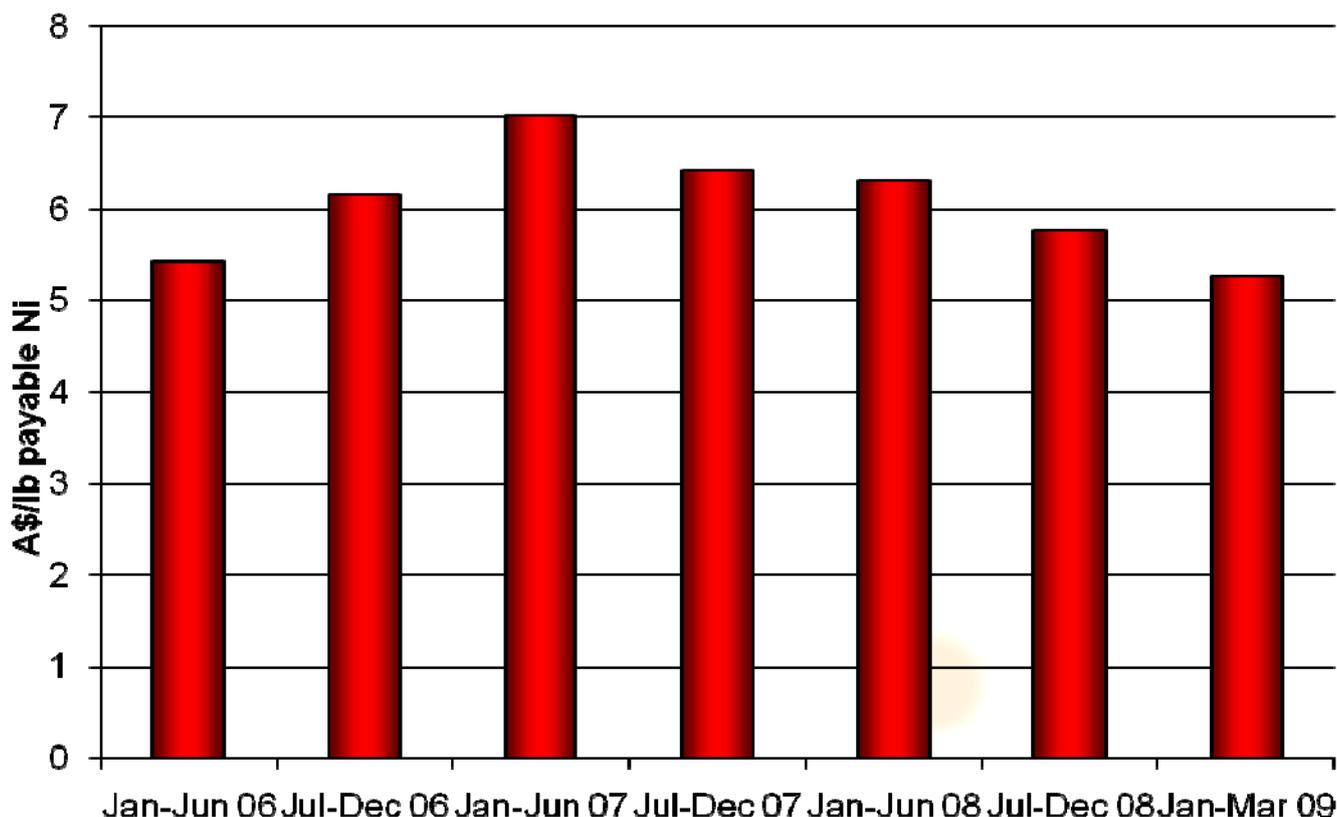


## HIGHLIGHTS OF THE QUARTER

- Costs down, grades up and nickel production on target in first full quarter following successful implementation of Management Plan
- Strong cost performance – cash costs down a further 6% to lowest level in 3 years (A\$5.25/lb payable nickel, or US\$3.41 at an exchange rate of 0.65)
- Strong cash generation – net free cash of \$10.3 million for the quarter (operational surplus of \$15.5 million minus capital and exploration costs of \$5.2 million)
- Highest quarterly nickel grade in 5 years and lowest quarterly cash costs in 3 years – showcases Mincor’s unique production flexibility and the strength of its core operations
- Exploration program delivers exciting results below the N09 ore body at Mariners, including drill intersections of 1.2 metres @ 10.3% nickel and 5.5 metres @ 3.38% nickel (both true width)
- Major 5-rig exploration program commencing early May – focused on the discovery of Ultra-Sized Nickel Ore Bodies at North Kambalda, new ore systems at Bluebush, and strong exploration targets at Otter Juan, Carnilya Hill, Mariners and Miitel
- Working Capital (cash and receivables minus creditors and accruals) increased to \$78.5 million – up from \$71.7 million at end December, after payment of \$4 million interim dividend and negative provisional pricing adjustment of \$1.7 million

