

Quarterly Report

For the period ended 31 March 2012



HIGHLIGHTS

- Strong Quarterly Production, up 29% over previous Quarter to 87,696 tonnes ore @ 3.06% Nickel for **2,683.4 tonnes** nickel-in-ore.
- Excellent cost performance, cash costs down 29% over previous Quarter to **\$4.96/b** payable nickel.
- Strong operating surplus, up 108% over previous Quarter to **\$14.58 million**, despite low nickel prices.
- Mincor remains on track to meet full-year production targets and substantially outperform cost targets.
- First exploration hole beneath the high-grade Terrace zone at Mariners intersects a true width of **1.9 metres @ 4.59% Nickel**.
- High-grade N29C ore body at Miitel under development – first production now expected in May 2012.
- Very high-grade N10B ore body at Mariners to commence production ramp-up in June 2012.
- Outstanding nickel exploration target identified at Cassini, on newly-acquired exploration tenements in Kambalda – drilling this Quarter.
- Initial drill target areas defined at epithermal gold-silver system at Edie Creek in PNG – ground geophysical surveys starting now – drilling tentatively planned to commence June.
- After Capital and Exploration investments of \$7.1 million, share buy-back expenditures of \$1.1 million, dividend payments of \$3.9 million and positive provisional pricing adjustments of \$0.8 million, Mincor had Quarter-end working capital (cash and receivables minus creditors and accruals) of **\$81.7 million** (end-Dec: \$80.1 million), cash at bank of **\$75.2 million** (end-Sept: \$75.1 million).

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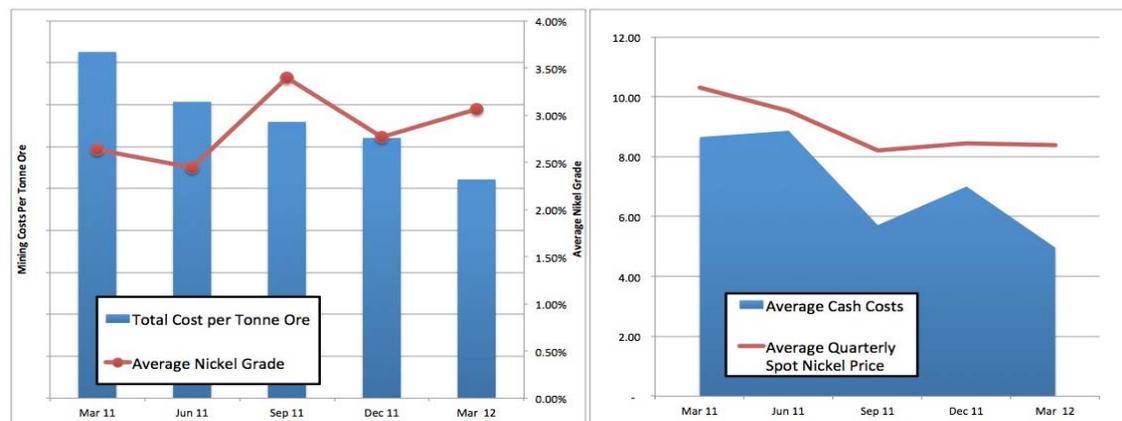
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Mincor is a leading Australian nickel producer & is listed on the Australian Securities Exchange.

Mincor operates two mining centres in the world class Kambalda Nickel District of Western Australia, and has been in successful production since 2001.



Quarterly Average Costs/tonne Ore, Nickel grade, Cash costs and Nickel Price since Jan 2011.

These charts illustrate the magnitude of the improvements brought about by Mincor's operational restructuring and the impact of new high-grade ore bodies. The reducing cost base and higher grades have driven cash costs down since July 2011. (Nickel price shown is the average daily spot price applicable to the relevant production period, before the benefit of Mincor's hedging).

TABLE 1: Production, Grade, Revenue and Costs – Quarter ending 31 March 2012

	SOUTH KAMBALDA OPERATIONS ⁽¹⁾	NORTH KAMBALDA OPERATIONS ⁽²⁾	TOTAL FOR MAR 2012 QUARTER	PRECEDING QUARTER (Dec 2011) TOTAL
Ore Tonnes Treated (DMT)	49,929	37,767	87,696	74,915
Average Nickel Grade (%)	2.82	3.38	3.06	2.77
Nickel-in-Concentrate Sold (tonnes)	1,231.3	1,175.3	2,406.6	1,834.8
Copper-in-Concentrate Sold (tonnes)	114.2	86.9	201.1	158.8
Cobalt-in-Concentrate Sold (tonnes)	20.4	16.7	37.1	29.3
Sales Revenue* (A\$)	16.66m	15.84m	32.50m	26.14m
Direct Operating Costs** (A\$)	9.49m	7.33m	16.82m	18.31m
Royalty Costs (A\$)	0.68m	0.42m	1.10m	0.82m
Operating Surplus*** (A\$)	6.49m	8.09m	14.58m	7.01m
Capital Costs****	2.94m	2.39m	5.33m	3.60m
Production Costs				
Payable Nickel Produced (lbs)	1,764,387	1,677,891	3,442,278	2,624,359
Mining Costs (A\$/lb)	2.89	2.45	2.68	4.12
Milling Costs (A\$/lb)	1.14	0.93	1.04	1.15
Ore Haulage Costs (A\$/lb)	0.30	0.08	0.19	0.21
Other Mining/Administration (A\$/lb)	1.04	1.00	1.02	1.50
Royalty Cost (A\$/lb)	0.39	0.25	0.32	0.32
By-product Credits (A\$/lb)	(0.31)	(0.26)	(0.29)	(0.28)
Cash Costs (A\$/lb nickel)	5.45	4.45	4.96	7.02
Cash Costs (US\$/lb nickel) ⁽³⁾	5.75	4.69	5.24	7.10

⁽¹⁾ Production from Mariners and Miitel.

