 million attributable to the Company). In addition the Company repaid \$0.71 million of the unsecured and subordinated Kumba International BV finance facility.

2. Operations

Please refer to the section entitled 'Review of Operations' in the main body of the Annual Report.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2002

PRINCIPAL ACTIVITIES

The principal activities of the companies and the consolidated entity during the course of the year were the exploration and mining of mineral resources.

In October 2001, mining activities commenced at the Company's 76% owned Wannaway Nickel Mine.

No other significant change in the activities occurred during the twelve months to 30 June 2002.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Significant changes in the state of affairs of the consolidated entity during the financial year were as follows:

- a) The Company acquired a 76% interest in the Wannaway Nickel Sulphide Mine on 21 September 2001 for \$7.6 million. Mining operations commenced in October 2001.
- b) The provision of a further \$10.5 million finance facility by Bank of Western Australia Limited and Bank of Scotland to the Miitel Joint Venture participants to finance the purchase of the Wannaway Nickel Mine. The Company's 76% share of this facility is \$7.98 million.

GROUP RESULTS

The operating profit of the consolidated entity for the year after income tax was \$9,287,924 (2001 profit: \$2,049,036).

DIVIDENDS

No dividends have been paid or declared since the end of the previous financial year, and no dividend is recommended in respect of the year ended to 30 June 2002.

MEETINGS OF DIRECTORS'

The number of meetings of the Company's board of directors and of each board committee held during the year ended 30 June 2002, and the number of meetings attended by each director were:

	Total Directors Meetings Available	Directors Meetings Attended	Total Audit Committee Meetings Available	Audit Committee Meetings Attended
DJ Humann	5	5	3	3
DCA Moore	5	5	3	3
RG Wadley	5	4	*	*
JW Gardner	5	4	*	*
WJ du Plessis (alternate for RG Wadley)	5	4	*	*

* Not a member of the Audit Committee

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2002

FUTURE DEVELOPMENTS

Details of important developments occurring in this financial year have been covered in the Review of Operations. The Company will continue to actively explore for minerals, and any significant information or data will be released to the market and the shareholders pursuant to the Continuous Disclosure rules as and when they are to hand.

Further information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

INFORMATION ON DIRECTORS AND EXECUTIVE REMUNERATION

Remuneration levels of the directors and senior executives are set by reference to other similar sized mining and exploration companies with similar risk profiles and are set to attract and retain executives capable of managing the consolidated entity's operations in Australia, the South West Pacific, Africa and Pakistan. Remuneration of non-executive directors is determined by the Board within the maximum approved by the shareholders from time to time. The Board undertakes an annual review of its performance against goals set at the start of the year. No bonuses are paid to executive or non-executive directors.

Details of the nature and amount of each element of remuneration for each director of Mincor Resources NL and each of its five officers of the Company and the consolidated entity receiving the highest emoluments are set out below:

Name of Directors	Directors Fee \$	Salary \$	Motor Vehicle \$	Super-annuation \$	Options	Other \$	Total \$
DJ Humann (Non-executive Chairman)	33,333	-	-	2,667	-	-	36,000
DCA Moore (Managing Director)	-	250,609	-	8,803	-	588	260,000
RG Wadley (Non-executive Director)	-	-	-	-	-	-	Nil
JW Gardner (Non-executive Director)	-	-	-	25,000	-	-	25,000
WJ du Plessis (Non-executive Director)	-	-	-	-	-	-	Nil

Name of Senior Executives	Directors Fee \$	Salary \$	Motor Vehicle \$	Super-annuation \$	Options	Other \$	Total \$
J Reeve	-	160,609	-	8,803	-	588	170,000
R Hartley	-	119,197	-	8,803	-	-	128,000
R Hatfield	-	110,609	-	8,803	-	588	120,000
B Lynn	-	110,537	-	8,875	-	588	120,000
J Kerr	-	95,370	-	7,630	-	-	103,000

No options were issued to directors or senior executives during the year ended 30 June 2002.

EVENTS SUBSEQUENT TO 30 JUNE 2002

On 26 July 2002, the Miitel Joint Venture participants repaid a further \$1.11 million of the project debt finance facility (\$0.84 million attributable to the Company).

On 26 July 2002, the consolidated entity signed a Letter Agreement with Alcaston Mining NL ("Alcaston") for the farm-in and development of the gold exploration tenements in Fiji and Vanuatu including the Sabeto project in Fiji and the Webe Creek prospect in Vanuatu. The Letter Agreement provided for the following:

- Payment to Mincor of 5 million shares in Alcaston.
- Committed expenditure by Alcaston of \$500,000 on the properties.
- No interest in the properties earned by Alcaston unless a total of \$2 million has been spent by Alcaston on the properties within three years. On completion of the \$2 million of expenditure, Alcaston will have earned a 75% interest in the properties, and a 2% net smelter return royalty will be payable to Mincor in relation to Alcaston's 75% interest.
- For a 45-day period following completion of the \$2 million expenditure, Alcaston will have the option to buy Mincor's remaining interest through the issue of a further 15 million shares in Alcaston, and a 2% net smelter return royalty in relation to that further 25% interest.
- If Alcaston does not exercise this option, then Mincor's interest will be carried through to completion of a positive bankable feasibility study and the decision to mine. Mincor will repay this carried interest from 75% of its share of production revenues.

The transaction is conditional on the satisfactory completion of due diligence investigations by Alcaston, which were underway at the time of this report.

On 29 July 2002, the consolidated entity entered into an Option Agreement with Barrick Exploration Africa Limited ("BEAL") with respect to the Imweru project in Tanzania. Under the terms of the Option Agreement BEAL has a four year option to acquire the consolidated entity's 60% interest in the Imweru property for US\$500,000. Upon exercising the option BEAL are also obligated to pay to the consolidated entity a royalty of 1% of the gross proceeds received from any mineral production up to a maximum royalty of US\$3 million.

On 31 July 2002, the Miitel Joint Venture participants prepaid a further \$5.5 million of the project debt finance facility (\$4.18 million attributable to the Company).

CORPORATE GOVERNANCE

The Company's corporate governance policies and practices are set out separately in this document.

ENVIRONMENTAL MATTERS

The consolidated entity is subject to environmental regulation on its mineral properties. To the best of the belief and knowledge of the directors, no breach of environmental legislation occurred during the year and up to the date of this report. Further details on environmental policy is set out in the Annual Report under the Corporate Governance section and the Health, Safety and Environmental Policy section.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2002

SHARE OPTIONS

i) Outstanding share options granted over ordinary shares in the Company at 30 June 2002 are as follows:

Number of Options	Date of Issue	Exercise Price	Date of Expiry
1,200,000	19 March 1999	20 cents	18 March 2004
1,500,000	8 January 2000	20 cents	7 January 2005
500,000	9 February 2000	20 cents	8 February 2005
1,500,000	17 January 2001	20 cents	16 January 2006
1,000,000	6 April 2001	20 cents	5 April 2006
500,000	22 May 2001	20 cents	21 May 2006
500,000	8 August 2001	20 cents	7 August 2006
6,700,000			

- ii) There were no shares issued during the financial period, by virtue of the exercise of options granted by the Company.
- iii) None of the option holders have any right to participate by virtue of the options in any share issue of any other corporation.

INSURANCE OF OFFICERS

During the financial year, the Company paid a premium of \$23,199 to insure the directors and secretary of the Company. The liabilities insured are costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities & Investments Commission, relating to the "rounding off" of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Dated in Perth this 30th day of August 2002 in accordance with a resolution of the directors.



DCA Moore
Managing Director

STATEMENTS OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2002

	Note	CONSOLIDATED		PARENT ENTITY	
		2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
Revenue from Ordinary Activities	2	64,211	16,717	64,194	16,767
Mining contractor costs		(16,933)	(4,311)	(16,933)	(4,311)
Ore tolling costs		(7,606)	(1,659)	(7,606)	(1,659)
Royalty expense	3	(3,501)	(977)	(3,501)	(977)
Employee benefit expense		(1,820)	(674)	(1,775)	(674)
Borrowing cost expense		(2,688)	(777)	(2,688)	(777)
Exploration costs provided for or expensed		(1,291)	(104)	(1,280)	(41)
Depreciation and amortisation expense		(10,406)	(2,373)	(10,406)	(2,372)
Provision for diminution in investment	3	(214)	(407)	(214)	(408)
Other expenses from ordinary activities		(4,594)	(1,314)	(4,437)	(1,289)
Profit/(loss) from ordinary activities before income tax expense		15,158	4,121	15,354	4,259
Income tax expense	4	(5,912)	(2,072)	(5,912)	(2,072)
Net profit		9,246	2,049	9,442	2,187
Net loss attributable to outside equity interest		42	-	-	-
Net profit/(loss) attributable to the members of Mincor Resources NL		9,288	2,049	9,442	2,187
Net increase in capital reserve	17	-	889	-	-
Total changes in equity other than those resulting from transactions with owners as owners	19	9,288	2,938	9,442	2,187
		Cents	Cents		
Earnings per share	31	5.5	1.5		
Diluted earnings per share	31	5.1	1.5		

The above Statements of Financial Performance should be read in conjunction with the accompanying notes.