### SUCCESSFUL COST REDUCTION STRATEGIES BRING CASH COSTS DOWN TO LOWEST LEVEL IN 3 YEARS



## MINING OPERATIONS, KAMBALDA

**Table 1: Production, Grade, Revenue and Costs – Quarter ending 31 March 2009**

	SOUTH KAMBALDA OPERATIONS <sup>(1)</sup>	NORTH KAMBALDA OPERATIONS <sup>(2)</sup>	TOTAL FOR MAR 2009 QUARTER	PRECEDING QUARTER (December 2008) TOTAL
Ore Tonnes Treated (DMT)	53,552	58,300	<b>111,852</b>	180,204
Average Nickel Grade (%)	3.02	3.48	<b>3.26</b>	2.89
Nickel-in-Concentrate Sold (tonnes)	1,433.4	1,871.5	<b>3,304.8</b>	4,618.3
Copper-in-Concentrate Sold (tonnes)	125.4	119.2	<b>244.6</b>	372.1
Cobalt-in-Concentrate Sold (tonnes)	27.6	23.3	<b>50.9</b>	74.0
Sales Revenue* (A\$)	17.52m	24.41m	<b>41.93m</b>	59.31m
Direct Operating Costs** (A\$)	12.18m	12.66m	<b>24.84m</b>	36.65m
Royalty Costs (A\$)	0.73m	0.86m	<b>1.59m</b>	2.42m
<b>Operating Surplus*** (A\$)</b>	<b>4.61m</b>	<b>10.89m</b>	<b>15.50m</b>	20.24m
Capital Costs****	2.64m	2.56m	<b>5.20m</b>	10.21m
<b>Costs Per Pound Payable Nickel</b>				
Payable Nickel Produced (lbs)	2,054,019	2,669,759	<b>4,723,778</b>	6,603,185
Mining Costs (A\$/lb)	3.30	3.02	<b>3.14</b>	3.36
Milling Costs (A\$/lb)	0.96	0.79	<b>0.86</b>	1.00
Ore Haulage Costs (A\$/lb)	0.24	0.06	<b>0.14</b>	0.19
Other Mining/Administration (A\$/lb)	1.28	0.80	<b>1.01</b>	1.00
Royalty Cost (A\$/lb)	0.36	0.32	<b>0.34</b>	0.37
By-product Credits (A\$/lb)	(0.28)	(0.20)	<b>(0.24)</b>	(0.31)
Cash Costs (A\$/lb Ni)	5.86	4.79	<b>5.25</b>	A\$5.61
Cash Costs (US\$/lb Ni @ 0.65c)	3.81	3.21	<b>3.41</b>	3.65

(1) Production from Mariners and Redross.

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

\* 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 has recognised a negative sales revenue adjustment of **\$1.7 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

Mincor's March Quarter results showcase the Company's unique capacity to tailor production and costs to the prevailing nickel price, and highlight the strength of its core operations. The Company reduced production in line with its previously announced Management Plan, bringing cash costs down to their lowest level in 3 years and lifting average nickel grades to their highest level in 5 years.

The results mean that Mincor has now been generating net free cash, after all capital, exploration and corporate expenditures, every month since November 2008. The negative cash flows experienced from July to October 2008 were brought about by a rate of capital expenditure that was too high, in retrospect, for the nickel price range that was established from October onwards.

Importantly, while cutting production levels Mincor has not cut production capacity, and retains the ability to ramp up

nickel output very substantially when it chooses. Mincor's Miitel Mine, in particular, which is now on care and maintenance, is capable of a rapid and low cost return to full production.

Mincor produced 3,652 tonnes of nickel-in-ore for the quarter, down from the previous quarter in line with the Management Plan. The Company remains on track to deliver its revised production target of 16,500 to 17,500 tonnes of nickel-in-ore for the year.

Significant cost savings were achieved at all operations, and these savings, together with the higher nickel grades, brought about the marked reduction in cash costs, continuing a trend of decreasing costs established over the last seven quarters.

Mincor's **North Kambalda Operations** proceeded as per Plan, delivering production marginally down on the previous quarter due to the planned suspension of development at McMahon.

Strong production was achieved from Otter Juan, with both tonnes and grades higher than the previous quarter. The increase in production was due to development ore from the 47 and 48 levels on the 62 ore body. Stopping operations at McMahon and Coronet continued without issue.

During the quarter Carnilya Hill was changed seamlessly from contract mining to owner mining. Production proceeded according to plan from the 14 to 17 levels, and towards the end of the quarter the 18 level access was developed. However a fault structure on the 17 level appears to have reduced reserves in that area and significantly affected production during February.

Operational diamond drilling into the lower westernmost ore zone at Carnilya Hill unexpectedly returned negative results, and these may result in a downgrade to ore reserves in this area. However exploration drilling into the areas down-dip of the main ore zone intersected high grade mineralisation, and numerous other high-quality targets have been identified. See further under the exploration section below.