⁽²⁾ Production from Otter Juan and McMahon and Mincor's 70% interest in the Carnilya Hill mine.

⁽³⁾ Average March 2012 quarter RBA settlement rate of US\$1.0555 (31 December 2011: US\$1.0118).

* Sales Revenue – estimate, awaits the fixing of the three-month nickel reference price – see 'Note on Provisional Pricing and Sales Revenue Adjustments' below.

** Direct Operating Costs – mining, milling, ore haulage, administration.

*** Operating Surplus – provisional and unaudited, excludes corporate overheads and other corporate costs, excludes regional exploration costs, excludes depreciation, amortisation and tax.

**** Capital Costs – includes mine capital and development costs and extensional exploration costs. Excludes regional exploration costs.

Operating Surplus – Note on Provisional Pricing and Sales Revenue Adjustments

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. For period-end reporting the Company determines provisional prices based on the 3 month forward nickel price at the end of each month of delivery. This estimate is subject to an adjustment (up or down) when the final nickel price is known. During the March Quarter, Mincor established the final nickel prices for the production months of October, November and December. As a result Mincor recognised a positive sales revenue adjustment of **\$0.84 million** attributable to those production months. This adjustment **has not** been included in the sales revenue figures disclosed in Table 1 above.

MINING – KAMBALDA NICKEL OPERATIONS

Quarterly Overview

The March Quarter saw a strong improvement in operational performance over the previous Quarter as the change to owner-mining was bedded down at Mariners and the legacy issues that constrained production at Miitel were overcome.

In addition, new high-grade ore sources continued to come on line, with the MN03 ore body at McMahon joining the Terrace ore body at Mariners as high-grade, low-cost producers.

Mine	Tonnes	Grade	Nickel-in-ore	Nickel-in-concentrate
Miitel	28,709	2.43	696.6	605.5
Mariners	21,220	3.35	711.7	625.8
Otter Juan	6,072	5.26	319.4	297.0
McMahon	21,860	3.28	717.6	667.3
Carnilya Hill: Mincor's 70%	9,835	2.42	238.1	211.0
Totals	87,696	3.06	2,683.4	2,406.6

Still ahead in terms of high-grade production sources is the N29C ore body at Miitel, now expected to commence production during May, and the very high-grade N10B ore body at Mariners, which is on track to commence its production ramp-up during June.

Northern Operations

Production at Otter-Juan continued from limited mining areas as the mine approaches the end of its life. Whilst production tonnes were lower than the previous Quarter the grade was 26% higher with high grades from the 36G stope and the 37G stope, which commenced production during the Quarter.

At McMahon production tonnes increased by 59% compared to the previous Quarter with the main contribution from the development of the 1303/3, 1303/2 and 1303/1 ore drives. Production from this development also contributed to a 101% increase in grade compared to the December Quarter. Conventional airleg development is underway on the 1202 level and stoping of the MN02 level above the 10 level continues. A total of 401 metres of level development was completed during the Quarter.

At the end of the Quarter the main decline had been completed to the 14 level sump and the ventilation access had advanced 22 metres. All decline and access development for the MN03 ore body will be complete early in the June Quarter.

Mining of the remaining ore at Carnilya Hill was completed in March and shut-down protocols implemented. The mine is now on care and maintenance and all secondary fans, pumps, refuge chambers and substations have been removed from underground. Power to the mine was switched off on 30 March 2012.

Carnilya Hill proved highly successful over its four-year life. The ore body was discovered by Mincor in 2006 and mining commenced in early 2008. A total of 339,849 tonnes of ore at 3.18% Nickel was produced, at a life-of-mine cash cost of \$4.96 per pound payable nickel.

Due to expanded production at its other mines, Mincor was able to prevent any job losses following the closure of Carnilya Hill.

The Carnilya Hill mine established an outstanding operational and safety performance over its life. At mine closure the mine had achieved 1,135 days free of lost-time incidents. Mincor pays tribute to all the men and women who worked at Carnilya Hill over the past four years and who made it the success it proved to be.

Southern Operations

At Mariners 67% of production came from three long-hole stopes: the 1300N, 1400N and 1200S. The major contributor was the 1200S (Terrace ore zone) with 8,420 tonnes at 4.65% Nickel. This came largely from the long-hole stope at the (lower grade) southern extremity of the ore zone. Long-hole stoping of the high-grade central portion will continue in the June Quarter.

Other production came from flat-backing of the 1400N and 1320N and airleg stoping on the 1380N and 1380S.

Development advance for the Quarter was 238 metres. At the end of the Quarter the main decline had advanced to the 1160N access position and the 1160S access takeoff and stockpile had been developed. The 1180S access had reached the ore, which is the next level down on the Terrace Zone. The first few cuts into the Terrace on this level revealed faces with up to nine metres of massive nickel sulphides.

Miitel's ore production was up 45% over the previous Quarter at grades that were 19% higher than the previous Quarter. Just over half the mine's production came from long-hole stopes. Long-hole stoping continued on the 605 and 680 levels. Flat-backing of the 660L was completed and long-hole stoping commenced on 660 and 750 levels. Five airleg miners continued to stope in the north of the mine and contributed 22% of production.