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AS AT 30 JUNE 2002

		CONSOLIDATED		PARENT ENTITY	
		2002	2001	2002	2001
	Note	\$'000	\$'000	\$'000	\$'000
Current Assets					
Cash assets	29(b)	16,909	9,529	16,515	8,487
Receivables	5	15,949	7,789	15,946	7,774
Inventory	6	309	-	309	-
Prepayments		187	41	187	41
Total Current Assets		33,354	17,359	32,957	16,302
Non-Current Assets					
Receivables	5	229	205	917	701
Investments	7	306	520	3,680	3,894
Property, plant and equipment	8	26,866	24,864	26,865	24,863
Exploration, evaluation and development expenditure	9	10,051	7,409	5,124	3,171
Borrowing establishment costs	10	1,098	734	1,098	734
Other non-current assets		34	-	-	-
Total Non-Current Assets		38,584	33,732	37,684	33,363
TOTAL ASSETS		71,938	51,091	70,641	49,665
Current Liabilities					
Payables	11	16,070	8,890	15,715	8,602
Interest bearing liabilities	12	17,908	9,724	17,908	9,724
Tax liabilities	13	3,614	-	3,614	-
Provisions	14	273	223	273	223
Total Current Liabilities		37,865	18,837	37,510	18,549
Non-Current Liabilities					
Interest bearing liabilities	12	4,679	14,607	4,679	14,607
Deferred tax liabilities	15	4,351	2,072	4,351	2,072
Provisions	14	252	30	252	30
Total Non-Current Liabilities		9,282	16,709	9,282	16,709
TOTAL LIABILITIES		47,147	35,546	46,792	35,258
NET ASSETS		24,791	15,545	23,849	14,407
Equity					
Contributed equity	16	18,243	18,243	18,243	18,243
Reserves	17	889	889	-	-
Retained profits/(accumulated losses)	18	5,306	(3,982)	5,606	(3,836)
Total parent equity interest		24,438	15,150	23,849	14,407
Outside equity interest in controlled entities	20	353	395	-	-
TOTAL EQUITY	19	24,791	15,545	23,849	14,407

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

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2002

		CONSOLIDATED		PARENT ENTITY	
		2002	2001	2002	2001
	Note	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Receipts from customers (inclusive of GST)		62,853	9,889	62,853	9,889
Payments to suppliers and employees (inclusive of GST)		(35,551)	(4,003)	(35,411)	(3,971)
		27,302	5,886	27,442	5,918
Interest received		499	216	472	187
Interest paid		(2,285)	-	(2,285)	-
Other revenue		51	113	61	132
Income tax paid		(18)	-	(18)	-
Net Cash Inflow from Operating Activities	29(a)	25,549	6,215	25,672	6,237
Cash Flows from Investing Activities					
Payment for investment in controlled entity		-	-	-	(400)
Payments for acquisition of mine properties		(10,329)	(25,324)	(10,329)	(25,324)
Payments for property, plant and equipment		(1,572)	(2,586)	(1,571)	(2,586)
Payments for mine development		(2,373)	(417)	(2,373)	(417)
Payments for exploration, evaluation and development expenditure		(1,547)	(943)	(831)	(88)
Loans to related parties		-	-	(192)	(230)
Payment to Debt Service Reserve Account	29(b)	(3,040)	-	(3,040)	-
Net Cash (Outflow) from Investing Activities		(18,861)	(29,270)	(18,336)	(29,045)
Cash Flows from Financing Activities					
Proceeds from issues of shares		-	6,285	-	5,000
Proceeds from borrowings		7,980	24,330	7,980	24,330
Repayment of borrowings		(9,725)	-	(9,725)	-
Payments for borrowing costs		(603)	(845)	(603)	(845)
Payments for share issue costs		-	(300)	-	(300)
Net Cash Inflow/(Outflow) from Financing Activities		(2,348)	29,470	(2,348)	28,185
Net Increase in Cash Held		4,340	6,415	4,988	5,377
Cash at the Beginning of the Financial Year		9,529	3,114	8,487	3,110
Cash at the End of the Financial Year	29(b)	13,869	9,529	13,475	8,487
Non-cash financing and investing activities	30				

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

NOTE 1

Summary of Significant Accounting Policies

This general purpose financial report has been prepared in accordance with Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views and the Corporations Act 2001. The accounting policies adopted are on a consistent basis with those of previous years and are in accordance with the historical cost convention, unless otherwise stated.

a) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by Mincor Resources NL as at 30 June 2002 and the results of all controlled entities for the twelve months then ended. Mincor Resources NL and its controlled entities together are referred to in this financial report as the consolidated entity. The effects of all transactions between entities in the consolidated entity are eliminated in full. Outside equity interests in the results and equity of controlled entities are shown separately in the consolidated entity statement of financial performance and statement of financial position respectively.

Where control of an entity is obtained during a financial year, its results are included in the consolidated entity statement of financial performance from the date on which control commences. Where control of an entity ceases during a financial year its results are included for that part of the year during which control exists.

b) Revenue Recognition

Sales revenue comprises revenue earned from the provision of products to entities outside the consolidated entity. Sales revenue is recognised when the product is delivered and:

- risk has been passed to the customer;
- the product is in a form suitable for delivery;
- the quantity of the product can be determined with reasonable accuracy;
- the product has been despatched to the customer and no longer under the physical control of the producer; and
- the selling price can be determined with reasonable accuracy.

Sales revenue represents gross proceeds receivable from the customer. Sales are initially recognised at estimated sales value when the product is delivered. Adjustments are made for variations in metal price, assay, weight and currency between the time of shipment and the time of final settlement of sales proceeds.

Interest income is recognised as it accrues. The gross proceeds from the sale of assets, including investments and exploration tenements are included as revenue of the consolidated entity. The profit or loss on disposal of assets is brought to account at the date an unconditional contract of sale is signed.

c) Depreciation and Amortisation

Office property, plant and equipment are depreciated or amortised over their estimated useful economic lives using either the straight line or reducing balance method. The expected useful lives are as follows:

- Plant and Equipment - 2 to 5 years
- Furniture and Fittings - 3 to 10 years

Refer to Notes 1(g), 1(h), 1(i) and 1(j) for the accounting policy with respect to development properties, mine properties, and mine buildings, machinery and equipment.

d) Income Tax

Tax effect accounting procedures are followed whereby the income tax expense in the statement of financial performance is matched with the accounting profit/loss after allowing for permanent differences. The future tax benefit relating to tax losses is not carried forward as an asset unless the benefit can be regarded as being virtually certain of realisation. Income tax on net cumulative timing differences is set aside to the deferred income tax and future income tax benefits accounts at the rates which are expected to apply when those timing differences reverse.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 1

Summary of Significant Accounting Policies (continued)

e) Foreign Currency Translation

i) Transactions

Foreign currency transactions are initially converted to Australian currency at the rate of exchange ruling at the date of each transaction. At balance date amounts payable and receivable in foreign currencies are translated to Australian currency at rates of exchange current at that date. Resulting exchange differences are recognised in determining the profit or loss for the year in the statement of financial performance.

ii) Foreign controlled entities

Assets and liabilities of the controlled entities have been translated using the temporal method, as all controlled entities rely on the parent entity for funds. Under this method non-monetary assets are translated at historical rates.

Assets and liabilities held or payable in foreign currencies have been converted at the rates of exchange ruling at balance date.

Exchange gains and losses have been brought to account in determining the economic entity's results for the year.

iii) Specific commitments

Hedging is undertaken in order to avoid or minimise possible adverse financial effects of movements in exchange rates. Gains or costs arising upon entry into a hedging transaction intended to hedge the purchase or sale of goods or services, together with subsequent exchange gains or losses resulting from those transactions are deferred up to the date of the purchase or sale and included in the measurement of the purchase or sale. In the case of hedges of monetary items, exchange gains or losses are brought to account in the financial year in which the exchange rates change. Gains or costs arising at the time of entering into such hedging transactions are brought to account in the statement of financial performance over the lives of the hedges.

When anticipated purchase or sale transactions have been hedged, actual purchases or sales which occur during the designated hedged period are accounted for as having been hedged until the amounts of those transactions in the designated period are fully allocated against the hedged amounts.

If the hedged transaction is not expected to occur as originally designated, or if the hedge is no longer expected to be effective, any previously deferred gains or losses are recognised as revenue or expense immediately.

If the hedging transaction is terminated prior to its maturity date and the hedged transaction is still expected to occur as designated, deferral of any gains or losses which arose prior to termination continues and those gains and losses are included in the measurement of the hedged transaction.

In circumstances where a hedging transaction is terminated prior to maturity because the hedged transaction is no longer expected to occur as designated, any previously deferred gains or losses are recognised in the statement of financial performance on the date of termination.

If a hedged transaction relating to a commitment for the purchase or sale of goods or services is redesignated as a hedge of another specific commitment and the original transaction is still expected to occur as designated, the gains and losses that arise on the hedge prior to its redesignation are deferred and included in the measurement of the original purchase or sale when it takes place. If the hedge transaction is redesignated as a hedge of another commitment because the original purchase or sale transaction is no longer expected to occur as designated, the gains and losses that arise on the hedge prior to its redesignation are recognised in the statement of financial performance at the date of the redesignation.

iv) General commitments

Exchange gains or losses on other hedge transactions are brought to account in the statement of financial performance in the financial year in which the exchange rates change. Gains or costs arising on entry into hedges of general commitments are recognised as assets or liabilities at the time of entry into the hedges and are amortised over the lives of the hedges.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 1

Summary of Significant Accounting Policies (continued)

f) Inventories

Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of costs and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of stock on the basis of weighted average costs.

g) Exploration and Evaluation Expenditure

Exploration and evaluation costs related to an area of interest are written off as incurred except that they may be carried forward as an item in the statement of financial position where the rights of tenure of an area are current and one of the following conditions is met:

- i) such costs are expected to be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale; or
- ii) exploration and/or evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area are continuing.

Identifiable exploration assets acquired are recognised as assets at their cost of acquisition, as determined by the requirements of AASB1015 *Accounting for the Acquisition of Assets*. Exploration assets acquired are assessed on a regular basis and these costs are carried forward provided that at least one of the conditions outlined above is met.

Exploration and evaluation expenditure incurred subsequent to acquisition in respect of an exploration asset acquired is accounted for in accordance with the policy outlined above for exploration expenditure incurred by or on behalf of the consolidated entity.

Acquired exploration assets are not written down below acquisition cost until such time as the acquisition cost is not expected to be recovered.

Accumulated costs in relation to an abandoned area are written off in full in the year in which the decision to abandon is made.

h) Development Properties

Development expenditure incurred by or on behalf of the consolidated entity is accumulated separately for each area of interest in which economically recoverable reserves have been identified to the satisfaction of the directors. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure having a specific nexus with the development property.

