

3 July 2020

Dear Shareholder



Mincor Resources NL (ASX: MCR) – \$60m Capital Raising and Upcoming General Meeting

On behalf of the Board of Mincor Resources NL ("**Mincor**" or the "**the Company**"), I am writing to seek your support in relation to the proposed capital raising of up to \$60 million announced by the Company on 25 June 2020, which represents a pivotal milestone in Mincor's journey to restart nickel production and re-join the ranks of mid-tier ASX-listed mining companies ("**Capital Raising**").

The Capital Raising comprises:

- a fully underwritten placement to institutional, professional and/or sophisticated investors ("**Share Placement**") in two tranches:
 - the first tranche of the Share Placement to raise \$17.3 million, which was completed on 2 July 2020 utilising the Company's existing Listing Rule 7.1 and 7.1A placement capacities ("**Tranche 1**");
 - the second tranche of the Share Placement to raise a further \$32.7 million, for which we have received firm commitments and are seeking your approval at the upcoming General Meeting on 5 August 2020 ("**Tranche 2**"); and
- a Share Purchase Plan ("**SPP**") for eligible shareholders to raise up to a further \$10.0 million, which opens on 3 July 2020.

The Capital Raising is being undertaken to:

- allow the Board of Mincor ("**Board**") to efficiently progress to a potential Final Investment Decision ("**FID**") for the commencement of project development at its 100%-owned Kambalda Nickel Operations in Western Australia;
- if a FID is reached, fund a portion of the project development costs and expected peak funding requirement of \$97.0 million (in combination with proposed debt funding) as outlined in the Definitive Feasibility Study ("**DFS**") announced in March 2020;
- fund two years of planned resource extension and exploration programs at Cassini Main, Cassini North, the 1.1km space between Durkin North and Long, and additional regional targets;
- provide for contingency in project development costs and an additional working capital buffer in the event of any unforeseen delays; and
- provide for debt raising costs and minimum liquidity requirements, while ensuring that Mincor can finalise negotiations with potential debt providers from a position of balance sheet strength.

The Capital Raising will allow the Company to maintain and even increase the strong momentum we have built up in recent months, with key recent highlights including the delivery of a high-quality DFS, four consecutive Mineral Resource upgrades and a maiden Ore Reserve at Cassini, completion of project approvals, execution of a mining contract, and the completion of early surface works at Cassini.

On the back of these achievements, Mincor is now poised to achieve a rare status – as one of very few investable nickel sulphide companies globally that offers near-term production in a world-class district with a tier-1 offtake partner. We are delighted with the outcome of the Share Placement, which reflects the strong appetite from quality institutional and strategic and sophisticated investors for advanced nickel development opportunities in first class jurisdictions.

The growth opportunity ahead of us is acknowledged in the strong support received from our existing, strategic shareholders, Wyloo Metals Pty Ltd, part of Tattarang (formerly known as Munderoo Group), which subscribed for \$8.3 million of the Share Placement in line with its current shareholding of 13.8%, and IGO Limited, which subscribed for \$13.0 million to increase its ownership of Mincor to approximately 8%.

The funds raised by the Capital Raising provide certainty and security for Mincor to progress the next steps of our growth plan. I therefore urge all shareholders to vote to approve the issue of new shares under Tranche 2 of the Share Placement at the upcoming General Meeting on Wednesday, 5 August 2020. If Tranche 2 of the Share Placement is not approved, this could severely impact the significant momentum we have built up and Mincor's ability to realise the strategic objectives I've outlined above.

This is an exciting time for Mincor as we aim to reclaim our position as one of Australia's leading nickel sulphide producers, and I would like to thank you for your continued support.

Yours faithfully,

Brett Lambert
Chairman

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