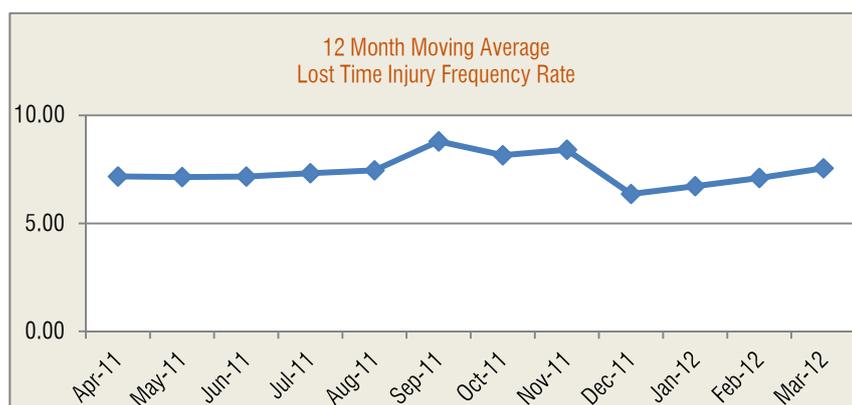
Development of the 608 decline to the high-grade N29C ore body commenced during the Quarter. By the end of the Quarter the decline had advanced past the 650 access position and the 650 take-off and stockpile had started.

HEALTH AND SAFETY

There were no Lost Time Injuries recorded for the Quarter.

The 12-month moving average Lost Time Injury (LTI) Frequency rate for all Mincor operations is 7.6. The number of Lost Time Injuries over the last 12 months is unchanged, however the graph shows a gradual increase, which is a statistical quirk due to the reduction in employee numbers following the move to owner-mining.

Mincor's operations have now achieved six months without a lost time injury – an excellent result especially over a time of considerable change.

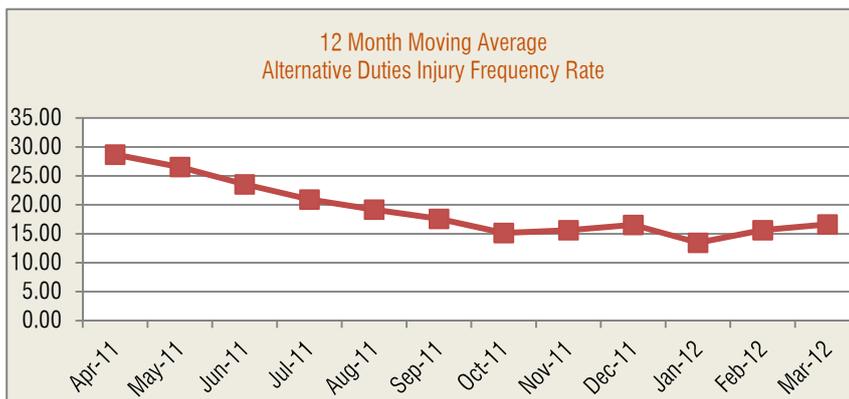


The number of Alternative Duty Injuries has also continued to fall, though again the statistics are skewed by the reduction in employee numbers.

These improved results reflect the continued efforts of all personnel.

The following improvement strategies were undertaken during the Quarter:

- Continued review of safety systems to ensure consistency across all sites; and upload of documentation and procedures into the online database.
- Continued review of the Crisis Management Plan and the Site Emergency Procedures to ensure relevance and purpose across all sites.
- Commenced development of enhanced Safety Management Plan for Exploration, including PNG.
- Commenced drafting Major Hazard Standards for Exploration, to be included in the Safety Management Plan.
- Conducted an AS4801 audit across all sites and reviewed results to set targets and objectives to be included in the Safety Management Plan.
- Fire extinguisher and AFFF audit completed for all sites.
- Noise report conducted for Miitel and Mariners; mock Emergency Evacuation at McMahan.



KAMBALDA NICKEL – EXTENSIONAL EXPLORATION

Mariners

Two underground diamond rigs are deployed at Mariners. Most of the drilling during the Quarter was directed towards infilling and extending the N10 ore body. However, exploration drilling to test for downward extensions to the Terrace Zone had commenced by Quarter-end. Considerable success was achieved in both these areas.

