FINANCIAL RESULTS FOR YEAR ENDING 30 JUNE 2013

Mincor maintains dividend and commits to Kambalda growth despite bottom-line loss

- Net loss after tax of **$22.45M** (2012: profit of $0.24M), including **$15.51M** in exploration write-offs.
- The after-tax loss before write-offs and impairments was **$6.2M** – reflecting the 15% drop in average realised nickel prices for the year.
- Nevertheless Mincor achieved a strong operational performance, beating targets and generating **9,688 tonnes** nickel-in-ore at cash costs of **A$5.34/lb** payable nickel (2012: 10,285t @ A$5.78/lb).
- Cash costs were reduced by a further 7% on the back of the previous year's 27% reduction.
- Directors maintain unbroken dividend record: **fully franked final 2 cps dividend** (2012: 2cps).
- Despite the excellent operational performance, earnings from operations were down 34% at **$27.88M,** due largely to the low nickel price.
- Earnings from operations provided the cash flows to fund **$7.5M** in dividends, **$18.19M** in mine capital expenditures and **$14.87M** in exploration expenditure.
- Mincor ends the financial year with **$59.66M** in cash and no debt.
- **Strong outlook for FY2014**, with focus on core businesses:
  - Nickel mining at Kambalda – production guidance for FY14 of **8,500-9,000 tonnes** of nickel-in-ore at targeted cash cost of **A$5.30/lb** payable nickel; and
  - Gold and nickel exploration in Western Australia – drilling of the **exciting MW gold target** set to commence in the current Quarter and ongoing nickel exploration.

Australian nickel miner Mincor Resources NL (**ASX: MCR**) has declared a final fully franked dividend of 2 cents per share, committed to new growth initiatives in Western Australia and forecast a strong FY14 despite posting a bottom line loss for the 12 months to 30 June 2013.

Mincor reported a net loss of **$22.45 million** for the 12 months to 30 June 2013 (preceding corresponding period: $0.24 million net profit after tax). The loss was due to a 15% drop in the average nickel price for the year to A$7.59/lb (pcp: A$8.89/lb) combined with exploration write-offs totalling $15.51 million and a small impairment charge of $2.8 million against the McMahon nickel mine.

The exploration write-offs included $11.4 million in cumulative PNG exploration costs and $4.1 million of Australian exploration costs. Earnings from operations (revenue less cash costs before provisional pricing adjustments) were 34% lower at **$27.88 million** (pcp: $42.31 million), directly reflecting the lower nickel price. Sales revenues fell by 19% to **$98.58 million** (pcp: $121.55 million).

Notwithstanding the challenging market conditions Mincor's strong operational focus and tight cost control enabled its operations to generate healthy cash flows that were used to fund $7.5 million in dividend payments to shareholders, $18.19 million in mine capital development and $14.87 million in exploration.

EBITDA of $8.78 million (pcp: $32.43 million) was significantly affected by the exploration write-offs ($15.51 million versus $4.01 million for the pcp). The bottom line result includes non-cash charges for Depreciation and Amortisation of $34.25 million (pcp: $33.62 million) and impairment of $2.82 million.

Mincor's production for the year was 312,075 tonnes of ore (pcp: 332,877 tonnes) at an average grade of 3.1% nickel for **8,637 tonnes of nickel-in-concentrate** (pcp: 9,179 tonnes) at an average cash cost of **A$5.34/lb** of payable nickel (pcp: A$5.78/lb).

Mincor's Managing Director David Moore said the Company had been able to deliver a further 7.1% improvement in cash costs at Kambalda, partly offsetting the impact of the weaker nickel price.

"Our cash cost before royalties was $5.02/lb – beating our target for the year of A$5.20/lb. Considering that we had already reduced cash costs by 27% in the previous financial year, this represents a tremendous performance by our operational team in the face of a very challenging market environment.

"We continue to target cost reductions and operational improvements, and completed a major re-vamp of our roster structure in early July," Mr Moore said. "This comes on the back of a series of operational restructurings completed over the past two years, putting the Company in a strong position relative to other sectors of the industry which are only now facing up to lower commodity prices.

"The low nickel price environment continues to make nickel mining a challenging business at the moment, however we are confident of our ability to manage the downturn and we remain equally confident that the Company is in great shape to benefit from the market rebound when it comes."

