

MINCOR RESOURCES NL

ACN 072 745 692

CHAIRMAN'S ADDRESS

**TO THE EIGHTEENTH ANNUAL GENERAL MEETING OF MINCOR RESOURCES NL
TO BE HELD ON WEDNESDAY, 12 NOVEMBER 2014 AT 11.30AM
AT THE CELTIC CLUB, 48 ORD STREET, WEST PERTH**

We operate as owners, two safe and environmentally friendly nickel sulphide mines in Kambalda, Western Australia. In addition we own very considerable prospective tenements in the Kambalda area which are subject to a strong exploration campaign supported by substantial budget allocations.

We benefited in the financial year from the success of our ongoing program to reduce costs and improve productivity. We received a higher nickel price during the second half of the year under review and the AUD/US dollar relationship improved somewhat.

Payable nickel produced increased to 13 million lbs from 12.4 million lbs in the previous year.

Investment in capital equipment and mine development increased to AUD34 million from AUD23 million in the previous year.

Net profit before income tax was AUD3 million, a good outcome given the deep lows in the nickel price experienced during the year.

Our working capital at 30 June was AUD61 million and included AUD50.7 million cash and AUD25 million in current accounts receivable due, under prompt terms, from our customer.

Total interest bearing debt was AUD3.7 million, which related to the purchase of new mining equipment.

Overall this is a very satisfactory result in the conditions prevailing during the year.

In focusing on the future, shareholders will have observed a very satisfactory performance in the first quarter to September 2014 and the foundation this builds for the rest of the 2014/2015 financial year.

Highlights were production in the September quarter of 2,515 tonnes of nickel-in-ore at cash costs of AUD4.93 per lb of payable nickel. This level of production was in excess of our forecasts.

Production in the September quarter was up 5% and cash costs came down 4% compared to the previous quarter.

Our increased investment in recent times in new mining equipment will be a significant contributor to efficiency and costs of production and reflects our faith in the future of our mining operations. The equipment upgrade includes four new underground haulage trucks, which are able to replace eight old trucks.

At the end of September, after payment of the FY14 final dividend to shareholders of AUD3.8 million (total dividends paid for the year were AUD7.5 million), mine and capital development of AUD6 million, exploration of AUD3.6 million and the cost of new equipment of AUD4 million, the quarter ended well with working capital of AUD57.5 million and cash at bank of AUD50 million. (Working capital is defined as cash plus receivables, deduct creditors, debt and accruals).

Looking forward it is clear that our ongoing policy of intense focus on exploring and developing the resource opportunities in our near-mine tenements and district land holdings in the Kambalda area is producing valuable results and looks likely to continue our outstanding record of increases to our mineral resources and ore reserves.

I refer shareholders to our media release of 29 October 2014 and the report on exciting new nickel intersections at Burnett. We also reported on our emerging new nickel prospects at Voyce and Cassini. We will keep shareholders informed of our work in these new prospects and on the results produced.

I remain confident in the future prosperity of the Australian economy.

Asia, the USA and UK are achieving reasonable growth. The Middle East, Russia and Africa remain in trouble.

In Canberra we are seeing progress in achievement of the 'open for business' policies of the Federal Government. The obstructive forces in the Senate are still significant, but progress is being made in managing budget deficits and containing borrowing levels. However, much more cooperation is needed to create conditions which will foster an improvement in prosperity and the rate of growth.

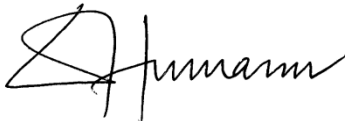
As far as our industry is concerned, the removal of the carbon tax and the reduction of the corporate tax rate from 30% to 28% are welcome moves.

As discussed during the year, we are being hit with very high energy costs and there seems to be no viable alternative supplies at present. Hopefully, with the exit of the carbon tax and reducing oil prices, some relief may emerge.

Some commentators predict an improvement in the nickel price in calendar year 2015 and we hope they are correct. The recent retreat in nickel prices will clearly affect our financial performance, though further falls in the value of the AUD will be beneficial to Mincor.

In closing I should like to express my thanks to our board of directors, our Managing Director and to all our people whose hard work, loyalty and special skills enable the Company to approach the future with great confidence.

Thank you for your attention.

A handwritten signature in black ink, appearing to read 'D Humann', with a stylized initial 'D'.

David J Humann
Chairman, Mincor Resources NL