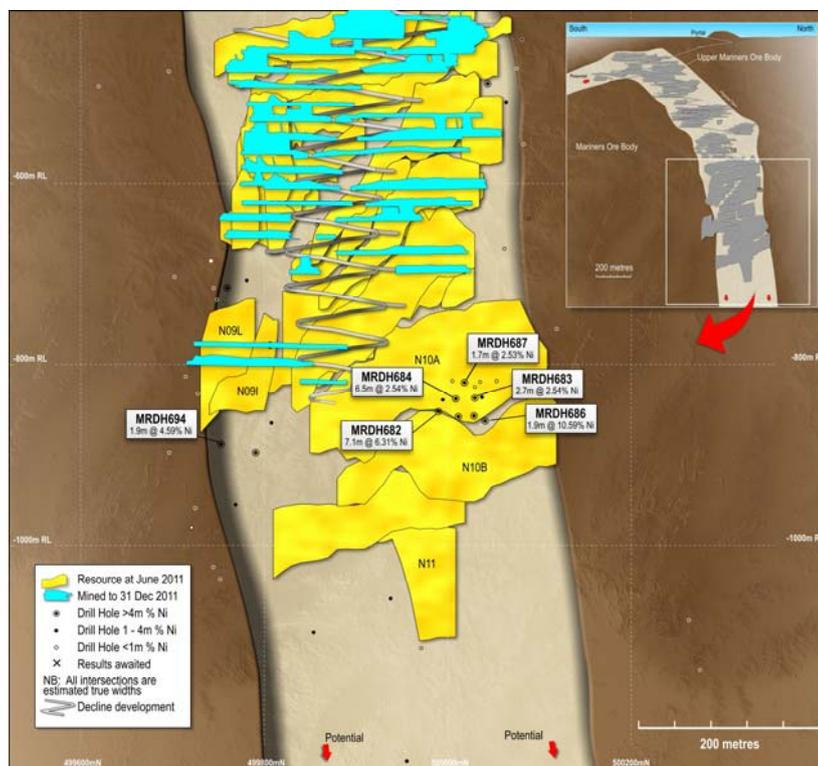
Mariners N10 Ore Body

The drilling of the N10A and N10B surfaces has returned a number of significant intersections and the geological relationship between the two surfaces now appears resolved. The N10A surface is now believed part of the N10B surface. A key implication of this is that the controls that thicken the nickel mineralisation in the N10B are now believed to extend into the N10A.

The new results also confirmed a steep-plunging basalt pinch-out within the N10B that defines the northern edge of a thick high-grade mineralised core. This high-value core is substantially better than expected and comprises well developed massive and matrix sulphides. The controlling pinch-out structure has been successfully identified up-plunge into the now continuous N10A surface, with new high-grade intersections in the N10A.

The net impact is likely to be positive for the overall ore reserve position of the N10. In addition, the changing morphology of the ore body has shifted the bulk of the metal closer to existing infrastructure and this will substantially enhance the timing of ore extraction and the cycle times of the mining process.

FIGURE 1: Mariners Long Section



Significant intersections in the N10 ore body during the Quarter include:

Outside the June 2011 Resource

- MRDH0681: **2.77 metres @ 10.59% Nickel** (estimated true width of 1.9 metres)

Inside the June 2011 N10A Resource but outside Reserves

- MRDH0682: **9.95 metres @ 6.31% Nickel** (estimated true width of 7.1 metres)
- MRDH0683: **3.45 metres @ 2.54% Nickel** (estimated true width of 2.7 metres)
- MRDH0684: **8.38 metres @ 2.54% Nickel** (estimated true width of 6.5 metres)
- MRDH0691: **4.72 metres @ 1.55 % Nickel** (estimated true width of 4.0 metres)

Inside the N10B June 2011 Reserve

- MRDH0694: **3.80 metres @ 4.59% Nickel** (estimated true width of 1.9 metres)
- MRDH0695: **31.27 metres @ 2.46% Nickel** (estimated true width of 15.9 metres)
Includes **19.27 metres @ 5.39% Nickel** (estimated true width of 4.3 metres)
- MRDH0697: **7.39 metres @ 3.97% Nickel** (estimated true width of 3.8 metres)

Mariners Terrace Zone (N09I)

The N09I is located on the southern side of the Mariners channel and is one of the group of ore bodies comprising the Terrace Zone. The mineralisation comprises well-developed massive, matrix and disseminated sulphides lying both on and just off the basal contact.

The first of a series of drill-holes planned to test the downward extent of the Terrace Zone intersected strong mineralisation some 37 metres below the N09I resource. This intersection consisted of massive and matrix off-contact mineralisation:

- MRDH0694: **3.80 metres @ 4.59% Nickel** (estimated true width of 1.9 metres).

The intersection suggests that the very high-grade mineralisation now being mined in the Terrace Zone continues down-plunge. Drilling of this area will continue into the current Quarter.

McMahon

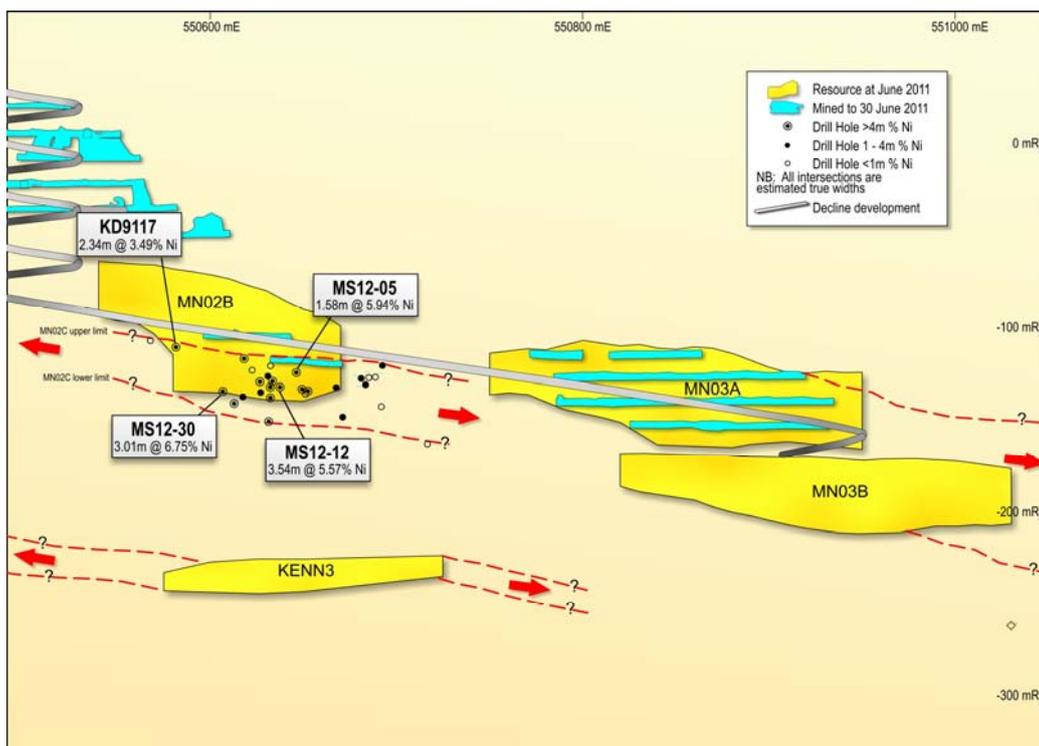
Drilling in the previous Quarter discovered a highly prospective mineralised surface called the MN02C located close to development and just below the MN02B. The new zone appears to conform to the classic Kambalda model, with mineralisation in a largely sediment-free channel on the basal contact.