Expenditure at all Northern Operations centres was lower than the previous quarter. This combined with strong production delivered a cash cost per pound of A\$4.79, a reduction of 15% compared to the previous quarter.

Production from Mincor's **South Kambalda Operations** was lower than the previous quarter due to the planned suspension of operations at Mitel. Cash cost performance was steady, but both costs and production were negatively affected by power outages at Mariners, as detailed below.

Mariners continued to expose and mine high-grade ore in the N09 ore surface between the 1600 and 1460 levels. Production from Mariners was adversely affected during the quarter by several lengthy interruptions to electrical power, which is supplied by a third party. Cost reduction initiatives continued resulting in a 14% reduction in operating expenditure. Drilling beneath the N09 ore body continued during the quarter with considerable success, as further outlined in the exploration section below.

Mining at Redross continued satisfactorily, achieving a very good production and cost performance during its wind-down phase. Reserves at Redross are expected to be fully depleted by early May, following which the mine will close.

**Table 2: Production by mine site, March 2009 quarter**

Mine	Tonnes	Grade	Nickel-in-ore	Nickel-in-concentrate
Mariners	37,508	3.05	1,142	1,011
Redross	16,044	2.98	477	422
Otter Juan	32,210	3.90	1,256	1,160
McMahon/Coronet	7,333	2.44	179	165
Carnilya Hill	18,757	3.19	598	547
<b>Totals</b>	<b>111,852</b>	<b>3.26</b>	<b>3,652</b>	<b>3,305</b>

## HEALTH, SAFETY AND THE ENVIRONMENT

Two Lost Time Injuries were reported for the March quarter. An Air Leg Miner at Carnilya Hill received a penetration wound to his thigh and a Service Crew Operator at Otter Juan

received ligament and tendon damage to his shoulder while hanging vent bags. These incidents lift Mincor's 12 month moving average Lost Time Injury Frequency Rate to 5.0. This is above the LTIFR of 4.5 for Underground Metalliferous Mining in Western Australia.

The increase in lost time injuries at the Northern Operations is not acceptable and is being addressed through personal leadership by the operations management. Senior managers are personally undertaking task observations, the frequency of task observations has been increased and a hazard awareness and personal accountability program is being implemented.

More generally Mincor continued to focus on further improving and implementing the Safety Management System and safe systems of work programs. Initiatives include:

- Increased frequency of task observations at Otter Juan and Carnilya Hill
- Hazard identification and accountability for safety programs at Otter Juan and Carnilya Hill
- Continued developed and implementation of Major Hazard Standards for Southern Operations
- Development and implementation of the 24 Emergency Response Standard Operating Procedures at Southern Operations
- 9 x Shot Firers Courses were held at Northern and Southern Operations during the quarter to ensure all employees who are involved in Charge Up and Firing of Blasts have a current Shot Firers Licence to comply with the *Dangerous Goods Safety (Explosives) Regulations 2007*
- Mincor and Barmenco employees at Southern Operations attended an Accountability and Responsibility for Safety Awareness Program Presentation during the quarter. Additional sessions over the coming months will ensure the attendance of all new contractors on-site
- The Strategic Safety Plan for Southern Operations outlining the Key Strategies to be achieved over the next 3 years was finalised. 50 key initiatives were identified with 9 completed to date

## KAMBALDA NICKEL EXPLORATION

Nickel exploration during the quarter focused on extensional targets at the Carnilya Hill and Mariners Mines, using Mincor's two owner-operator underground diamond drilling rigs, which continued to achieve significant cost savings over contractor rates.

With the stabilisation of Group cash flows following the successful implementation of the Management Plan, the Company is in a position to again ramp up exploration expenditures and will commence a major integrated 5-rig exploration program from early May. The program will concentrate on the discovery of new ore systems in the Kambalda Nickel District, as well as extending existing ore systems.

### Ultra-Sized Nickel Ore Body Program

The Ultra-Sized Nickel Ore Body (USNOB) exploration program is directed at the discovery of a high-grade nickel ore body with greater than 100,000 tonnes of contained nickel metal. The prime target area is Mincor’s North Kambalda tenement holdings, on which occurs the Otter Juan ore body (300,000 tonnes of past nickel metal production and still producing) and the Durkin ore body (100,000 tonnes of past nickel metal production). Around two-thirds of the basal contact on these tenements remain untested and this area is considered highly prospective for new Ultra-Sized Nickel Ore Bodies, as well as for the down-plunge extensions to known ore bodies.

Mincor has completed a high resolution 3-dimensional seismic survey in a joint initiative with BHP Billiton, Mincor’s tenement neighbour to the north. The seismic survey acquisition area covered the northern third of Mincor’s North Kambalda tenements.

Processing of the seismic data continued during the quarter and included velocity measurements of historic drill core and rigorous quality control of each line of data. Final detailed interpretations of the data are expected to commence during May, with a final product available by the end of May, leading to the delineation of high-quality drill targets for testing early in the new financial year.