Once a development decision has been taken, all past and future exploration and evaluation expenditure in respect of the area of interest is aggregated with the cost of development and classified under non-current assets as "Development Properties".

All expenditure incurred prior to the commencement of commercial levels of production from each development property, is carried forward to the extent to which recoupment out of revenue to be derived from the sale of production from the relevant development property, or from the sale of that property, is reasonably assured.

No amortisation is provided in respect of development properties until they are reclassified as "Mine Properties" following a decision to commence mining.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 1

Summary of Significant Accounting Policies (continued)

i) Mine Properties

Mine properties represent the accumulation of all exploration, evaluation and development expenditure incurred by or on behalf of the consolidated entity in relation to areas of interest in which mining of a mineral resource has commenced.

When further development expenditure is incurred in respect of a mine property after the commencement of production, such expenditure is carried forward as part of the mine property only when substantial future economic benefits are thereby established, otherwise such expenditure is classified as part of the cost of production.

Amortisation of costs are provided on the unit-of-production method with separate calculations being made for each mineral resource. The unit-of-production basis results in an amortisation charge proportional to the depletion of the economically recoverable mineral reserves.

The net carrying value of each mine property is reviewed regularly and, to the extent to which this value exceeds its recoverable amount, that excess is either fully provided against or written off in the financial year in which this is determined.

j) Mine Buildings, Machinery and Equipment

The cost of each item of buildings, machinery and equipment is written off over its expected useful life using either the unit-of-production or straight-line method.

The unit-of-production basis results in an amortisation charge proportional to the depletion of the recoverable mineral reserves. Each item's economic life has due regard to both its own physical life limitations and to present assessments of recoverable mineral reserves of the mine property at which the item is located, and to possible future variations in those assessments.

Estimates of remaining useful lives are made on a regular basis for all mine buildings, machinery and equipment, with annual reassessments of major items.

The expected useful lives are as follows:

- mine buildings – the shorter of applicable mine life and 5 years
- machinery and equipment – the shorter of applicable mine life and 2 to 10 years, depending on the nature of the asset.

Total net carrying value of mine buildings, machinery and equipment at each mine property are reviewed regularly and, to the extent to which these values exceed their recoverable amounts, that excess is fully provided against/written down in the financial year in which this is determined.

k) Borrowing Establishment Costs

Borrowing establishment costs represent those costs incurred by or on behalf of the consolidated entity in establishing borrowing facilities to finance the acquisition of mine properties.

Amortisation of costs are provided on the unit-of-production basis based upon the initial economically recoverable mineral reserves acquired.

l) Investments

Controlled Entities

Investments in controlled entities are valued in the parent entity's accounts at cost less amounts written off to recognise any permanent diminution in value (where applicable).

Listed and Unlisted Investments

Interests in listed and unlisted securities, other than controlled entities in the consolidated financial statements, are brought to account at cost and dividend income is recognised in the statement of financial performance when receivable.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

NOTE 1

Summary of Significant Accounting Policies (continued)

m) Leased Non-Current Assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incident to ownership of leased non-current assets, and operating leases under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the interest expense.

The lease asset is amortised in accordance with policy 1(c) above.

Lease payments are allocated between interest (calculated by applying the interest rate implicit in the lease to the outstanding amount of the liability), rental expense and reduction of the liability.

Other operating lease payments are charged to the statement of financial performance in the periods in which they are incurred, as this represents the pattern of benefits derived from the leased assets.

n) Joint Ventures

The proportionate interests in the assets, liabilities and expenses of a joint venture operation have been incorporated in the financial statements under the appropriate headings. Details of joint ventures are set out in Note 26.

o) Employee Entitlements

Wages and Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, annual leave and sick leave are recognised, and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

Long Service Leave

A liability for long service leave (where applicable) is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

p) Cash

For the purpose of the statements of cash flow, cash includes deposits at call, short term bank bills, promissory notes and cash at bank and in transit, all of which are used in the cash management function on a day to day basis, net of outstanding bank overdrafts.

q) Trade and Other Creditors

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

r) Acquisitions of Assets

The cost method of accounting is used for all acquisitions of assets regardless of whether shares or other assets are acquired. Cost is determined as the fair value of the assets given up, shares issued or liabilities undertaken at the date of acquisition plus costs incidental to the acquisition. Where shares are issued in an acquisition, the value of the shares is determined having reference to the fair value of the assets or net assets acquired, including goodwill or discount on acquisition where applicable.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of the acquisition. The discount rate used is the rate at which a similar borrowing could be obtained under comparable terms and conditions.

A liability for restructuring costs is recognised as at the date of acquisition of an entity or part thereof when there is a demonstrable commitment to a restructuring of the acquired entity and a reliable estimate of the amount of the liability can be made.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 1**Summary of Significant Accounting Policies (continued)**

Where the fair value of the identifiable net assets acquired, including any liability for restructuring costs, exceeds the cost of acquisition, the difference, representing a discount on acquisition, is accounted for by reducing proportionately the fair values of the non-monetary assets acquired until the discount is eliminated. Where, after reducing to zero the recorded amounts of the non-monetary assets acquired, a discount balance remains it is recognised as revenue in the statement of financial performance.

s) Recoverable Amount of Non-Current Assets

The recoverable amount of an asset is the net amount expected to be recovered through the net cash inflows arising from its continued use and subsequent disposal.

Where the carrying amount of a non-current asset is greater than its recoverable amount, the asset is revalued to its recoverable amount. Where net cash inflows are derived from a group of assets working together, recoverable amount is determined on the basis of the relevant group of assets. To the extent that a revaluation decrement reverses a revaluation increment previously credited to, and still included in the balance of, the asset revaluation reserve, the decrement is debited directly to that reserve. Otherwise the decrement is recognised as an expense in the statement of financial performance.

The expected net cash flows included in determining recoverable amounts of non-current assets are not discounted to their present values.

t) Earnings Per Share*Basic earnings per share*

Basic earnings per share is determined by dividing net profit after income tax attributable to members of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

u) Restoration and Rehabilitation Expenditure

Restoration and rehabilitation costs necessitated by exploration, evaluation and mining activities are charged to costs of production on a gradual basis over the life of the economically recoverable resources.

Restoration and rehabilitation costs include the costs of reclamation, plant and waste site closure and subsequent monitoring of the environment.

Costs are estimated on the basis of current undiscounted costs, current legal requirements and current technology.

Estimates of future costs are reassessed at least annually. Changes in estimates relating to producing areas are dealt with prospectively over the remaining mine life.

v) Derivatives

The consolidated entity is exposed to fluctuations in commodity prices and foreign exchange rates resulting from its activities. It is the consolidated entity's policy to use derivative financial instruments to hedge a proportion of this exposure.

Derivative financial instruments designated as hedges are accounted for on the same basis as the underlying exposure.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 1

Summary of Significant Accounting Policies (continued)

w) Royalties

Royalties are accrued and charged against earnings when the liability from production or sale of the mineral crystallises.

x) Commodity Hedging

Hedging is undertaken in order to avoid or minimise possible adverse financial or cash flow effects of movements in commodity prices. Premiums received or costs arising upon entering into forward sale, option and other derivative contracts intended to hedge specific future production, together with subsequent realised and unrealised gains or losses, are deferred until the hedged production is delivered and included in the measurement of sale.

In those circumstances where a hedging transaction is terminated prior to maturity because the hedged production is no longer expected to be produced, any gains and losses are recognised in the statement of financial performance on the date of termination. If the hedging transaction is terminated prior to its maturity date and the hedged transaction is still expected to occur, deferral of any gains and losses which arose prior to termination are deferred and brought to account when the hedged transaction occurs.

If a hedge transaction relating to a commitment for the sale of a commodity is redesignated as a hedge of another specific commitment and the original transaction is still expected to occur, the gains and losses that arise on the hedge prior to this redesignation are deferred and included in the measurement of the original purchase or sale when it takes place. If the hedge transaction is no longer expected to occur, the gains and losses that arise on the hedge prior to its redesignation are recognised in the statement of financial performance at the date of the redesignation.

y) Rounding of Amounts

The Company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities & Investments Commission, relating to the "rounding off" of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 2**Revenue**

	CONSOLIDATED		PARENT ENTITY	
	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000
Revenue from Operating Activities				
Sale of goods	63,509	16,388	63,509	16,388
Revenue from Outside the Operating Activities				
Administration fees	51	41	61	140
Interest income	499	216	472	187
Foreign exchange gains	152	72	152	52
Revenue from Ordinary Activities	64,211	16,717	64,194	16,767

NOTE 3**Operating Profit**

Profit from ordinary activities before income tax expense includes the following specific net gains and expenses:

Net Gains

Foreign exchange gains	152	72	152	52
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Expenses

Cost of sale of goods	39,893	9,940	39,893	9,940
Interest paid or due and payable to:				
- Other persons	2,056	575	2,056	575
- Associated entity	217	93	217	93
Loss on sale of fixed assets	8	-	8	-
Provision for write down of investments	214	407	214	408
Exploration expenditure provided for or written off (refer Note 9)	1,291	104	1,280	41
Rental expenses relating to operating leases	52	12	52	12
Government royalty expense	2,593	722	2,593	722
Depreciation	1,013	249	1,013	249
Amortisation	9,486	2,187	9,486	2,187
Net expense from movement in provisions:				
- Employee entitlements	130	60	130	60
- Rehabilitation	222	30	222	30

52 | NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 4**Income Tax**

	CONSOLIDATED		PARENT ENTITY	
	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000
a) The aggregate amount of income tax attributable to the financial year differs from the amount calculated on the operating profit. The difference is reconciled as follows:				
Operating profit/(loss) before income tax	15,158	4,121	15,354	4,259
Income tax calculated at 30% (2001 – 34%)	4,548	1,401	4,606	1,448
Tax effect of permanent differences:				
Amortisation of property, plant & equipment	1,376	449	1,376	449
Provision for write down of investments	64	139	64	139
Exploration expenditure	142	21	142	-
Other	(166)	62	(224)	36
Income tax adjusted for permanent differences	5,964	2,072	5,964	2,072
Over-provision in previous year	(52)	-	(52)	-
Income tax attributable to operating profit/(loss)	5,912	2,072	5,912	2,072
Income tax attributable to the operating profit/(loss) comprises:				
Future income tax benefit	-	(227)	-	(227)
Provision for deferred income tax	2,279	2,299	2,279	2,299
Provision for income tax	3,614	-	3,614	-
Other	19	-	19	-
	5,912	2,072	5,912	2,072
b) The directors estimate that the potential future income tax benefit at 30 June in respect of tax losses not brought to account is:				
	-	41	-	41

No provision is made for additional taxes which could become payable if certain reserves of the foreign controlled entities were to be distributed as it is not expected that any substantial amount will be distributed from those reserves in the foreseeable future.