Due to operational requirements, drilling of the MN02C ore body started late in the Quarter. A total of 10 intersection points were achieved. These appear to close off the mineralisation to the north, but to the south a number of high-grade intersections were achieved, with a best intersection of 3.01 metres (estimated true width) at 6.75% Nickel. The new discovery remains open to the south and drilling continues.

Intersection points in the MN02C:

- MS12-17: **4.76 metres @ 5.51 % Nickel** (estimated true width 2.66 metres)
- MS12-18: **3.72 metres @ 2.98 % Nickel** (estimated true width 2.25 metres)
- MS12-19: **0.60 metres @ 3.75 % Nickel** (estimated true width 0.35 metres)
- MS12-24: **0.65 metres @ 2.21% Nickel** (estimated true width 0.19 metres)
- MS12-26: **1.78 metres @ 4.42% Nickel** (estimated true width 0.54 metres)
- MS12-27: **1.89 metres @ 2.35% Nickel** (estimated true width 0.49 metres)
- MS12-27: **1.04 metres @ 3.3% Nickel** (estimated true width 0.27 metres)
- MS12-28: **0.05 metres @ 4.07% Nickel** (estimated true width 0.03 metres)
- MS12-29: **1.59 metres @ 8.69 % Nickel** (estimated true width 0.68 metres)
- MS12-30: **7.0 metres @ 6.75 % nickel** (estimated true width 3.01 metres)

FIGURE 2: McMahon Long Section



KAMBALDA NICKEL – REGIONAL EXPLORATION

Mincor's Regional Exploration program in Kambalda is targeted at the discovery of entirely new ore bodies in this highly prospective nickel district.

Cassini Prospect

Mincor announced the acquisition of the tenements that hold the Cassini Prospect on 11 January 2012. The tenements lie along the southern margin of the Widgiemooltha Dome and host up to 12 kilometres of the strike of the basal contact – the stratigraphic position that hosts all Kambalda's nickel ore bodies.

At the Cassini prospect the basal contact is folded around the Widgiemooltha antiformal structure and plunges gently to the south.

Previous drilling has confirmed the fertility of the ultramafic rocks in the area. However, importantly, some three kilometres of the strike of the basal contact at Cassini has never been drill-tested.

During the Quarter Mincor compiled and incorporated all the historical data and carried out detailed geological and geochemical re-interpretations.

Ground magnetic image and Maximum nickel. Footwall contact EM anomaly channel 25-30.

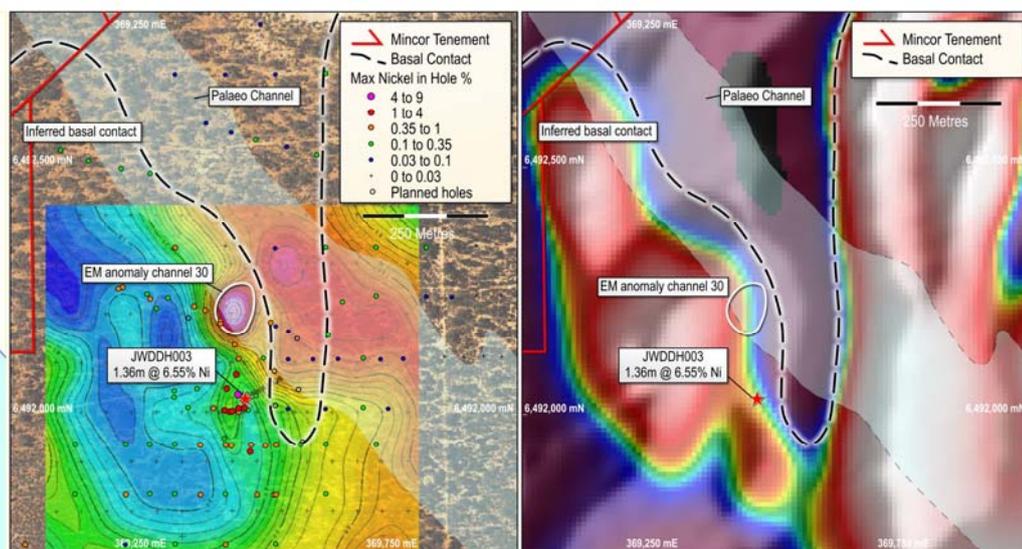
A clear understanding of the prospect is now emerging, supported by very strong empirical data, including a magnetic anomaly which suggests thickened flows of highly fertile high-MgO ultramafic lavas with distal sulphide clouds in nearby drill-holes. An untested EM target is present in the centre of the most prospective area, and is a high-priority drill-target.

Elsewhere a number of untested magnetic anomalies are present on the basal contact, and are also high-priority drill targets.

Drilling is planned to commence in the current Quarter.