### Otter Juan Ore System

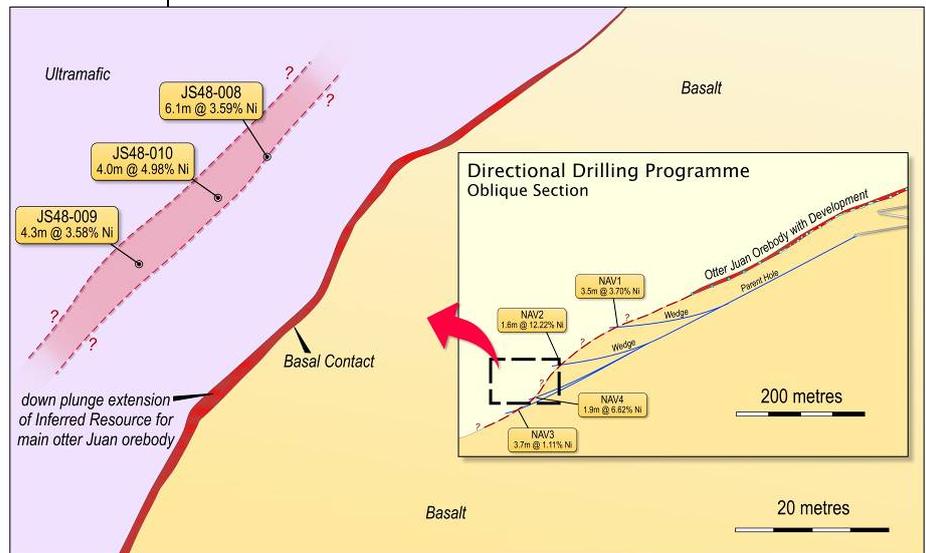
Operational underground drilling at Otter Juan during the quarter led to the discovery of significant hanging wall mineralisation. Three holes intersected ore grade material in the hanging wall some 16 metres above the main F62 ore body in an area amenable to mining using existing infrastructure:

- JS48-009: **6.67 metres @ 3.58% nickel** from 193 metres (true width 4.3 metres);
- JS48-008: **9.52 metres @ 3.59% nickel** from 177.29 metres (true width 6.1 metres); and
- JS48-010: **6.15 metres @ 4.98% nickel** from 181.87 metres (true width 4.0 metres).

JS48-010 zone was stoped out by porphyry and JS48-008 ended in ore so these two intervals may be wider than reported. The intercepts are in an area 17 metres x 16 metres which runs parallel to the basal contact and is comprised of massive, matrix and disseminated sulphides. The mineralisation remains open in every direction and follow-up drilling is planned for the June quarter.

A significant program of extensional drilling will be undertaken at Otter Juan over the next 3 months using two underground diamond drill rigs. The program is designed to extend both resources and reserves as well as follow-up numerous additional near-mine targets.

Figure 1: Otter Juan long section

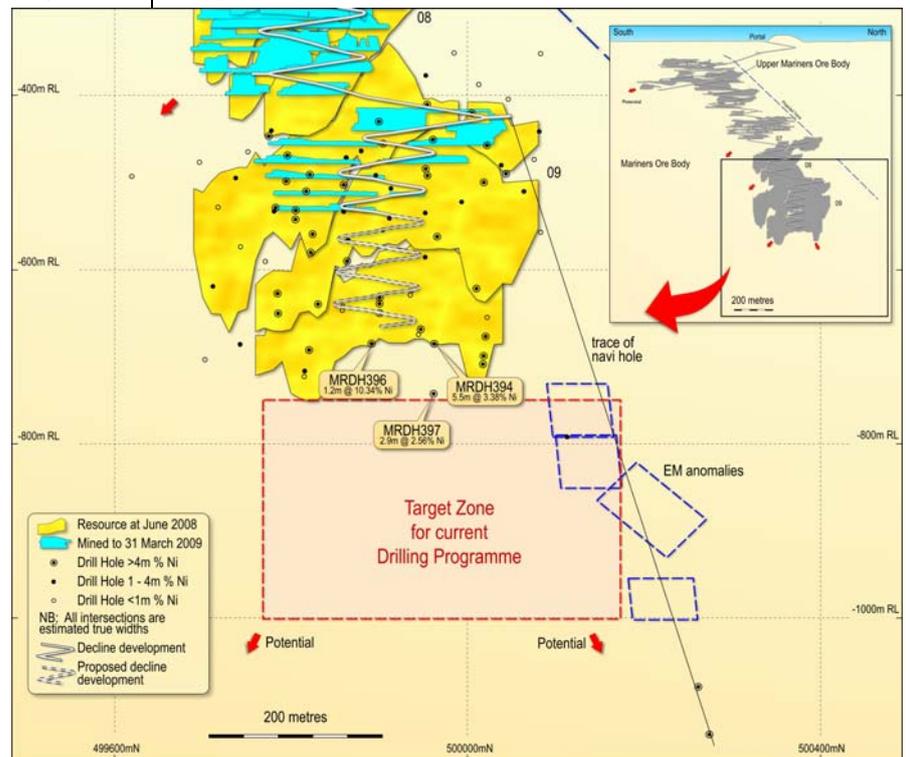


### Mariners Ore System

Drilling commenced during the quarter targeting the area down-plunge of the NO9 ore body. Three holes were completed, with all three intersecting good mineralisation:

- MRDH0396: **1.84 metres @ 10.34% nickel** (true width 1.2 metres);
- MRDH0394: **10.11 metres @ 3.38% nickel** (true width 5.5 metres); and
- MRDH0397: **6.20 metres @ 2.56% nickel** (true width 4.9 metres).

Figure 2: Mariners long section



The three intersections, together with the results of the directional drilling reported during the previous quarter, highlight the continued very high prospectivity of the Mariners ore system below the N09 ore body. A two-rig exploration drilling program will continue through the June Quarter targeting a substantial expansion of the Mariners Mineral Resource in this potential new 'N10' ore body.

**Miitel Ore System**

At both Burnett and Miitel South drill programs have been designed to extend the existing resource at both ends of the mine. Drilling of these high priority targets is likely to commence early in the new financial year.

**Carnilya Hill Joint Venture**

Exploration drilling during the quarter tested the area immediately down-plunge of the main B01C ore body, with modest results, and the area down-dip of the B01C ore body, with more success.

The down-plunge drilling comprised four holes, two of which returned the following:

- CUD0053: **3.37 metres @ 1.83% nickel** (true width 1.24 metres); and
- CUD0057: **2.45 metres @ 2.43% nickel** (true width 1.07 metres) within a mineralised picrite on the contact.

Although these intersections are relatively modest in grade they do highlight the continuation of the mineralised system. A conductor identified from a previous down-hole electromagnetic survey (DHEM) is located between these latest drill holes and the resource boundary and remains to be tested.

In the down-dip direction the B01C ore body is believed to terminate in a basalt pinch-out locally termed the 'keel'. Mineralisation generally improves within the keel due to better developed thicknesses of remobilised massive sulphides. Recent drilling in this area has included an intersection in CUD0038 of a true width of 2.66 metres @ 12.75% nickel.

A program of five drill holes was completed during the quarter, testing this down-dip area for extensions to the B01C ore body. Better results included:

- CUD0063: **2.77 metres @ 5.62% nickel** (true thickness 2.44 metres); and
- CUD0061: **1.47 metres @ 6.01% nickel** (true thickness 1.06 metres) and **0.68 metres @ 15.8% nickel** (true thickness 0.50 metres).

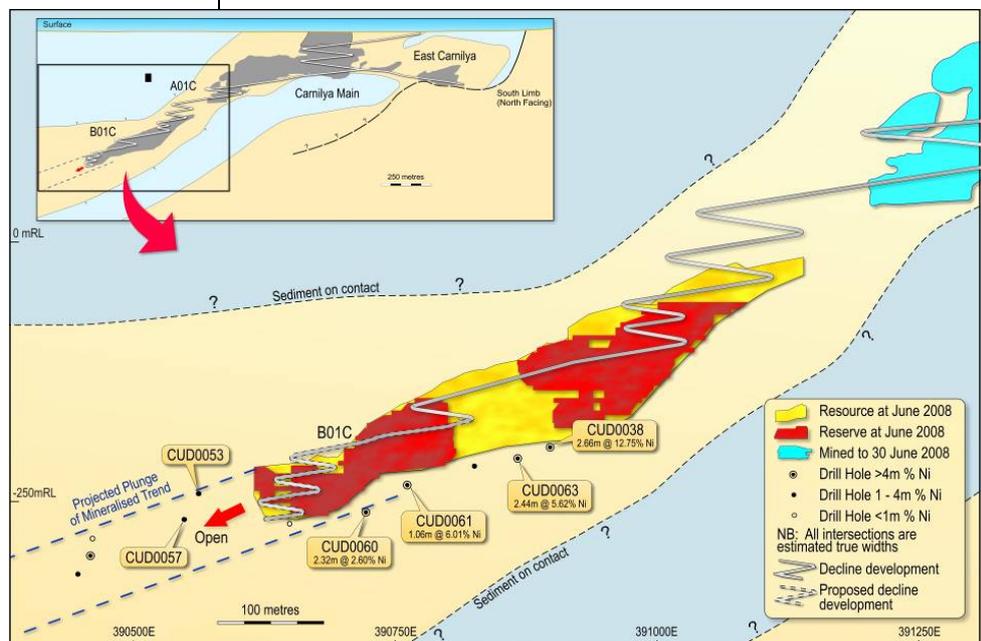
The keel drilling program has successfully extended the resource down-dip and these results will be included in future resource modeling.