The strong operational performance enabled Mincor's Board to maintain the Company's unbroken record of dividend payments by declaring a fully franked final dividend of **2 cents per share**, bringing the full-year payout to 4 cents per share.

During the year, the Company spent $14.87 million on exploration activities, comprising $4.13 million on regional exploration, $4.67 million on extensional nickel exploration at Kambalda and $6.07 million on exploration activities in PNG. The Company ended the year with $59.66 million in cash and no debt.

Outlook

Mincor will focus on its core businesses of mining and exploration in Western Australia during the 2014 Financial Year.

The Company expects to produce approximately 259,000 tonnes of ore at an average grade of 3.2% nickel from its Kambalda Operations for **8,500-9,000 tonnes of nickel-in-ore** for FY14. Cash operating costs are targeted at A$5.30/lb of payable nickel (including royalties).

Mr Moore said a combined capital and exploration budget of $22 million reflected a strong commitment to the Kambalda nickel business and to the Company's future growth. "This includes $15 million for the ongoing capital development of our mines and $7 million to pursue high-quality gold and nickel exploration targets right in our own backyard. Initial air-core drilling of the high-potential MW Gold Anomaly is due to commence in the current Quarter."

Mincor is a leading Australian nickel producer and an active and self-funded explorer, and 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.

- ENDS -

Released by:
Nicholas Read
Read Corporate
Tel: (08) 9388 1474

On behalf of:
David Moore, Managing Director
Mincor Resources NL
Tel: (08) 9476 7200 www.mincor.com.au

MINCOR RESOURCES NL

2013 Full Year Financial Results

MINCOR

2013 Highlights

- Net Loss after Tax of **$22.45M** (pcp profit $0.24M), after writing off:
  - $4.1M in Australian exploration costs incurred during the Financial Year, as per Mincor's normal practise.
  - $11.4M in PNG exploration costs – this is the total of the Company's cumulative exploration expenditure to date in PNG, and comprises $6.07M spent during FY2013 and $5.33M spent during FY2012.
  - $2.8M impairment charge against McMahon Mine – McMahon carries it's share of the original acquisition cost of GMM Pty Ltd (the Otter Juan Mine and tenements) as well as its own development costs.
- Mincor's net after-tax loss before exploration write-downs and impairments was $6.2M.
- Earnings from operations (revenue less cash costs before provisional pricing adjustment) at **$27.88M** was 34% lower than the prior year due to the much weaker nickel price.
- Mincor's nickel operations performed extremely well, beating production and cost targets to generate 9,688 tonnes Nickel-in-Ore at a cash cost of $5.34/lb.
- 7.1% reduction in cash costs, on top of a 27% reduction in the previous year – Mincor continues to drive cost and operational improvements.
- Despite difficult operating conditions, Mincor's cash flows funded a 4cps fully franked dividend ($7.5M) and investments in future production ($18.19M capex) and future growth ($14.87M exploration).
- Year-end balance sheet strong with **$59.66M** cash and no debt.
- Board declares **2 cents per share fully-franked final dividend, bringing full-year payout to 4 cps**.

MINCOR

Outlook for 2014

- Focus on core business of mining nickel in Kambalda, returning value to shareholders, and discovering new gold and nickel ore bodies in Western Australia;
- Kambalda production targeted at 8,500–9,000 tonnes of nickel-in-ore at a cash cost of $5.30/lb payable nickel;
- $15M committed to Kambalda, including capital development and drill-out of emerging discoveries at Mariners and Miitel;
- $7M set aside for high-quality gold and nickel exploration in Western Australia;
- Initial drill-testing of the exciting MW Gold Anomaly scheduled for September Quarter 2013.

MINCOR

Key Operational Results

	2013	2012	2011	2010	2009
Ore Delivered (tonnes)	312,075	332,877	395,979	371,159	573,124
Nickel Grade	3.10%	3.09%	2.61%	3.18%	3.08%
Nickel-in-Concentrate (tonnes)	8,637	9,179	9,056	10,673	15,768
Pounds payable Nickel	12,376,435	13,138,073	12,796,138	15,186,423	22,513,131
Average Nickel Price (A$/lb)	7.59*	8.89	10.95	11.11	8.39
Average Cash Cost (A$/lb)	5.34	5.78	7.95	5.66	5.37
Average Cash Margin (A$/lb)	2.25	3.11	3.00	5.45	3.02

*Excludes the impact of negative sales adjustments on the establishment of final nickel prices for April, May and June 2012 ($0.79 million). Based on price estimates pending the fixing of the nickel price for the months of April, May and June 2013 – see explanation on following pages.