FIGURE 3a: EM Anomaly (Channel 30) over Aerial Photo

FIGURE 3b: Ground Magnetic Survey & EM Anomaly Location



Bluebush Line: Mons Prospect (Lake Lefroy)

To aid target definition at this early-stage prospect, two further geophysical surveys were undertaken during the Quarter – ground magnetics and a ground Landtem SQuID electromagnetic survey.

Stage 1 of the detailed ground magnetic survey was completed on 50 metre line spacing. Stage 2, extending the survey to the north, will be completed next Quarter.

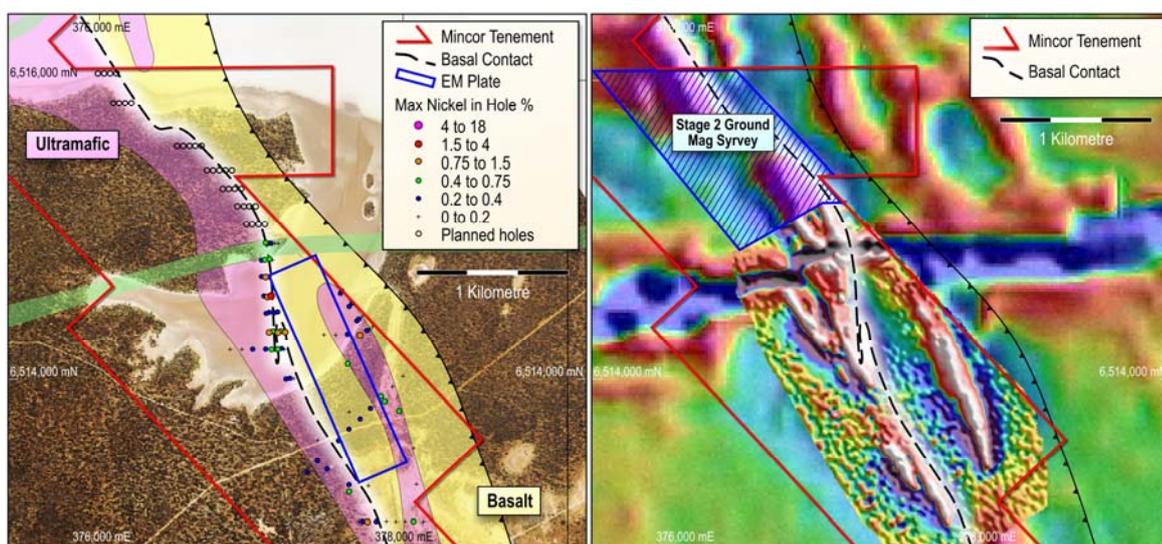
The enhanced resolution obtained from Stage 1 of the survey has clearly highlighted a widening of the western ultramafic to the north, possibly due to thickening of the lava flow, and also shows potential embayment morphology – both key features in the development of Kambalda ore bodies.

High priority air-core drilling is planned after the completion of the Magnetic survey.

A fixed loop surface EM survey was conducted over the southern half of the Mons Prospect. A strong broad conductive unit was identified east of the western ultramafic unit. The source of the conductor appears to align with the basal contact on the eastern ultramafic at depth. Drilling is planned.

FIGURE 4a: Geology with Drill-hole Geochemistry

FIGURE 4b: Airborne Magnetics



REGIONAL EXPLORATION

Tottenham Copper Project (Mincor 100%)

The 2011 soil sampling program has been completed with the collection of the final 323 soil samples in mid-January. In addition to the strong copper anomalies at Hudson and Carolina (reported in the December Quarterly), a new broad Cu-Zn soil anomaly has been defined at Allawah, in an area of relatively thick residual soil cover. Sample lines are broadly spaced in this area (800 metres) and follow-up soil traverses are required to better define the anomaly. This follow-up work was delayed by rain but is now planned for April-May. Also planned for this Quarter is aircore drilling of the northern extension of the quartz-magnetite unit.

Gascoyne Uranium Prospect (Mincor 100%)

Processed VTEM survey data has now been evaluated and a number of significant formational conductors, possibly associated with graphitic metasediments, have been defined within the older Pooranoo Metamorphic basement. A clear spatial association with known uranium occurrences and the proximity of the conductors to the younger Bangemall Group unconformity is highly encouraging and provides a strong focus for future exploration. Integration of VTEM data with soil radon and spectrometric (uranium-thorium) data collected in 2008-09 will now be carried out to define targets for drilling planned in the September Quarter.

South Nepean Gold Prospect (Mincor 70%)

Long-planned follow-up of gold anomalies discovered by Mincor south of Nepean was completed during the Quarter. A program of RAB drilling was conducted on E15/884, following up an intersection in previous RAB drilling by Mincor (NRB 042: 3 metres @ 2.34 g/t Au from 57 metres), which coincides with a magnetic anomaly. A total of 23 RAB holes were completed during the Quarter. Assay results are awaited.

PAPUA NEW GUINEA

Eddie Creek (Mincor earning up to 51%)

A program of structural mapping and geochemical sampling is nearing completion at Eddie Creek (Figure 5).

Initial results highlight the potential of the established structural corridor to host substantial high-grade gold-silver mineralisation. The previously interpreted thrust systems along the eastern margins appear to be simply part of this larger structural zone, which hosted a high-grade underground gold mining operation in the 1930's and 1940's.

Additional targets are expected to emerge from a tenement-wide soil sampling program which is underway at present, and from a tenement-wide detailed ground magnetic survey that will commence shortly. In addition, an induced polarisation survey is planned for later in the current Quarter.

Subject to logistical delays, drilling is planned for later in the current Quarter.