Recent detailed geological work has continued to refine Mincor's understanding of the complexities of the Carnilya Hill mineralisation. Strong targets continue to emerge, and

drilling and other exploration work will proceed over the coming quarter. Identified targets include the following:

- The untested potential of the A02C contact, located close to though structurally below the main ore body – drill-testing during May and June;
- The untested potential of the ore system to the east – a surface electromagnetic survey will be carried out during May, followed by drill-testing of targets;
- The untested potential of the area immediately up-dip of the B01C ore body – drill-testing during May and June;
- The potential western extensions down-plunge along the main ore trend – drill-testing, possibly from surface, following completion of comprehensive structural geology studies that are underway now.

Figure 3: Carnilya Hill long section



**Bluebush Line Tenements**

A number of high-quality exploration targets occur along the Bluebush Line, including near-surface high-grade drill intersections at Cameron, Lawry and Stockwell. However Mincor's regional work has demonstrated that much of the Bluebush Line has undergone little regional exploration, and very large areas remain completely untested, including substantial magnetic highs that are coincident with surface geochemical anomalies.

Based on this, and on the success of an orientation EM survey completed by Mincor last year, the Company has determined to carry out a 500 line-kilometre Airborne Versatile Electromagnetic Survey (VTEM) over the Bluebush Line to ensure that the highest priority targets are selected for the next stage of detailed exploration. The survey will be completed during May.

## REGIONAL GOLD & BASE METAL EXPLORATION

Regional exploration activities during the quarter were limited to pre-field season conceptual work on the JOGMEC funded Georgina Zinc Project, selective mapping and sampling at the exciting Gascoyne uranium project and ongoing planning of upcoming field programs for the Bonaparte zinc project.

### Gascoyne Tungsten/Uranium Prospect (Mincor 100%)

#### Cattle Pool

Air-core drilling at Cattle Pool in October 2008 focused on the evaluation of high order radiometric anomalies as a first pass assessment of the uranium potential. It was clear from the drilling results (published in the December quarterly) that some areas of lower order radiometric anomalism also contained uranium mineralisation and as such it was decided to evaluate some of these lower order anomalies (in soil covered areas) with ground radiometrics and hand auger sampling of the soils.

Two anomalies were sampled in the general Cattle Pool area (Figure 4) and one of these returned an assay of 425ppm U<sub>3</sub>O<sub>8</sub> confirming that additional untested potential does exist. A more detailed investigation of these soil covered areas will be carried out at a later date when suitable sampling equipment becomes available.

#### New Kendell Bore Application

This new application (ELA09/1593 shown in Figure 4) augments Mincor's existing land holding and contains known calcrete-hosted uranium prospects at Kendell and Kendell South, near the headwaters of the Thirty Three River.

At Kendell South, a series of secondary uranium occurrences were located over a strike length of approximately 1km within dissected calcrete units which parallel the current drainage channel. The calcrete attains a maximum thickness of 2 metres at one small creek exposure, but in general outcrop is sporadically located within a soil covered depression between granitic gneiss outcrops. Preliminary investigations and consistent radiometric readings suggest that the mineralised calcrete may be more or less continuously preserved beneath thin soils in this area.

Three anomalous areas were sampled with results as follows:

Anomaly no.	Sample no.	MGAe	MGA <sub>n</sub>	Radio-metrics (level above background)	Assay U <sub>3</sub> O <sub>8</sub> (ppm)	Comment
KE01	G1493	444316	7297151	5.5x	307	Carnotite in white clay and calcrete; 800m NE of Kendell South
KE02	G1494	444098	7296905	5.0x	1286	Carnotite in calcrete beneath brown grey soil North of Kendell South
KE03	G1495	443988	7296432	4.0x	649	Carnotite in calcrete beneath brown grey soil, and clay 200m West of Kendell South

Note that the above discrepancies in correlation between radiometrics and assays indicates that uranium mineralisation is not in equilibrium, suggesting that near surface groundwater is actively dissolving and re-precipitating secondary uranium minerals in this area.