At the present time cumulative tax losses give rise to a possible future income tax benefit. The extent to which the benefit may be realised in future years is uncertain, being conditional upon:

- the ability of the consolidated entity to derive future assessable income of a nature and of sufficient amount to enable the benefit, including the benefit from the deduction for the loss, to be realised;
- the ability of the consolidated entity to continue to comply with the conditions for deductibility imposed by the law; and
- an expectation that legislation will not change in a manner which would adversely affect the consolidated entity's ability to realise the benefit.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 4**Income Tax (continued)****c) Franking Credits**

	PARENT ENTITY	
	2002	2001
	\$'000	\$'000
Franking credits available for subsequent financial years based on a tax rate of 30% (2001 – 34%)	3,614	-

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:

- i) franking credits that will arise from the payment of the current tax liability;
- ii) franking debts that will arise from the payment of dividends recognised as a liability at the reporting date;
- iii) franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date; and
- iv) franking credits that may be prevented from being distributed in subsequent financial years.

NOTE 5**Receivables**

	CONSOLIDATED		PARENT ENTITY	
	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000
Current				
Trade debtors	19,575	9,085	19,575	9,085
Less: Hedge adjustment	(3,765)	(1,376)	(3,765)	(1,376)
	15,810	7,709	15,810	7,709
Other debtors	139	80	136	65
	15,949	7,789	15,946	7,774
Non-Current				
Amounts owing from controlled entities	-	-	688	496
Other debtors	229	205	229	205
	229	205	917	701

At 30 June 2002 the consolidated entity and Company had trade debtors totalling A\$5,078,682 (2001: A\$3,964,730) which are denominated in US Dollars and are unhedged.

Recoverability of the Company's interest in loans to and shares in controlled entities is subject to the successful exploitation and development of the controlled entities' interests in mineral tenements or alternatively, the sale of the Company's interest in the loans and shares at amounts at least equal to the book values.

The total revenue from operating activities and the related trade debtors balance are due from WMC Resources Ltd pursuant to an Ore Toll and Concentrate Purchase Agreement.

54 | NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 6**Inventory**

	CONSOLIDATED		PARENT ENTITY	
	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000
Work in progress – at cost	309	-	309	-

NOTE 7**Investments****Non-Current**

Shares in listed companies at cost	927	927	-	-
Shares in controlled entities – at cost (refer Note 25)		-	4,302	4,302
Less provision for diminution in value	(621)	(407)	(622)	(408)
	306	520	3,680	3,894

The aggregate market value of shares in listed companies at 30 June 2002 is \$306,000 (2001: \$804,000).

NOTE 8**Property, Plant and Equipment**

	CONSOLIDATED		PARENT ENTITY	
	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000
Mine property costs	35,178	24,546	35,178	24,546
Less: Provision for amortisation	(11,241)	(2,123)	(11,241)	(2,123)
	23,937	22,423	23,937	22,423
Plant and equipment	4,253	2,723	4,251	2,721
Less: Provision for depreciation	(1,324)	(282)	(1,323)	(281)
	2,929	2,441	2,928	2,440
Total written down value	26,866	24,864	26,865	24,863

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 8**Property, Plant and Equipment (continued)****Reconciliations**

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year are set out below:

	Mine Property Costs \$'000	Plant and Equipment \$'000	Total \$'000
Consolidated			
Carrying amount at 1 July 2001	22,423	2,441	24,864
Additions	3,845	741	4,586
Additions pursuant to acquisition of mine operation (refer Note 33)	6,840	760	7,600
Depreciation/amortisation expense	(9,171)	(1,013)	(10,184)
Carrying amount at 30 June 2002	23,937	2,929	26,866
Parent Entity			
Carrying amount at 1 July 2001	22,423	2,440	24,863
Additions	3,845	741	4,586
Additions pursuant to acquisition of mine operation (refer Note 33)	6,840	760	7,600
Depreciation/amortisation expense	(9,171)	(1,013)	(10,184)
Carrying amount at 30 June 2002	23,937	2,928	26,865

Refer Note 12 for information on non-current assets pledged as security by the parent entity and its controlled entities.

NOTE 9**Exploration, Evaluation and Development Expenditure**

	CONSOLIDATED		PARENT ENTITY	
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
Exploration and Evaluation Expenditure				
Opening balance	7,409	2,315	3,171	391
Current year's expenditure	1,543	1,230	843	87
Fair value of mineral exploration assets acquired	-	3,968	-	2,734
Expenditure provided for or written off in current year	(1,291)	(104)	(1,280)	(41)
Closing balance	7,661	7,409	2,734	3,171
Development Expenditure				
Opening balance	-	-	-	-
Current year's expenditure	110	-	110	-
Additions pursuant to acquisition of mine (refer Note 33)	2,280	-	2,280	-
Closing balance	2,390	-	2,390	-
Total Exploration, Evaluation and Development Expenditure	10,051	7,409	5,124	3,171

Recoverability of the consolidated entity's carrying value of interests in mineral projects is subject to the successful development and exploitation of the exploration properties or alternatively, the sale of these interests at amounts at least equal to the book values.

56 | NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 10**Borrowing Establishment Costs**

	CONSOLIDATED		PARENT ENTITY	
	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000
Borrowing establishment costs	1,577	798	1,577	798
Less: Provision for amortisation	(479)	(64)	(479)	(64)
	1,098	734	1,098	734

NOTE 11**Payables****Current**

Trade creditors	6,120	5,896	5,796	5,608
Other creditors and accruals	9,950	2,994	9,919	2,994
	16,070	8,890	15,715	8,602

At 30 June 2002 the consolidated entity had A\$270,759 (2001: A\$180,000) owing to creditors in US Dollars which were unhedged and A\$55,148 (2001: A\$86,064) owing to creditors denominated in Pakistan rupees which were unhedged.

NOTE 12**Interest Bearing Liabilities**

	CONSOLIDATED		PARENT ENTITY	
	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000
Current				
Secured				
Bank loans	16,340	8,929	16,340	8,929
Lease liabilities	143	83	143	83
Unsecured				
Loan – associated entity	1,425	712	1,425	712
	17,908	9,724	17,908	9,724
Non-Current				
Secured				
Bank loans	3,733	12,260	3,733	12,260
Lease liabilities	233	209	233	209
Unsecured				
Loan – associated entity	713	2,138	713	2,138
	4,679	14,607	4,679	14,607

The bank loans of the parent entity and consolidated entities are secured by a first ranking fixed and floating charge over specific project assets and undertakings, which were the subject of the project finance provided.

Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 12**Interest Bearing Liabilities (continued)****Financing Arrangements**

Entities in the consolidated entity have access to the following financing arrangements at balance date:

	CONSOLIDATED		PARENT ENTITY	
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
Working Capital Facility – secured	-	2,280	-	2,280
Less: Draw down portion	-	(2,189)	-	(2,189)
Cash Advance Facility – secured	17,100	19,000	17,100	19,000
Less: Draw down portion	(17,033)	(19,000)	(17,033)	(19,000)
Subordinated Debt Facility – secured	3,040	-	3,040	-
Less: Draw down portion	(3,040)	-	(3,040)	-
Loan Facility – unsecured	2,138	2,850	2,138	2,850
Less: Draw down portion	(2,138)	(2,850)	(2,138)	(2,850)
	67	91	67	91

The Working Capital Loan was denominated in Australian dollars and was repaid in February 2002. Interest is charged at the BBSY rate plus an applicable margin.

The Cash Advance Facility is denominated in Australian dollars and is repayable by September 2003. Interest is charged at the BBSY rate plus an applicable margin.

The Subordinated Debt Facility is denominated in Australian dollars and is repayable by September 2003. Interest is charged at the BBSY rate plus an applicable margin.

The Unsecured Loan Facility has been provided by Kumba International BV, is denominated in Australian dollars and is repayable by February 2004. Interest is charged at the BBSY rate plus an applicable margin.

NOTE 13**Tax Liabilities**

	CONSOLIDATED		PARENT ENTITY	
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
Current				
Income tax	3,614	-	3,614	-

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FOR THE YEAR ENDED 30 JUNE 2002

NOTE 14**Provisions**

	CONSOLIDATED		PARENT ENTITY	
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
Current				
Other	142	142	142	142
Employee entitlements	131	81	131	81
	273	223	273	223
Non-Current				
Rehabilitation	252	30	252	30
	252	30	252	30

At 30 June 2002 the Company employed 10 people (2001: 7 people).