May River (Mincor earning up to 72%)

No new field work was carried out at May River while final processing of the VTEM and ZTEM geophysical data is awaited. This is now almost complete with results largely supporting the preliminary findings that were published in the December Quarterly Report (Figure 6).

Of great interest are continuing indications that the magnetic feature comprising Iku Hill may represent an intrusive porphyry system surrounded by coincident VTEM and ZTEM anomalies. Final VTEM modelling is awaited although 3-D inversion modelling of ZTEM data and VTEM processing to date support a relatively shallow depth for the targets – potentially less than 300 metres. This is also supported by 2-D ZTEM inversion modelling across Iku Hill. Published geological mapping from the 1970's shows that this central area, which is also a topographic high, may be underlain by intrusive diorite porphyry. No previous exploration has been carried out in this area.

In addition, known gold mineralisation at Skirasia and Foya appears to be related to a splayed series of NW and WNW structures, one of which extends to the Iku Hill area. Evidence of these trends is present in regional magnetic data and is highlighted by 3-D magnetic modelling. Final 3D inversion models of VTEM data are awaited.

FIGURE 5: The Eddie Creek tenements showing areas of known mineralisation.

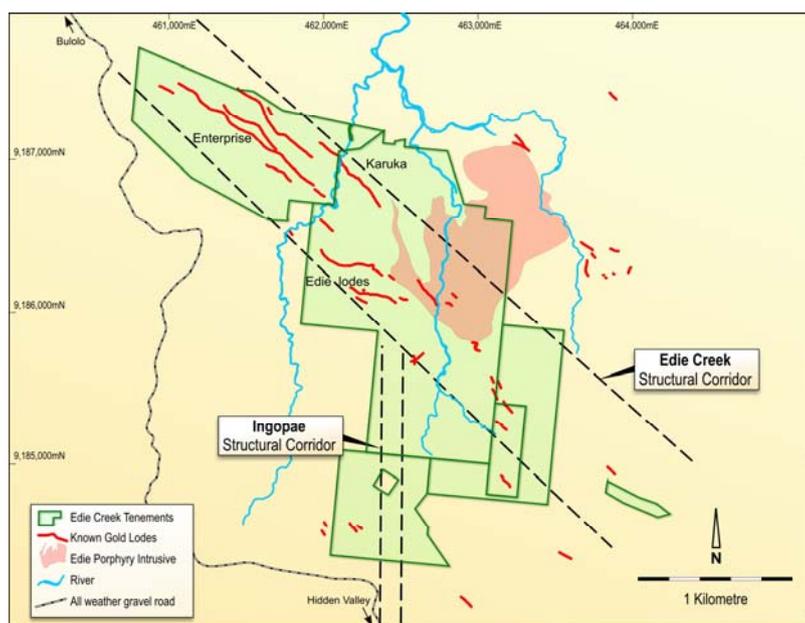
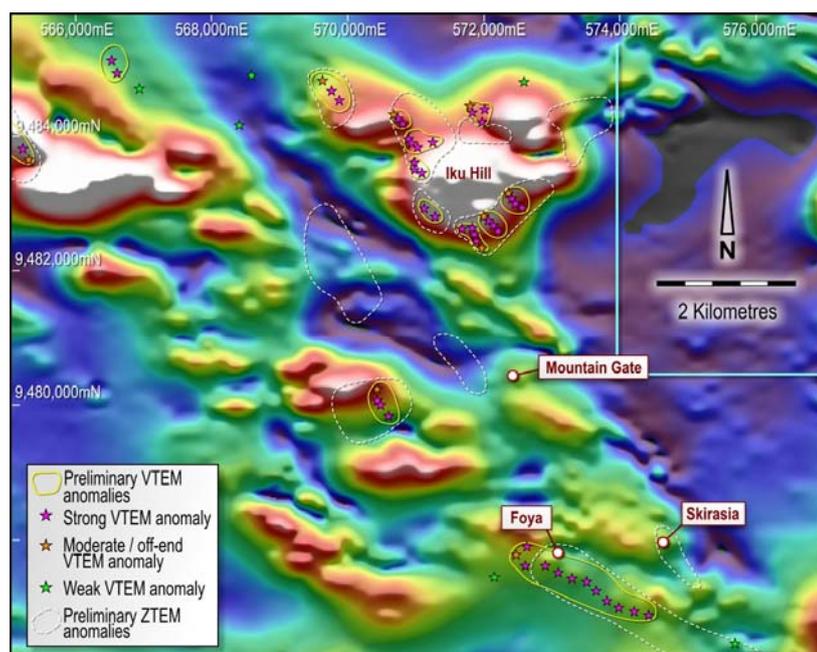


FIGURE 6: Preliminary VTEM anomaly locations within the south May River survey area superimposed on regional magnetic image. Warm colours indicate elevated magnetic zones, white being most magnetic.



Bolobip (Mincor earning up to 72%)

Historical data from the Bolobip area detailing a wacker drilling program carried out over the main prospect area by CRA in 1989 has been found and incorporated into Mincor's database. This program comprised holes, ranging from centimetres to several metres in depth, drilled at 25 metre intervals along 100 metre spaced gridlines. In areas of exposed outcrop, rock-chip samples were collected. A sizeable gold anomaly appears to be confirmed but numerous zones of copper anomalism do not appear to form a coherent whole. The results do confirm the presence of acid–intermediate stocks and dykes of monzonite and diorite composition intruding Jurassic sediments. Detailed analysis of all data found and collected to date is underway.

CORPORATE MATTERS

Hedging Arrangements

In line with its strategy of maintaining exposure to the nickel price while securing a minimum level of protection against adverse price movements, Mincor has sold forward 720 tonnes of payable nickel to December 2012, at an average price of A\$27,425 per tonne.