Headline Earnings

	2013	2012	2011	2010	2009
Revenues ($M)	98.58	121.55	152.11	184.03	191.87
EBITDA ($M)	8.78	32.43	16.30	77.62	45.16
Net Profit/(Loss) After Tax ($M)	(22.45)	0.24	(23.39)	28.10	(16.66)
Earnings/(Loss) per Share (CPS)	(11.9)	0.0	(11.7)	14.0	(8.40)
Dividends per Share (CPS)	4.0	4.0	4.0	9.0	6.0

*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. Therefore the nickel price in the June 2013 full year accounts for the production months of April, May and June 2013 must be estimated. The Company's policy is to base this estimate upon the three-month forward nickel price at the end of the month of delivery. Revenue for April, May and June 2013 in this report has been estimated in this way, and is subject to an adjustment (up or down) when the final nickel price is known. Similarly, revenues for the current year have been adjusted to take account of the final nickel prices established for April, May and June 2012. As a result Mincor has recognised a negative sales revenue adjustment of $0.79M attributable to those production months. This adjustment is incorporated in the above figures.

MINCOR

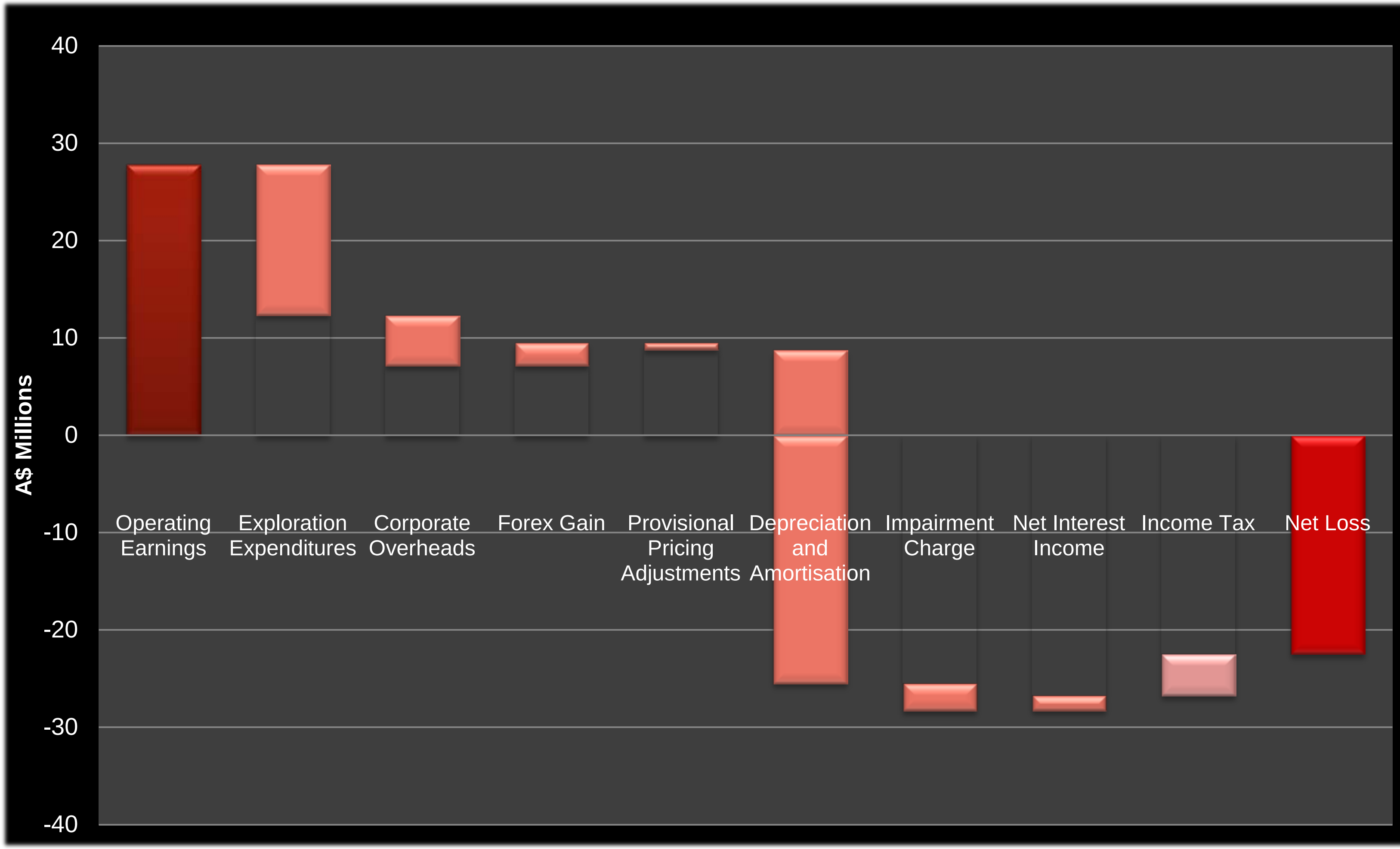
Analysis of Earnings

	2013	2012	2011	2010	2009
Earnings from Operations (Revenue less Cash Costs) ($M)*	27.88	42.31	40.83	83.10	67.15
Less: Exploration Costs Expensed ($M)	(15.51)	(4.01)	(9.92)	(6.31)	(10.13)
Less: Corporate Overheads ($M)	(5.20)	(5.65)	(5.80)	(4.96)	(4.58)
Less: Foreign Exchange Gain/(Loss) ($M)	2.43	2.68	(8.37)	(0.53)	(1.54)