NOTE 15**Deferred Tax Liabilities**

	CONSOLIDATED		PARENT ENTITY	
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
Provision for deferred income tax	4,351	2,072	4,351	2,072

NOTE 16**Contributed Equity****a) Issued and Paid-up Capital**

Fully paid 169,080,005 ordinary shares
(2001: 169,080,005)

	18,243	18,243	18,243	18,243
--	--------	--------	--------	--------

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

b) Movements in Ordinary Share Capital

2001	No. of Shares	Issue Price	\$'000
Opening balance	103,660,005		12,309
Share issue to acquire 100% of share capital of controlled entity	15,420,000	\$0.08	1,234
Placement of shares	50,000,000	\$0.10	5,000
Less: Transaction costs arising on share issues			(300)
	169,080,005		18,243

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 16**Contributed Equity (continued)****c) Options**

At 30 June 2002 options to take up shares in the parent entity are as follows:

Number and Class	Issue Date	Expiry Date	Exercise Price
1,200,000 unlisted	19 March 1999	18 March 2004	20 cents per share
1,500,000 unlisted	8 January 2000	7 January 2005	20 cents per share
500,000 unlisted	9 February 2000	8 February 2005	20 cents per share
1,500,000 unlisted	17 January 2001	16 January 2006	20 cents per share
1,000,000 unlisted	6 April 2001	5 April 2006	20 cents per share
500,000 unlisted	22 May 2001	21 May 2006	20 cents per share
500,000 unlisted	8 August 2001	7 August 2006	20 cents per share

The above options have been granted under the Mincor Resources NL Incentive Option Scheme. Each option entitles the holder to acquire one ordinary share by payment of the exercise price prior to the expiry date.

During the previous financial year the Tethyan Copper Company Limited, a 75.6% owned controlled entity of Mincor Resources NL, raised \$1,285,000 by the issue of 12,850,000 Tethyan Copper Company Limited shares to seed investors to fund the Reko Diq Project in Pakistan. Under the original terms of the issue of these Tethyan Copper Company Limited shares, the seed investors had the right, under certain conditions, to exchange their shares in the Tethyan Copper Company Limited for an equal number of shares in the Company between 1 January 2002 and 31 March 2002 pursuant to a Put and Call Option Agreement ("Option Agreement"). This exercise period has subsequently been extended from 31 March 2002 to 31 December 2002. At 30 June 2002, seed investors in Tethyan Copper Company Limited held Option Agreements which entitled them to a total of 12,850,000 shares in the Company.

NOTE 17**Reserves**

	CONSOLIDATED		PARENT ENTITY	
	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000
Capital Reserve				
Opening balance	889	-	-	-
Increment upon dilution of interest in controlled entity	-	889	-	-
Closing balance	889	889	-	-

NOTE 18**Retained Profits/(Accumulated Losses)**

Accumulated (losses) at the beginning of the financial year	(3,982)	(6,031)	(3,836)	(6,023)
Net profit/(loss) attributable to the members of Mincor Resources NL	9,288	2,049	9,442	2,187
Retained profits/(accumulated losses) at the end of the financial year	5,306	(3,982)	5,606	(3,836)

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FOR THE YEAR ENDED 30 JUNE 2002

NOTE 19**Equity**

	CONSOLIDATED		PARENT ENTITY	
	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000
Total equity at the beginning of the financial year	15,545	6,278	14,407	6,286
Total changes in equity recognised in the statement of financial performance	9,288	2,938	9,442	2,187
Issue of additional ordinary shares during the year	-	5,934	-	5,934
Changes in outside equity interest	(42)	395	-	-
Total equity at the end of the financial year	24,791	15,545	23,849	14,407

NOTE 20**Outside Equity Interest**

Interest in (accumulated losses)	(42)	-	-	-
Interest in equity	395	395	-	-
	353	395	-	-

NOTE 21**Commitments and Contingencies****a) Exploration Commitments**

Discretionary exploration expenditure commitments relating to existing mineral tenements are as follows:

Due within 1 year	2,431	2,378	794	537
Due within 2 to 5 years	-	1,415	-	-
	2,431	3,793	794	537

All of the above obligations are subject to re-negotiation upon expiry of the mineral tenements and are not provided for in the accounts.

b) Operating Lease Commitments

Operating lease commitments are as follows:

	CONSOLIDATED		PARENT ENTITY	
	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000
Office Rental				
Due within 1 year	135	-	135	-
Due within 2 to 5 years	157	-	157	-
	292	-	292	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 21**Commitments and Contingencies (continued)****c) Finance Lease Commitments**

	CONSOLIDATED		PARENT ENTITY	
	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000
Finance and hire purchase rentals for plant and equipment are payable as follows:				
Not longer than 1 year	160	106	160	106
Longer than 1 year but not longer than 5 years	244	227	244	227
Minimum lease payments	404	333	404	333
Less: Future lease finance charges	(28)	(41)	(28)	(41)
Recognised as a liability	376	292	376	292
Finance and hire purchase liabilities provided for in the financial statements:				
Current	143	83	143	83
Non-current	233	209	233	209
Total liability	376	292	376	292

d) Capital Commitments

There are no capital expenditure commitments as at 30 June 2002.

e) Contingent Liabilities

There are no known contingent liabilities as at 30 June 2002.

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FOR THE YEAR ENDED 30 JUNE 2002

NOTE 22**Segment Information**

The consolidated entity operates predominantly in the mining industry and principally within the geographical areas of Australia, Africa, South West Pacific, and Pakistan. Geographic segment information is as follows:

	Australia \$'000	Africa \$'000	South West Pacific \$'000	Pakistan \$'000	Consolidation \$'000
i) 2002					
Revenue from operating activities	63,509	-	-	-	63,509
Interest revenue	472	-	-	27	499
Other revenue	203	-	-	-	203
Total revenue	64,184	-	-	27	64,211
Consolidated entity operating profit/(loss) after income tax	9,782	(480)	(14)	-	9,288
Segment assets	66,982	1,448	1,928	1,580	71,938
Total Assets	66,982	1,448	1,928	1,580	71,938
Segment liabilities	24,205	-	-	355	24,560
Unallocated liabilities					22,587
Total Liabilities					47,147
Acquisition of property, plant and equipment, and other non- current segment assets	15,470	-	-	649	16,119
Depreciation and amortisation expense	10,499	-	-	-	10,499
Other non-cash expenses	806	474	11	-	1,291
ii) 2001					
Revenue from operating activities	16,388	-	-	-	16,388
Interest revenue	216	-	-	-	216
Other revenue	113	-	-	-	113
Total revenue	16,717	-	-	-	16,717
Consolidated entity operating profit/(loss) after income tax	2,141	(56)	(36)	-	2,049
Segment assets	46,373	1,846	1,927	945	51,091
Total Assets	46,373	1,846	1,927	945	51,091
Segment liabilities	10,949	-	-	266	11,215
Unallocated liabilities					24,331
Total Liabilities					35,546
Acquisition of property, plant and equipment, and other non- current segment assets	29,936	1,493	28	902	32,359
Depreciation and amortisation expense	2,436	-	-	-	2,436
Other non-cash expenses	41	38	25	-	104

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 23**Directors and Executives Remuneration**

	CONSOLIDATED		PARENT ENTITY	
	2002	2001	2002	2001
	\$	\$	\$	\$
a) Directors				
Remuneration paid or payable, or otherwise made available to directors by the consolidated entity or related parties in connection with the management of the affairs of the parent entity or its controlled entities	321,000	222,000	321,000	222,000
The number of directors whose total income from the consolidated entity or related parties was within the specified bands for the year are as follows:				
\$0 - \$9,999	2	2	2	2
\$10,000 - \$19,999	-	2	-	2
\$20,000 - \$29,999	1	-	1	-
\$30,000 - \$39,999	1	-	1	-
\$120,000 - \$129,999	-	-	-	-
\$190,000 - \$199,999	-	1	-	1
\$260,000 - \$269,999	1	-	1	-
b) Executives				
Remuneration paid or payable, or otherwise made available to executive officers (including directors) whose remuneration was at least \$100,000 for the year	901,000	421,000	901,000	421,000
The number of executives (including directors) whose total remuneration from the Company was within the specified bands for the year are as follows:				
\$110,000 - \$119,999	1	2	1	2
\$120,000 - \$129,999	3	-	3	-
\$170,000 - \$179,999	1	-	1	-
\$190,000 - \$199,999	-	1	-	1
\$260,000 - \$269,999	1	-	1	-

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FOR THE YEAR ENDED 30 JUNE 2002

NOTE 24**Remuneration of Auditors**

CONSOLIDATED		PARENT ENTITY	
2002	2001	2002	2001
\$	\$	\$	\$

During the year the auditor of the parent entity and its related practices earned the following remuneration:

PricewaterhouseCoopers – Australian firm

Audit or review of financial reports of the entity or any entity in the consolidated entity

44,720	39,220	44,720	39,220
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Total audit and other assurance services

44,720	39,220	44,720	39,220
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Taxation services

51,742	7,560	51,742	7,560
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Total remuneration

96,462	46,780	96,462	46,780
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Related practices of PricewaterhouseCoopers**Australian firm (including overseas****PricewaterhouseCoopers firms)**

Audit or review of financial reports of the entity or any entity in the consolidated entity

-	-	-	-
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Total audit and other assurance services

-	-	-	-
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Taxation

20,638	-	-	-
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Total remuneration

20,638	-	-	-
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Remuneration of other auditors of controlled entities for the audit or review of financial reports of any entity in the consolidated entity

1,000	-	-	-
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NOTE 25**Investments in Controlled Entities**

Name of Entity	Country of Incorporation	Class of Shares	Equity Holding		Cost of Parent Entity's Investment	
			2002 (%)	2001 (%)	2002 (\$'000)	2001 (\$'000)
Oribi Resources Inc	British Virgin Islands	Ordinary	100	100	2,669	2,669
Mincor Tanzania Limited	Tanzania	Ordinary	100	100	1,233	1,233
Tethyan Copper Company Limited	Australia	Ordinary	76	76	400	400
Tethyan Copper Company Pakistan (Private) Limited	Pakistan	Ordinary	100	100	-	-
Mincor Operations Pty Ltd	Australia	Ordinary	50	50	-	-
					4,302	4,302

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 26**Interests in Joint Ventures**

Name	Principal Activity	Percentage Interest	
		2002	2001
Miitel Joint Venture	Nickel mining and exploration	76	76
Bankole Joint Venture	Gold exploration	20	(earning)
Amethyst Joint Venture	Gold exploration	52	52
Minerals International Limited Farm-in and Joint Venture	Gold exploration	(earning)	(earning)
Taoran Joint Venture	Gold exploration	52	52
Webe Creek Farm-in and Joint Venture	Gold exploration	75	75
Imweru Joint Venture	Gold exploration	60	(earning)

The joint ventures are not separate legal entities. They are contractual arrangements between the participants for the sharing of costs and output and do not in themselves generate revenue or profit.

