

WEDNESDAY, 15 OCTOBER 2003

\$11 M REDROSS NICKEL DEVELOPMENT TO BOOST MINCOR'S KAMBALDA OUTPUT

THIRD MINE DEVELOPMENT IN 3 YEARS FOR SUCCESSFUL NICKEL PRODUCER

Mincor Resources NL (**ASX: MCR**) is set to substantially increase production from its Kambalda nickel operations in Western Australia after today announcing it would proceed with the development of the Redross Nickel Mine, its third nickel mine in the district.

The development – combined with the acquisition of the minority interests in its Kambalda assets announced last week – reinforces the Company's position as one of Australia's leading nickel producers.

"We are delighted to announce this important new development, which we believe will be the first new nickel mine in Australia since the opening of Miitel in 2001," said Mincor's managing director, David Moore. "Redross will be Mincor's third nickel mine in the Kambalda district, underlining our commitment to the region."

Mincor will invest \$11 million in the development of Redross, which like Miitel and Wannaway will be an underground mine. Redross is located approximately 15 kilometres south of Miitel.

At full capacity, the Redross operation will provide employment for 67 people, generate considerably more than \$100 million in revenue, and provide over \$10 million to State and Federal coffers in direct taxes and royalties over the life of the operation. The mine will produce over 4,000 tonnes per annum of nickel metal in concentrate at an ore production rate of 150,000 tonnes per annum.

Based on current Ore Reserves of 526,000 tonnes at 2.95% nickel, Redross will have a productive mine life of about four years, although recent drilling has demonstrated additional ore potential both below and to the north of the deposit. Exploration drilling is currently underway.

Mr Moore said development at Redross would commence next month, with a decline to be developed over the next 10 months and first ore production scheduled for September 2004.

All ore production from Redross will be toll treated by WMC Resources Limited's Kambalda mill, with concentrate sold to WMC under the terms of Mincor's existing off-take agreement.

Based on a competitive tender process, the development and mining contract for Redross has been awarded to Barminco, which has commenced mobilisation to site. Barminco is a highly experienced underground mining contractor with an excellent track record and a strong safety focus.

Nickel Expansion Strategy

“The development of Redross is an important step in our Nickel Expansion Strategy, which has already been implemented at Wannaway and is nearing completion at North Miitel and Mariners – positioning us to significantly expand production in the medium term and complimenting the intensive exploration effort in progress across our portfolio of Kambalda properties,” Mr Moore said.

“In addition, with our exploration success over the past year and the buy-out of the minority interests in our Kambalda assets, our June 2003 resource inventory will increase to 2.47 million tonnes at 3.4% nickel, containing 84,000 tonnes of nickel metal,” he noted.

On a 100%-equity basis, June 2003 Ore Reserves stand at 1.53 million tonnes at 2.97% nickel, an increase of 33% in contained nickel metal over attributable Ore Reserves for the previous year.

Mr Moore said that additional near-term production growth was likely to come from the North Miitel and Mariners Nickel Projects, which together contain nearly 30,000 tonnes of nickel metal. Both are currently at advanced feasibility stage, with an updated announcement expected shortly.

“We are also very active on the exploration front, with drilling underway north of Redross and from underground to the south of Miitel, and a second drill rig being sought for the expanded exploration program necessitated by our recent acquisition of the East Widgiemooltha Nickel Rights,” he added.

Mincor announced last week that it had reached agreement to acquire the minority interests in its Miitel Joint Venture, lifting its interest in its core Kambalda operations from 76% to 100%.

- ENDS -

RELEASED BY:

**Jan Hope / Nicholas Read
Jan Hope & Partners
Telephone: (618) 9388 1474**

ON BEHALF OF:

**Mr David Moore
Managing Director
Mincor Resources NL
Telephone: (618) 9321 7125
www.mincor.com.au**