Add: Net Other Income/(Costs) ($M)	(0.09)	(1.10)	1.02	1.11	2.67
EBITDA before recognition of provisional pricing adjustments ($M)	9.51	34.23	17.76	72.41	53.57
Provisional pricing and royalty adjustments following finalisation of the nickel prices for April, May & June 2012 ($M)	(0.73)	(1.80)	(1.47)	5.21	(8.41)
EBITDA ($M)	**8.78**	**32.43**	**16.29**	**77.62**	**45.16**
Depreciation and Amortisation ($M)	(34.25)	(33.62)	(28.13)	(40.17)	(57.11)
Impairment Loss ($M)	(2.82)	-	(24.99)	-	(17.86)
EBIT ($M)	**(28.29)**	**(1.19)**	**(36.83)**	**37.45**	**(29.81)**
Net Interest Income ($M)	1.57	2.30	3.42	2.48	3.50
Income Tax Benefit/(Expense) ($M)	4.27	(0.87)	10.02	(11.83)	9.65
Net Profit/(Loss) after Tax ($M)	**(22.45)**	**0.24**	**(23.39)**	**28.10**	**(16.66)**

*Excludes the impact of provisional pricing adjustments.

MINCOR

Analysis of Earnings



Balance Sheet

	2013	2012	2011	2010	2009	2008
Assets ($M)	134.72	179.66	210.89	260.43	251.20	328.96
Liabilities ($M)	19.08	29.95	40.04	55.38	51.87	90.47
Shareholder's Equity ($M)	115.65	146.13	164.79	203.07	187.91	219.43
Return on Equity	N/A	N/A	N/A	14%	N/A	29%

NOTE: Shareholder's Equity has been adjusted to remove the impact of cash flow hedges. The adjustment for 30 June 2013 was nil. Under Australian International Financial Reporting Standards (AIFRS), hedges must be fair valued with mark to market adjustments made against equity. As this fair value fluctuates with nickel and currency prices, the adjustment has been removed in the above table to allow comparisons with previous years.

