

MINCOR RESOURCES NL

**Half-Year 2006/07
(31 December 2006)**

FINANCIAL RESULTS

December 2006 Half-Year Highlights

- Strong earnings growth driven by record production and nickel prices
- Record half-year profit: up 271% to \$37.2M
- Record half-year EBITDA: up 150% to \$67.84M
- Cashflow from operations: up 490% to \$66.71M
- Interim Dividend: up 200% to 6 cents per share
- Development of new South Miitel ore body underway
- New initiatives lay foundation for strong growth:
 - Mariners and Carnilya Hill exploration discoveries
 - McMahon, Durkin and Rav 8 acquisitions
 - \$12 million exploration budget

Operational Results for the December 2006 Half-Year

	Dec Half 2006	Dec Half 2005
Ore Delivered (tonnes)	319,991	262,945
Nickel Grade	2.50%	2.93%
Nickel in Concentrate (tonnes)	6,888	6,754
Pounds Payable Nickel	9,870,435	9,678,414
Average Ni Price (A\$/lb)	14.26*	7.74
Average Cash Cost (A\$/lb)	6.15	4.81
Average Cash Margin (A\$/lb)	8.11	2.93

*Estimate, awaits the fixing of the nickel price for the months of October, November and December 2006 – see explanation following page.

Earnings for the December 2006 Half-Year

	Dec Half 2006	Dec Half 2005	Dec Half 2004
Revenues (\$M)	147.05*	79.65	55.42
EBITDA (\$M)	67.84	27.13	23.71
Net Profit After Tax (\$M)	37.18	10.02	10.06
Earnings per Share (CPS)	19.0	5.1	5.2
Interim Dividend per Share (CPS)	6.0	2.0	1.0

*The nickel price received by Mincor for any month of production is the average LME spot price during the third month following the month of delivery. Therefore the nickel price in the December 2006 half-year accounts for the production months of October, November and December 2006 must be estimated. The Company's policy is to base this estimate upon a 10% discount to the average LME spot price during the month of delivery. Revenue for October, November and December in this report has been estimated in this way, and is subject to an adjustment (up or down) when the final nickel price is known.

Earnings for the December 2006 Half-Year

	Dec Half 2006	Dec Half 2005
EBITDA from normal operations (\$M)	67.84	27.13
Depreciation and Amortisation (\$M)	(16.65)	(14.42)
EBIT (\$M)	51.19	12.71
Net Interest (\$M)	1.43	0.12
Income Tax Expense (\$M)	(15.44)	(2.81)
Net Profit after Tax (\$M)	37.18	10.02

Balance Sheet

	31 December 2006	31 December 2005	31 December 2004
Assets (\$M)	224.36	121.73	108.08
Liabilities (\$M)	143.23	52.26	51.15
Shareholder's Equity (\$M)	123.48	74.65	56.93
Return on Equity (annualised)	60%	27%	35%

Note: Shareholder's Equity has been adjusted (by \$42.36 million) to remove the impact of cashflow hedges. Under the current AIFRS rules hedges must be fair valued with mark to market adjustments made against equity. As this fair value adjustment fluctuates with nickel and currency prices and has no impact on the Company's profit for the period, it has been removed from the above table. In addition, earnings for the half year have been annualised when calculating Return on Equity.

Analysis of Cashflows – December 2006 Half-Year

	2006 \$000	2005 \$000
Net Operating Cash Inflow	66,710	11,312
Capital Expenditure	(13,690)	(12,057)
Exploration Expenditure	(5,592)	(2,450)
Dividends Paid	(5,840)	(3,893)
Proceeds from Issue of Shares	609	-
Other	70	127
Net Cash Inflow	42,267	(6,961)
Cash at 31 December 2006	87,402	11,244