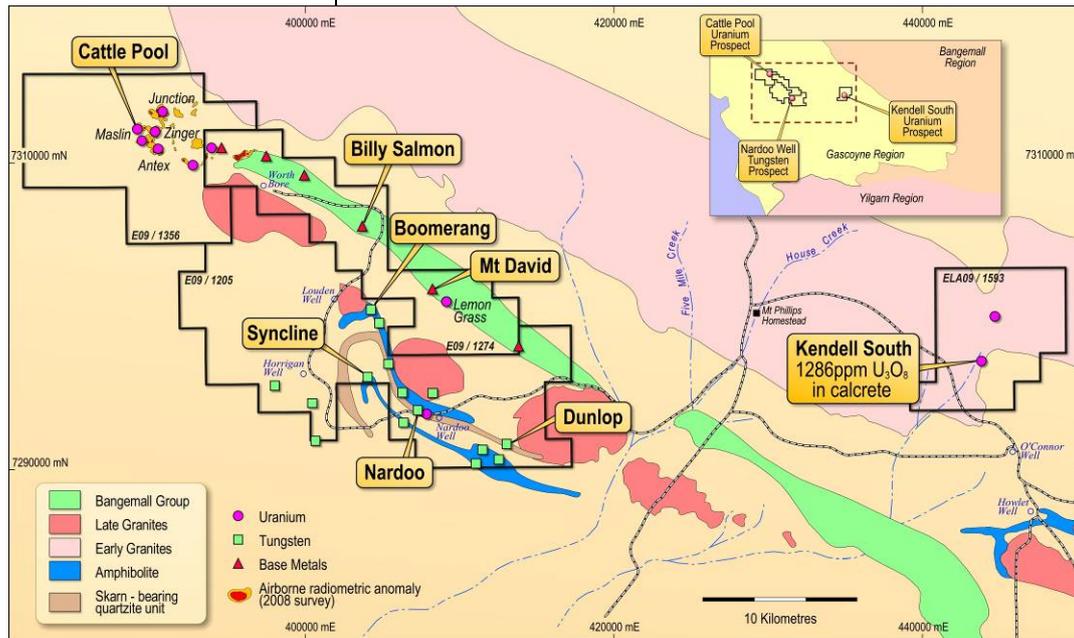
A further 3 kilometres of strike of sub-cropping calcrete in the vicinity of the Kendell South Prospect remains to be investigated. Evaluation of these and other known uranium occurrences will commence once the tenement is granted.

#### Gascoyne Tenement Rationalisation

Three tenements (E09/1327, E09/1402 and E09/1228) covering non-key areas were relinquished during the quarter. With the addition of Kendell Bore, Mincor's landholding in the area remains at 490km<sup>2</sup> (also shown in Figure 4).

Rehabilitation of all trench and drill sites from the 2008 field program was also completed.

Figure 4: Gascoyne Project landholding, prospect locations and rock chip assay location



**Georgina Zinc Project**

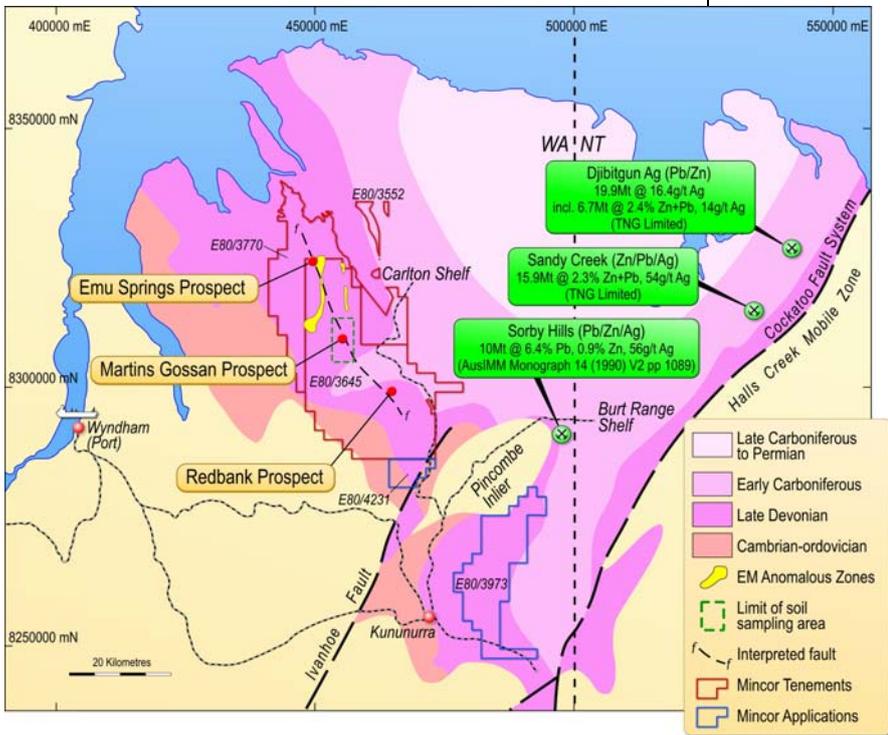
(Mincor 100%; JOGMEC sole-funding to earn up to 40%)

The initial phase of 3-dimensional model construction and numerical fluid flow modeling (which will be continuously updated and re-run as new information becomes available) has almost been completed by CSIRO. Part of this work has comprised development of a structural model identifying likely prospective corridors to be followed up in the field. Planning for the 2009 field season is underway with fieldwork expected to commence in early May.

**Bonaparte Zinc Project (Mincor 100%)**

The Bonaparte project is located within the onshore Bonaparte Basin and underlain by Devonian and Carboniferous rocks that are prospective for carbonate and shale hosted zinc, lead and/or copper deposits. Fieldwork will commence following completion of Heritage Surveys. An extensive literature and data review has been completed and planning for the 2009 field season is well advanced. Following the above review, a portion of E80/3770, predominantly underlain by less prospective Proterozoic rocks, has been relinquished. The revised tenement area is shown in Figure 5.