The economic entity's share of assets employed in joint ventures, as included in the statement of financial position, are as follows:

	CONSOLIDATED		PARENT ENTITY	
	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000
Current Assets				
Cash	15,421	7,416	15,421	7,416
Inventory	309	-	309	-
Other	172	41	172	41
Total Current Assets	15,902	7,457	15,902	7,457
Non-Current Assets				
Property, plant and equipment (written down value)	26,829	25,550	26,829	25,550
Receivables	229	204	229	204
Exploration, evaluation and development expenditure	4,875	3,314	4,875	2,920
Total Non-Current Assets	31,933	29,068	31,933	28,674
Share of assets employed in joint venture	47,835	36,525	47,835	36,131

The economic entity's share of contingent liabilities and exploration expenditure commitments relating to joint ventures are as follows:

	CONSOLIDATED		PARENT ENTITY	
	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000
Contingent liabilities	-	-	-	-
Exploration Expenditure Commitments				
Due within 1 year	602	566	602	537
Due within 2 to 5 years	-	-	-	-
	602	566	602	537

All of the above exploration expenditure commitments are subject to re-negotiation upon expiry of the mineral tenements and are not provided for in the accounts.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 27

Related Party Transactions

Directors and Director Related Entities

a) The Directors of the Company during the year were:

- DJ Humann
- DCA Moore
- RG Wadley
- JW Gardner
- WJ du Plessis

b) The following related party transactions occurred during the period and to the date of the directors' report:

- i) Directors' remuneration as disclosed in Note 23;
- ii) Rent and administrative fees of \$24,706 (2001: \$146,523) were paid to a subsidiary company of Kumba International BV ("Kumba"), in which RG Wadley and WJ du Plessis hold directorship positions, and DJ Humann held a directorship position during the year.
- iii) Kumba International BV, a holding company of subsidiary companies in which RG Wadley and WJ du Plessis hold directorship positions, and DJ Humann held a directorship position during the year, provided a \$2.85 million loan facility to the Company during the previous financial year. The facility was fully drawn down at 30 June 2002. The loan is unsecured and is based upon normal commercial terms and conditions. Kumba International BV has the right to convert the loan facility to equity under certain terms and conditions, subject to shareholder approval. During the year the Company repaid \$712,500 of the loan facility. In addition, interest costs of \$216,758 (2001: \$93,207) were recognised during the year.
- iv) Rent and administrative costs of \$85,681 were charged to a subsidiary of Kumba International BV, in which DJ Humann, RG Wadley and WJ du Plessis held or hold directorship positions, pursuant to a service agreement.
- v) Rent and administrative costs of \$13,824 were charged to Mr DJ Humann, a director of the Company, on commercial terms and conditions.

All transactions with director related entities are on normal commercial terms and conditions and are conducted on an arms-length basis.

c) The aggregate number of shares and share options of the Company acquired and sold during the year by directors and their director-related entities from the Company, and held at balance date, were as follows:

Ordinary shares acquired	132,858
Ordinary shares sold	700,000
Options	-

(refer to Directors' Report for further details)

At balance date, director and director-related entities held directly, indirectly or beneficially, the following shares and share options in Mincor Resources NL:

	2002 Number	2001 Number
Ordinary shares	7,988,649	8,555,791
Options	2,300,000	2,300,000

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 27**Related Party Transactions (continued)****Wholly-Owned Group**

The aggregate amounts receivable from controlled entities is disclosed in Note 5. These loans are on an interest free basis and are repayable on demand.

Other Related Parties

- i) During the year the Company incurred certain operating costs on behalf of the Miitel Joint Venture (76% owned by Mincor Resources NL). The costs are incurred in accordance with various service agreements in place between the Company and the participants of the Miitel Joint Venture. These costs are recharged to the Miitel Joint Venture in accordance with the terms of these service agreements which are based on normal commercial terms.
- ii) During the year the Company incurred certain operating costs on behalf of the Tethyan Copper Company Limited (75.6% owned by Mincor Resources NL). These costs are recharged to the Tethyan Copper Company Limited on normal commercial terms.

NOTE 28**Post Balance Date Events**

On 26 July 2002 the Miitel Joint Venture participants repaid a further \$1.11 million of the project debt finance facility (\$0.84 million attributable to the Company).

On 26 July 2002, the consolidated entity signed a Letter Agreement with Alcaston Mining NL ("Alcaston") for the farm-in and development of the gold exploration tenements in Fiji and Vanuatu including the Sabeto project in Fiji and the Webe Creek prospect in Vanuatu. The Letter Agreement provided for the following:

- Payment to Mincor of 5 million shares in Alcaston.
- Committed expenditure by Alcaston of \$500,000 on the properties.
- No interest in the properties earned by Alcaston unless a total of \$2 million has been spent by Alcaston on the properties within three years. On completion of \$2 million of expenditure, Alcaston will have earned a 75% interest in the properties, and a 2% net smelter return royalty will be payable to Mincor in relation to Alcaston's 75% interest.
- For a 45-day period following completion of the \$2 million expenditure, Alcaston will have the option to buy Mincor's remaining interest through the issue of a further 15 million shares in Alcaston, and a 2% net smelter return royalty in relation to that further 25% interest.
- If Alcaston does not exercise this option, then Mincor's interest will be carried through to completion of a positive bankable feasibility study and the decision to mine. Mincor will repay this carried interest from 75% of its share of production revenues.

The transaction is conditional on the satisfactory completion of due diligence investigations by Alcaston, which were underway at the time of this report.

On 29 July 2002, the consolidated entity entered into an Option Agreement with Barrick Exploration Africa Limited ("BEAL") with respect to the Imweru project in Tanzania. Under the terms of the Option Agreement BEAL has a four year option to acquire the consolidated entity's 60% interest in the Imweru property for US\$500,000. Upon exercising the option BEAL are also obligated to pay to the consolidated entity a royalty of 1% of the gross proceeds received from any mineral production up to a maximum royalty of US\$3 million.

On 31 July 2002 the Miitel Joint Venture participants prepaid a further \$5.5 million of the project debt finance facility (\$4.18 million attributable to the Company).

The financial effects of the above transaction have not been brought to account at 30 June 2002.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 29**Cash Flow Reconciliation**

	CONSOLIDATED		PARENT ENTITY	
	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000
a) Reconciliation of net cash inflow/(outflow) from operating activities to operating profit/(loss) after income tax				
Net profit after income tax	9,246	2,049	9,442	2,187
Add/(Less): Non-Cash Items				
Provision for write down in investment	214	407	214	408
Depreciation	1,013	249	1,013	249
Amortisation	9,808	2,187	9,808	2,187
(Profit)/loss on sale of fixed assets	8	30	8	30
Exploration expenditure written off	1,291	104	1,280	41
Add/(Less): Items reclassified as investing activities				
Borrowing costs	-	47	-	47
Change in assets and liabilities				
(Increase)/decrease in receivables	(8,160)	(6,844)	(8,171)	(6,902)
(Increase)/decrease in inventories	(309)	-	(309)	-
(Increase)/decrease in prepayments	(146)	(39)	(146)	(40)
Increase/(decrease) in creditors and accruals	6,641	5,863	6,590	5,868
(Increase)/decrease in income tax payable	3,614	-	3,614	-
Increase/(decrease) in deferred tax	2,279	2,072	2,279	2,072
Increase/(decrease) in other provisions	-	30	-	30
Increase in employee entitlement provisions	50	60	50	60
Net cash inflow from operating activities	25,549	6,215	25,672	6,237
b) Cash assets				
Cash at bank	1,394	2,206	1,360	1,164
Cash on short term deposit	15,515	7,323	15,155	7,323
	16,909	9,529	16,515	8,487

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 29**Cash Flow Reconciliation (continued)**

Cash assets are reconciled to Cash at the End of the Reporting Period as shown on the Statements of Cash Flows as follows:

	CONSOLIDATED		PARENT ENTITY	
	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000
Cash assets	16,909	9,529	16,515	8,487
Less: Debt Service Reserve Account	(3,040)	-	(3,040)	-
Balance per Statement of Cash Flows	13,869	9,529	13,475	8,487

Under the terms of the bank finance facility provided by Bank of Western Australia Limited and Bank of Scotland to fund the Company's 76% share of the Miitel Joint Venture's acquisition of assets, the Company has established a Debt Service Reserve Account of \$3,040,000. This account is required to be held in reserve for the period of the facility to be available only to fund the Company's interest and principal repayment obligations.

