



# Mincor: Carnilya Hill looking promising

AUSTRALIAN nickel mining company Mincor Resources NL has confirmed the potential for significant additions to current reserves at its recently-commissioned Carnilya Hill nickel mine after announcing a high-grade intersection in drilling there.

In a report to the Australian Stock Exchange, the company reported the highest grade drill intersection yet achieved at the mine – 4.63m at 12.75 per cent nickel (true width 2.66m).

Mincor said the intersection was just outside the current mineral resource boundary, pointing to significant additional potential in the keel zone of the ore system at Carnilya Hill.

The drill hole (CUD0038) was the first in a new round of underground infill diamond drilling required for mine planning purposes as the new operation – which is part of Mincor's northern division of Kambalda mines – continues its production ramp-up.

The ramp-up commenced in earnest during the September quarter with thick, high-grade nickel mineralisation now being driven along the 14 level of the main 'B' ore zone.

Production for the September quarter was provisionally estimated at 9860 tonnes at 3.6 per cent nickel.

The drill hole intersected the basal contact just outside the lower boundary of the mineral resource.



David Moore

The resulting intersection consists entirely of high-grade massive sulphides.

Mincor is Australia's third biggest listed nickel producer.

The company is targeting a long-term production rate of 20,000 tonnes of nickel in ore per annum, and is pursuing an aggressive exploration growth strategy in the world-class Kambalda nickel district.

Mincor's managing director, David Moore, said the result demonstrated the previously untested

potential of the lower boundary of the ore system, which in places coincided with the keel of the Carnilya Hill syncline.

This structural setting was capable of producing high-grade and structurally-thickened nickel mineralisation, with the latest result opening up a new area for detailed drill testing.

Nearby holes, drilled as part of the same operational program but not yet assayed, have also intersected massive sulphides, though none as thick as CUD0038.

"This is an outstanding result," Mr Moore said.

"We always felt that there could be significant structural enrichment in the keel zone, but it was difficult to drill from the surface.

"This is the first real indication of the tremendous grade and metal upside that we believe exists at Carnilya Hill."

The ore body at Carnilya Hill was discovered by Mincor during 2006, following an earn-in exploration joint venture negotiated with View Resources Ltd during 2005.

After the initial discovery, drill-out and feasibility studies, the decision to develop the ore body was taken by the joint venture partners in June 2007.

Mincor has a 70 per cent interest in the Carnilya Hill joint venture and is its manager and operator.