



Mincor posts record profit

By Blake Wilshaw

MINCOR Resources, the self-nicknamed “Kambalda nickel mining company”, recorded a 246 per cent increase in profit in 2006-07.

After tax earnings for the company were \$101.3 million – the company’s best ever financial performance.

The successful year was facilitated by strong performance at its four Kambalda nickel operations: Miitel, Mariners, Redross and Wannaway.

Total nickel-in-concentrate delivered for the period was 12,927 tonnes.

Cash holdings are \$77.3 million and the company is free of debt.

Mincor managing director David Moore said the record profit reflected the benefits of an aggressive but disciplined growth strategy which had positioned the company second only to BHP Billiton in nickel sulphide production from Australian-listed companies.

“This has enabled us to



David Moore

benefit fully from the strong nickel prices realised during the year,” he said.

“But the real message is that we have used the last 12 months to establish an exceptionally strong foundation for further growth, with production likely to rise strongly over at least the next two years as a number of new mines come on stream.”

The company will expand

its production in 2007-08, targeting a 28 per cent increase of nickel-in-concentrate to between 16,000 and 17,000t.

“We already now have production from our newly acquired Otter Juan mine and from early next year we will have production from our Carnilya Hill mine, which is currently under construction,” Mr Moore said.

“We are carrying out feasibility studies on two new projects, McMahan and Durkin, and we are drilling out what looks like a major new discovery at Mariners.

“So the message is that we are entering another period of sustained production growth and with our very strong balance sheet, strong cash-flows and rising production, we believe Mincor is well-placed to continue to deliver outstanding shareholder returns.”

Mincor hopes to expand its resources at Kambalda to reach a sustainable production rate of 20,000t per annum.