NOTE 30**Non-Cash Financing and Investing Activities**

	CONSOLIDATED		PARENT ENTITY	
	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000
Acquisition of property, plant and equipment by way of finance leases	189	327	189	327
Acquisition of Mincor Tanzania Limited by issue of 15,420,000 ordinary shares at a fair value of \$0.08 each (refer note 16)	-	1,234	-	1,234

NOTE 31**Earnings Per Share**

	CONSOLIDATED	
	2002	2001
Basic earnings per share (in cents)	5.5 cents	1.5 cents
Diluted earnings per share (in cents)	5.1 cents	1.5 cents
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	169,080,005	134,905,156
Weighted average number of ordinary shares used as the denominator in calculating diluted earnings per share	182,098,772	139,079,129

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FOR THE YEAR ENDED 30 JUNE 2002

NOTE 32**Financial Instruments****a) Interest Rate Risk**

The consolidated entity's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below:

	Weighted Average Interest Rate	Floating Interest Maturing in:		Non-Interest Bearing \$'000	Total \$'000
		1 year or less \$'000	Over 1 to 5 years \$'000		
2002					
Financial Assets					
Cash	4.35%	16,909	-	-	16,909
Receivables	0.00%	229	-	15,949	16,178
Investments		-	-	306	306
		17,138	-	16,255	33,393
Financial Liabilities					
Loan – related party	8.04%	1,425	713	-	2,138
Bank loans	8.24%	16,340	3,733	-	20,073
Payables	-	-	-	16,070	16,070
Lease liabilities	9.20%	143	233	-	376
		17,908	4,679	16,070	38,657
2001					
Financial Assets					
Cash	4.8%	9,529	-	-	9,529
Receivables	0.0%	205	-	7,709	7,914
Investments		-	-	520	520
		9,734	-	8,229	17,963
Financial Liabilities					
Loan – related party	8.65%	712	2,138	-	2,850
Bank loans	8.2%	8,929	12,260	-	21,189
Payables		-	-	8,890	8,890
Lease liabilities	9.2%	83	209	-	292
		9,724	14,607	8,890	33,221

b) Foreign Exchange Risk

The consolidated entity enters into forward exchange contracts where it agrees to sell specified amounts of foreign currencies in the future at a predetermined exchange rate. The objective is to match the contract with anticipated future cash flows from sales and purchases in foreign currencies, to protect the Company against the possibility of loss from future exchange rate fluctuations. Exchange gains or losses on forward exchange contracts are charged to the statement of financial performance except those relating to hedges of specific commitments which are deferred and included in the measurement of the sale or purchase.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 32**Financial Instruments (continued)**

The following table sets out the gross value of Australian dollars to be received under foreign currency contracts, the weighted average contracted exchange rates and the settlement periods of outstanding contracts for the consolidated entity.

Year	Weighted Average Rate		Total Value (AUD\$)	
	2002	2001	2002 \$'000	2001 \$'000
Sell US Dollars				
30 June 2002	-	0.5321	-	32,342
30 June 2003	0.5288	0.5321	47,285	26,114
30 June 2004	0.5318	0.5321	24,493	23,660
			71,778	82,116

c) Commodity Price Risk

The Company has entered into forward sales contracts that oblige it to sell specified quantities of base metals in the future at predetermined prices. The contracts are matched against anticipated future base metal production to protect the Company against the possibility of a fall in base metal prices.

The following table sets out details of forward nickel sales contracts in place at 30 June 2002:

Year	Nickel Tonnes		Average Price (US\$/tonne)	
	2002	2001	2002	2001
30 June 2002	-	2,954	-	5,824
30 June 2003	5,130	2,454	5,776	5,824
30 June 2004	2,877	2,608	5,785	5,824
Total	8,007	8,016		

d) Credit Risk Exposures

The consolidated entity's maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount, net of any provision for doubtful debts, of those assets as indicated in the balance sheet.

In relation to unrecognised financial assets, credit risk arises from the potential failure of counterparties to meet their obligation under the contract or arrangement. Credit risk on off-balance sheet derivative contracts is minimised as counterparties are recognised financial intermediaries with acceptable credit ratings determined by a recognised rating agency.

The consolidated entity's maximum credit risk exposure in relation to off balance sheet derivatives is as follows:

- Forward exchange contracts – the full amount of the foreign currency it will be required to pay when settling the forward exchange rate, should the counterparty not pay the currency it is committed to deliver to the consolidated entity. The full amount of the exposure is outlined above in Note 32(b).
- Commodity contracts – the consolidated entity has an exposure to loss in the event counterparties fail to settle on contracts which are favourable to the consolidated entity. The full amount of this exposure is outlined in Note 32(c).

e) Net Fair Values of Financial Assets and Liabilities**Valuation Approach**

Net fair values of financial assets and liabilities are determined by the consolidated entity on the following basis:

On-Balance Sheet Financial Instruments

Listed shares included in "Investments" are traded in an organised financial market. The net fair value of listed shares is determined by valuing them at the current quoted market bid price, adjusted for transaction costs necessary to realise the asset.

72 | NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

NOTE 32**Financial Instruments (continued)**

Monetary financial assets and financial liabilities not readily traded in an organised financial market are determined by valuing them at the present value of expected future cash flows. The carrying amounts of bank term deposits, accounts receivable, accounts payable and bank loans approximate net fair value.

The net fair value of investments in interests in other corporations is determined by reference to the expected future cash flows from the underlying assets.

Off-Balance Sheet Financial Instruments

The valuation of off-balance sheet financial instruments detailed in this note reflects the estimated amounts which the consolidated entity expects to pay or receive to terminate the contracts (net of transaction costs) or replace the contracts at their current market rates as at reporting date. This is based on independent market quotations and determined using standard valuation techniques.

Net Fair Values**On-Balance Sheet Financial Instruments**

The carrying amounts and net fair values of financial assets and liabilities at the reporting date approximate the book values at which they are carried in the Balance Sheet.

The listed shares in other corporations are readily traded on organised markets in a standardised form. All other financial assets and liabilities are not readily traded on organised markets in a standardised form.

Off-Balance Sheet Financial Instruments

The net fair value of off-balance sheet financial instruments held as at the reporting date were:

	2002 \$'000	2001 \$'000
Forward foreign exchange contracts	2,630	(4,708)
Futures commodity contracts	(17,359)	(1,209)
	(14,729)	(5,917)

NOTE 33**Acquisition of Business**

On 21 September 2001, the Company purchased an interest in the Wannaway Nickel Sulphide Mine and the surrounding exploration holdings from WMC Resources Ltd by way of its 76% share in the Miitel Joint Venture for \$7,600,000. Details of the acquisition are shown below.

Fair value of identifiable net assets acquired:

	<u>\$'000</u>
Mine acquisition costs	6,840
Plant and equipment	760
Cash consideration	<u>7,600</u>

Pursuant to the purchase of the Miitel Nickel Sulphide Mine and surrounding exploration holdings by the Miitel Joint Venture on 28 February 2001, a further \$2,280,000 was paid by the Company to WMC Resources Ltd during the year for the Redross mining lease upon the successful defence by WMC Resources Ltd of a plaint for forfeiture of the lease.

The Directors declare that the financial statements and notes set out on pages 41 to 72:

- a) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- b) give a true and fair view of the Company's and consolidated entity's financial position as at 30 June 2002 and of their performance, as represented by the results of their operations and their cash flows, for the financial year ended on that date.

In the directors' opinion:

- a) the financial statements and notes are in accordance with the Corporations Act 2001; and
- b) there are reasonable grounds to believe that the Company 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.

Dated at Perth this 30th day of August 2002.

A handwritten signature in black ink, appearing to read 'DCA Moore', with a stylized flourish at the end.

DCA Moore
Managing Director



PricewaterhouseCoopers
 The Quadrant
 1 William Street
 PERTH WA 6000
 GPO Box D198
 PERTH WA 6840
 Telephone (08) 9238 3000
 Facsimile (08) 9238 3999
 DX 77 Perth

Independent audit report to the members of Mincor Resources NL

Audit opinion

In our opinion, the financial report, set out on pages 41 to 73:

- presents a true and fair view, as required by the Corporations Act 2001 in Australia, of the financial position of Mincor Resources NL and the Mincor Resources Group (defined below) as at 30 June 2002 and of their performance for the year ended on that date
- is presented in accordance with the Corporations Act 2001, Accounting Standards and other mandatory professional reporting requirements in Australia, and the Corporations Regulations 2001.

This opinion must be read in conjunction with the following explanation of the scope and summary of our role as auditor.

Scope and summary of our role

The financial report – responsibility and content

The preparation of the financial report for the year ended 30 June 2002 is the responsibility of the directors of Mincor Resources NL.

It includes the financial statements for Mincor Resources NL (the Company) and for the Mincor Resources NL Group (the Group), which incorporates Mincor Resources NL and the entities it controlled during the year ended 30 June 2002.

The auditor's role and work

We conducted an independent audit of the financial report in order to express an opinion on it to the members of the Company. Our role was to conduct the audit in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our audit did not involve an analysis of the prudence of business decisions made by the directors or management.

In conducting the audit, we carried out a number of procedures to assess whether in all material respects the financial report presents fairly a view in accordance with the Corporations Act 2001, Accounting Standards and other mandatory professional reporting requirements in Australia, and the Corporations Regulations 2001, which is consistent with our understanding of the Company's and the Group's financial position, and their performance as represented by the results of their operations and cash flows.

The procedures included:

- selecting and examining evidence, on a test basis, to support amounts and disclosures in the financial report. This included testing, as required by auditing standards, certain internal controls, transactions and individual items. We did not examine every item of available evidence
- evaluating the accounting policies applied and significant accounting estimates made by the directors in their preparation of the financial report
- obtaining written confirmation regarding material representations made to us in connection with the audit
- reviewing the overall presentation of information in the financial report.

Our audit opinion was formed on the basis of these procedures.

Independence

As auditor, we are required to be independent of the Group and free of interests which could be incompatible with integrity and objectivity. In respect of this engagement, we followed the independence requirements set out by The Institute of Chartered Accountants in Australia, the Corporations Act 2001 and the Auditing and Assurance Standards Board.

In addition to our statutory audit work, we were engaged to undertake other services for the Group. These services are disclosed in Note 24 to the Financial Statements. In our opinion the provision of these services has not impaired our independence.