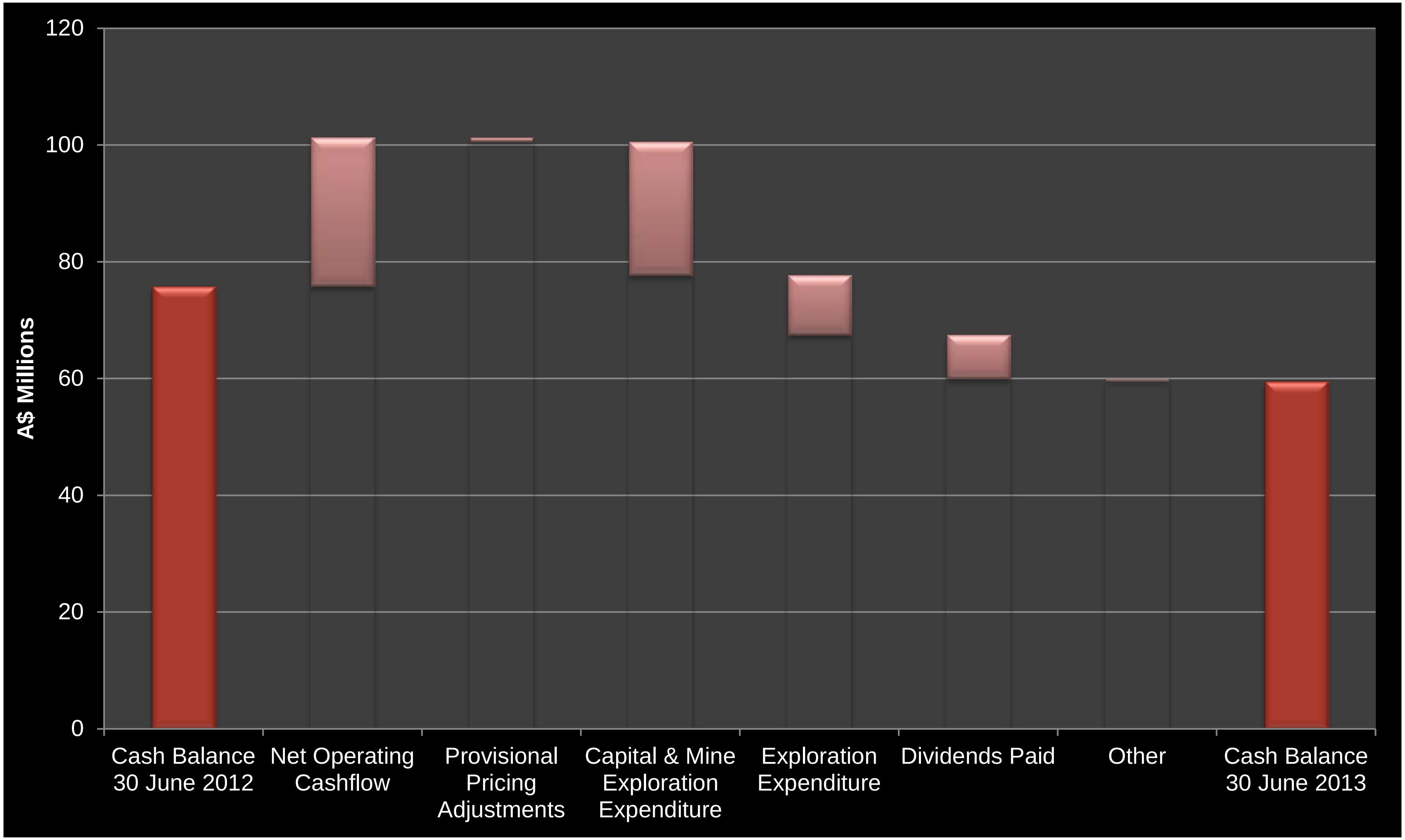
MINCOR

Analysis of Cash Flows

	2013 $'000	2012 $'000	2011 $'000	2010 $'000	2009 $'000
Net Operating Cash Flow before recognition of provisional pricing adjustments	25,496	41,055	37,908	95,273	51,933
Provisional pricing and royalty adjustments following finalisation of the nickel prices for April, May and June 2013	(735)	(1,803)	(1,469)	5,208	(8,418)
Net Operating Cash Inflow	**24,761**	**39,252**	**36,439**	**100,481**	**43,515**
Income Tax (Paid)/Received	-	1,357	(10,238)	(990)	(3,662)
Payment for Acquisition of GMM	-	-	-	(1,561)	(6,575)
Payment for On-market Share Buy-Back	-	(9,090)	-	-	-
Capital Expenditure (including near-mine exploration)	(22,870)	(21,209)	(39,163)	(28,370)	(43,674)
Exploration and Development Expenditure	(10,192)	(9,110)	(9,873)	(5,171)	(9,634)
Dividends Paid	(7,528)	(7,854)	(16,049)	(14,012)	(15,911)
Proceeds from Issue of Shares	-	-	359	1,002	149
Payment for Investment	(504)	(5,000)	-	-	-
Other	96	210	(930)	(383)	(906)
Net Cash Inflow/(Outflow)	**(16,237)**	**(11,444)**	**(39,455)**	**50,996**	**(36,698)**
Cash at 30 June 2012	59,661	75,898	87,342	126,797	75,801

MINCOR

Analysis of Cash Flows



MINCOR