Figure 5: Bonaparte Project landholding and main prospect locations



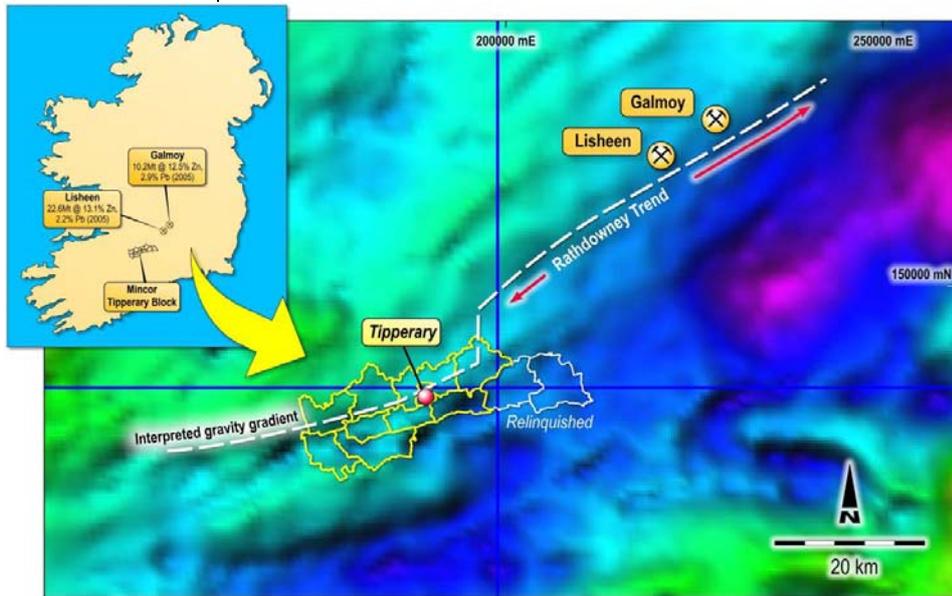
**Tottenham Copper Project (Mincor 100%)**

No new work completed.

**Tipperary Zinc Project (Mincor 51%)**

No fieldwork was completed at Tipperary during the reporting period. The two easternmost licence areas (PL2026 and PL2027) have been relinquished (Figure 6).

Figure 6: Tipperary Project area showing relinquished tenements



**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 a total of 2,005 tonnes of payable nickel metal to September 2010, at an average price of A\$30,854 per tonne.

This represents approximately 13% of Mincor's expected production over that period.

This hedging is distributed as follows:

<b>Apr 2009 to Jun 2009</b>	190 tonnes of payable nickel per month at a price of \$30,729/tonne
<b>Jul 2009 to Dec 2009</b>	148 tonnes of nickel per month at a price of A\$32,632/tonne
<b>Jan 2010 to Jun 2010</b>	78 tonnes of nickel per month at a price of \$29,771/tonne
<b>Jul 2010 to Sep 2010</b>	25 tonnes of nickel per month at a price of \$17,501/tonne

## Cash and Debt

As at 31 March 2009, Mincor had cash of **\$60.60 million** (end December 2008: \$55.85 million) and receivables net of creditors and accruals of \$17.88 million, giving a working capital position of **\$78.48 million** (end December 2008: \$71.69 million).

During the quarter Mincor paid a fully franked interim dividend of 2 cents per share to shareholders, totaling **\$3.98 million**, and incurred a **\$1.7 million** reduction in revenue received (compared to revenue booked as receivables in the previous quarter) due to provisional pricing adjustments.

Apart from minor leasing and bond commitments, Mincor has no debt.

The information in this Public Report that relates to Exploration Results is based on information compiled by Messrs Peter Muccilli and Richard Hatfield both of whom are Members of The Australasian Institute of Mining and Metallurgy. 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. Messrs Muccilli, Hatfield and Hartley are full-time employees of Mincor Resources NL. Messrs Muccilli, Hatfield and Hartley 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, Hatfield and Hartley consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

### Mincor Resources NL

Postal Address:  
PO Box 1810, West Perth WA 6872 Australia  
Email: [mincor@mincor.com.au](mailto:mincor@mincor.com.au)  
Website: [www.mincor.com.au](http://www.mincor.com.au)  
Tel: (08) 9476 7200  
Fax: (08) 9321 8994  
ABN: 42 072 745 692  
ASX Code: MCR



### Corporate Details

Principal & Registered Office:  
Level 1, 56 Ord Street  
West Perth WA 6005 Australia

### Share Registrar Enquiries

Computershare Investor Services Pty Ltd  
GPO Box D182, Perth WA 6840 Australia  
Email: [perth.services@computershare.com.au](mailto:perth.services@computershare.com.au)  
Tel: (08) 9323 2000 Fax: (08) 9323 2033