This represents approximately 20% of Mincor's expected production over that period. The hedging is distributed as follows:

Apr 2012 to Jun 2012	80 tonnes of nickel per month at a price of \$27,355/tonne
Jul 2012 to Dec 2012	80 tonnes of nickel per month at a price of \$27,459/tonne

Major Expenditures, Cash and Debt

Under the terms of its share buy-back programme announced 21 June 2011, Mincor has bought back and cancelled a total of 6.51 million of its own shares, representing 3.2% of its share capital before the start of the buy-back. Of this total, 1,588,921 shares were bought back during the March Quarter, for an outlay of \$1.097 million. The total cost of the shares bought back to date is \$5.0 million. The buy-back program continues.

During the Quarter Mincor paid a fully-franked interim dividend of 2 cents per share (an outlay of \$3.89 million).

As at 31 March 2012, Mincor had cash of **\$75.19 million** (end Dec 2011: \$75.14 million); and receivables net of creditors and accruals of \$6.47 million, giving a working capital position of **\$81.66 million** (end Dec 2011: \$80.06 million).

During the Quarter Mincor recorded a **\$0.84 million** increase in revenue received (compared to revenue booked as receivables in the previous quarter) due to provisional pricing adjustments.

The information in this Public Report that relates to Exploration Results is based on information compiled by Peter Muccilli and Richard Hatfield, both of whom are Members of The Australasian Institute of Mining and Metallurgy. Messrs Muccilli and Hatfield are full-time employees of Mincor Resources NL. Messrs Muccilli and Hatfield have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Messrs Muccilli and Hatfield consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Mineral Resources as at 30 June 2011***

RESOURCE	MEASURED		INDICATED		INFERRED		TOTAL		
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Ni Tonnes
Mariners	125,000	3.6	417,000	4.8	65,000	3.5	608,000	4.4	26,900
Redross	31,000	5.1	138,000	2.9	67,000	2.9	236,000	3.2	7,500
Burnett			121,000	4.8			121,000	4.8	5,700
Miitel***	175,000	4.2	318,000	3.6	545,000	3.0	1,038,000	3.4	35,100
Wannaway			123,000	2.6	16,000	6.6	139,000	3.0	4,200
Carnilya Hill*	63,000	4.1	41,000	2.3	0	0.0	104,000	3.4	3,500
Otter Juan**	45,000	3.3	114,000	4.7	79,000	2.3	238,000	3.7	8,700
McMahon/Ken			264,000	2.9	79,000	6.2	343,000	3.7	12,600
Durkin	-	-	251,000	5.2	127,000	5.0	378,000	5.1	19,300
Gellatly	-	-	29,000	3.4	-	-	29,000	3.4	1,000
Cameron	-	-	96,000	3.3	-	-	96,000	3.3	3,200
Stockwell	-	-	557,000	3.1	-	-	557,000	3.1	17,100
Grand total	439,000	4.0	2,469,000	3.8	978,000	3.5	3,887,000	3.7	144,800

- Figures have been rounded and hence may not add up exactly to the given totals.
- Note that Resources are inclusive of Reserves.
- * Resources shown for Carnilya Hill are those attributable to Mincor – that is, 70% of the total Carnilya Hill Resource.
- ** Otter Juan includes Coronet and McCloy.
- *** Miitel has been partly updated to December 2011 with inclusion of N29C and modification of N29A.

Resources are estimated to a 1% nickel cut-off. No minimum mining width criteria are used. The Resource estimation is done using inverse distance or kriging methods, depending on the data density. Volume models are constructed using all available data including underground drive and stope mapping. Grade interpolation using assay results from diamond drill core and, in places, underground face samples.

The information in this Public Report that relates to Mineral Resources is based on information compiled by Mr Robert Hartley, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Hartley is a permanent employee of Mincor Resources NL. Mr Hartley has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hartley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Ore Reserves as at 30 June 2011***

RESERVE	PROVED		PROBABLE		TOTAL		
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Ni Tonnes
Mariners	49,000	2.9	329,000	3.8	378,000	3.7	13,900
Redross	33,000	3.5	-	-	33,000	3.5	1,200
Miitel***	108,000	2.6	185,000	3.2	293,000	3.0	8,600
Wannaway	-	-	39,000	2.9	39,000	2.9	1,100
Carnilya Hill*	33,000	3.3			33,000	3.3	1,100
Otter Juan**	40,000	3.6	14,000	3.8	54,000	3.6	2,000
McMahon			242,000	2.4	242,000	2.4	5,600
Grand total	263,000	3.0	809,000	3.2	1,072,000	3.1	33,500

- Figures have been rounded and hence may not add up exactly to the given totals.
- * Reserves for Carnilya Hill are those attributable to Mincor – that is, 70% of the total Carnilya Hill Reserve.
- ** Otter Juan includes Coronet and McCloy.
- *** Miitel has been partly updated to December 2011 with inclusion of N29C and one extra level on the N29A.

Appropriate dilution for the various mining methods was applied to the Indicated and Measured Resources. Using a 1.5% nickel cut-off and minimum mining width criteria, areas were selected as being mineable. Additional modifying factors to account for ore loss, recovery, further dilution, etc were then applied to achieve an estimated Reserve.

The information in this Public Report that relates to Ore Reserves is based on information compiled by Mr Peter Teasdale, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Teasdale is a permanent employee of Mincor Resources NL. Mr Teasdale has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Teasdale consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

- REPORT ENDS -