PricewaterhouseCoopers

PricewaterhouseCoopers

NM Henry

NM Henry

Partner

Perth, Western Australia

30 August 2002

76 | ADDITIONAL SHAREHOLDER INFORMATION

AS AT 31 AUGUST 2002

a) Substantial Shareholders (holding not less than 5%)

Name of Shareholder	Total Number of Voting Share in Mincor in which the Substantial Shareholders and its Associates Hold Relevant Interests	Percentage of Total Number of Voting Shares
Kumba International BV	57,251,000	33.86%

b) Distribution of Shareholders

Number of Shares Held	Number of Shareholders	Number of Full Paid Shares
1 - 1,000	17	9,787
1,001 - 5,000	255	961,856
5,001 - 10,000	361	3,256,600
10,001 - 100,000	1,135	45,031,822
100,001 and over	177	119,819,940

c) Number of Shareholders Holding Less than a Marketable Parcel

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d) Voting Rights

i) Ordinary shares

On a show of hands, every shareholder present in person or by proxy shall have one vote and upon a poll, each share shall have one vote.

ii) Options

The Company's options have no voting rights.

e) Percentage Held by 20 Largest Shareholders

48.96%

ADDITIONAL SHAREHOLDER INFORMATION

AS AT 31 AUGUST 2002

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f) Listing of 20 Largest Shareholders

Name of Ordinary Shareholder	Number of Shares Held	Percentage of Shares Held (%)
1. Kumba International BV	57,251,000	33.86
2. Mr Peter A Ternes	3,050,000	1.80
3. Mr John W Gardner & Mrs Janet L Gardner	3,000,000	1.77
4. National Nominees Limited	2,595,000	1.53
5. Perth Select Seafoods Pty Ltd	2,000,000	1.18
6. Ravex Pty Ltd	1,700,000	1.01
7. Mr Frederick R Madden	1,500,000	0.89
8. Dr Stuart A Fysh	1,200,000	0.71
9. Unitas AS	1,100,000	0.65
10. Alchemy Securities Pty Ltd	1,000,000	0.59
11. Mrs Karen Wilson	990,000	0.59
12. Mr Robert E MacMillan & Mrs Ruth D MacMillan	950,000	0.56
13. Mr Timothy J Hargreaves & Mrs Tasneem Hargreaves	945,000	0.56
14. Berne No. 132 Nominees Pty Ltd	903,000	0.53
15. Mr Richard A Hatfield	900,000	0.53
16. Mr Anthony H Shields	800,000	0.47
17. DP Prospecting Services Pty Ltd	780,000	0.46
18. Oman Nominees Pty Ltd	765,000	0.45
19. RBC Global Services Australia Nominees Pty Ltd	700,000	0.41
20. Mr Anthony H Shields & Ms Amanda C Nayton	700,000	0.41

g) Stock Exchange Listing

Mincor Resources NL shares are listed on the Australian Stock Exchange Limited. The Company's ASX code is MCR.

h) Unlisted Share Options

Number of Options	Exercise Price	Expiry Date	Number of Holders
1,200,000	20 cents	18 March 2004	4
1,500,000	20 cents	7 January 2005	2
500,000	20 cents	8 February 2005	1
1,500,000	20 cents	15 January 2006	2
1,000,000	20 cents	4 April 2006	1
500,000	20 cents	21 May 2006	1
500,000	20 cents	7 August 2006	1
6,700,000			

78 | SCHEDULE OF TENEMENTS

AS AT 31 AUGUST 2002

PROJECT NAME	LICENCE TYPE	APPROVAL DATE	EXPIRY DATE	AREA (KM ²)	MINCOR EQUITY (%)
Miitel Tenements (Western Australia)					
L15/142 - Lake Zot	Miscellaneous	8 Aug 1990	7 Aug 2005	0.0074	76%
L15/143 - Lake Zot	Miscellaneous	8 Aug 1990	7 Aug 2005	0.0228	76%
L15/162 - Mariners	Miscellaneous	22 Oct 1991	21 Oct 2006	0.0309	76%
L15/163 - Mariners	Miscellaneous	22 Oct 1991	21 Oct 2006	0.007	76%
L15/235 - Redross	Miscellaneous	Application lodged 12 Nov 1999		0.09	76%
L15/243 - Miitel	Miscellaneous	Application lodged 21 Aug 2002		0.2085	76%
L15/244 - Redross	Miscellaneous	Application lodged 21 Aug 2002		0.0453	76%
M15/1304 - NW Binaron	Mining	Application lodged 11 Feb 2002		0.9	76%
M15/543 - Lake Zot	Mining	16 Jan 1991	16 Jan 2012	9.6621	76%
M15/609 - Wedding Guest Is	Mining	12 Nov 1991	11 Nov 2012	3.6419	76%
M15/634 - NW Wedding Guest Is	Mining	19 Feb 1993	18 Feb 2014	1.21	76%
M15/635 - NW Wedding Guest Is	Mining	19 Feb 1993	18 Feb 2014	1.21	76%
M15/81 - Widgiemooltha	Mining	22 Oct 1984	21 Oct 2005	3.231	76%
M15/82 - Widgiemooltha	Mining	22 Oct 1984	21 Oct 2005	0.888	76%
M15/83 - Widgiemooltha	Mining	22 Oct 1984	21 Oct 2005	1.4265	76%
M15/90 - Widgiemooltha	Mining	6 Aug 1984	5 Aug 2005	5.9080	76%
M15/91 - Widgiemooltha	Mining	31 May 1984	30 May 2005	1.2140	76%
M15/92 - Widgiemooltha	Mining	6 Aug 1984	5 Aug 2005	2.1155	76%
M15/93 - Widgiemooltha	Mining	6 Aug 1984	5 Aug 2005	6.0690	76%
Wannaway Tenements (Western Australia)					
L15/180 - Wannaway	Miscellaneous	8 Dec 1992	7 Dec 2002	0.1565	76%
L15/191 - North Lake	Miscellaneous	14 Feb 1995	13 Feb 2005	0.1770	76%
L15/231 - Wannaway	Miscellaneous	Application lodged 28 Sep 2001		0.1565	76%
M15/44 - Mount Eaton	Mining	15 Feb 1984	14 Feb 2005	9.3455	76%
M15/745 - Wannaway	Mining	2 Dec 1994	1 Dec 2015	0.1995	76%
M15/76 - Wannaway	Mining	22 Oct 1984	21 Oct 2005	1.1890	76%
M15/88 - Wannaway	Mining	6 Aug 1984	5 Aug 2005	9.1670	76%
M15/89 - Wannaway	Mining	6 Aug 1984	5 Aug 2005	9.5311	76%
Western Australia					
E15/765 - Chalice North	Exploration	Application lodged 24 Apr 2002		23.10	100%
E63/755 - Dundas (Heartbreak)	Exploration	Application lodged 27 Oct 2000		196	100%
E63/756 - Dundas (Heartbreak)	Exploration	Application lodged 27 Oct 2000		196	100%
E63/757 - Dundas (Clear Streak)	Exploration	Application lodged 27 Oct 2000		196	100%
E63/758 - Dundas (Clear Streak)	Exploration	Application lodged 27 Oct 2000		196	100%
E63/759 - Dundas (Clear Streak)	Exploration	Application lodged 27 Oct 2000		196	100%
E63/760 - Dundas (Fitzgerald)	Exploration	Application lodged 27 Oct 2000		196	100%
E63/761 - Dundas (Clear Streak)	Exploration	Application lodged 27 Oct 2000		196	100%
E63/762 - Dundas	Exploration	Application lodged 27 Oct 2000		196	100%
E63/763 - Dundas (Double Tank)	Exploration	12 Apr 2002	11 Apr 2007	196	100%
E63/764 - Dundas (Double Tank)	Exploration	12 Apr 2002	11 Apr 2007	114.8	100%
E63/788 - Killaloe	Exploration	Application lodged 28 Jun 2001		28	100%
E15/729 - Lake Cowan	Exploration	Application lodged 21 Jun 2001		39.2	100%
E15/721 - Railway	Exploration	Application lodged 10 May 2001		8.4	100%

SCHEDULE OF TENEMENTS

AS AT 31 AUGUST 2002

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PROJECT NAME	LICENCE TYPE	APPROVAL DATE	EXPIRY DATE	AREA (KM ²)	MINCOR EQUITY (%)
Western Australia (continued)					
M15/1377 – Railway (South)	Mining	Application lodged 29 Aug 2001		1.084	100%
E25/266 – Stoneville	Exploration	Application lodged 6 Dec 2001		11.76	100%
E63/754 – Tramways	Exploration	23 Oct 2001	22 Oct 2006	114.8	100%
P63/1167 – Tramways (North)	Prospecting	29 May 2002	28 May 2006	1.7559	100%
P63/1168 – Tramways (North)	Prospecting	29 May 2002	28 May 2006	1.7407	100%
P63/1169 – Tramways (North)	Prospecting	29 May 2002	28 May 2006	1.8011	100%
P63/1170 – Tramways (North)	Prospecting	29 May 2002	28 May 2006	1.6706	100%
P63/1171 – Tramways (North)	Prospecting	29 May 2002	28 May 2006	1.8531	100%
E15/751 – Yallari	Exploration	Application lodged 25 Jan 2002		8.82	100%
E15/781 – Madoonia	Exploration	Application lodged 26 Aug 2002		199.24	100%
Guinea					
Bankole JV (through Guinea Gold)	Prospecting	12 Oct 1999	11 Oct 2003	125	20%
Vanuatu					
Amethyst	Prospecting	1 Feb 1996	2 Jun 2003	47.9	52%
Naturuk	Prospecting	7 Oct 1996	2 Jun 2003	43.6	Earning
Tafuse	Prospecting	1 Jan 1999	31 Dec 2001 (under renewal)	39.8	100%
Taoran	Prospecting	1 Feb 1996	2 Jun 2003	49.7	52%
Webe Creek	Prospecting	4 Mar 1996	2 Jun 2003	48.4	75%
Fiji					
Sabeto	Prospecting	1 Mar 2000	28 Feb 2003	106.08	100%
Tanzania					
Imweru	Prospecting	6 Jul 2000	5 Jul 2003	3.9	60%
Pakistan					
Reko Diq	Exploration	21 Feb 2000	20 Feb 2005	980	Earning
Western Extension	Reconnaissance	23 May 2000	22 May 2003	3,945	Earning

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