MINCOR

QUARTERLY REPORT

for the period ended 30 September 2006

HIGHLIGHTS OF THE QUARTER

- **Strong quarterly production of 3,612 tonnes nickel in concentrate**
- **Record quarterly operating surplus of $38 million**
- **Current cash and receivables net of creditors and accruals stand at $69 million; Mincor has no debt**
- **Development decision taken on South Miitel – a major new expansion of the Miitel Nickel Mine**
- **Successful transition to owner-mining at Redross**
- **Ore Reserve statement underlines outstanding record of reserve replacement, while mineral resources stand at an all-time high**
- **Record profits, cashflows and dividends announced for financial year 2005⁄6**
- **Continued exploration success at Carnilya Hill and elsewhere – Mincor raises exploration budget from $8 million to $12 million for the current financial year.**

CONTINUING AN OUTSTANDING RECORD OF GROWING RESOURCES AND RESERVES

Mincor's Ore Reserve and Mineral Resource statement as at 30 June 2006 was released on 31 August 2006. The statement demonstrates Mincor's continued success in replacing ore reserves and growing its resource base.

When Mincor commenced nickel mining in early 2001, its total attributable ore reserve contained 25,400 tonnes of nickel metal. As at 30 June 2006, after more than five years of successful mining and the attributable production of 60,000 tonnes of nickel in over 1.8 million tonnes of ore, Mincor's attributable ore reserves had grown to 45,000 tonnes of contained nickel metal. Similarly, Mincor's mineral resources have grown from an attributable 50,600 contained nickel metal to 76,000 tonnes contained nickel metal – an all-time high.

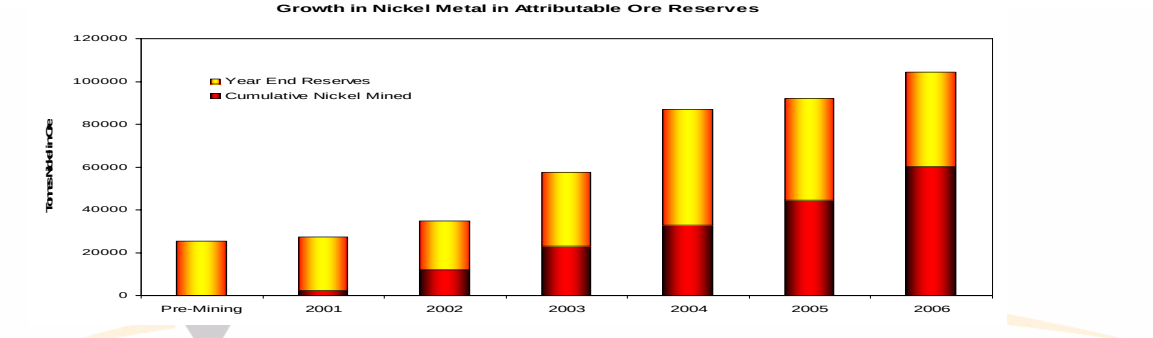
Mincor's target is to lift its ore reserves to 105,000 tonnes contained nickel metal, sufficient for seven years of production at the Company's current rate of approximately 15,000 tonnes nickel in ore per annum.

MINERAL RESOURCES AT 30 JUNE 2006

Measured Resources	863,000 tonnes at 4.0% nickel
Indicated Resources	932,000 tonnes at 3.8% nickel
Inferred Resources	221,000 tonnes at 2.9% nickel
Total Mineral Resources	**2,016,000 tonnes at 3.8% nickel for 75,830 tonnes nickel metal**
30 June 2005	*1,759,000 tonnes at 3.9% nickel for 68,100 tonnes nickel metal*

ORE RESERVES AT 30 JUNE 2006

Proved Reserves	668,000 tonnes at 2.8% nickel
Probable Reserves	1,000,000 tonnes at 2.6% nickel
Total Ore Reserves	**1,668,000 tonnes at 2.7% nickel for 44,690 tonnes nickel metal**
30 June 2005	*1,809,000 tonnes at 2.6% nickel for 47,640 tonnes nickel metal*



MINING OPERATIONS, KAMBALDA (Mincor 100%)

TABLE 1: Production, Grade, Revenue and Costs – July to September 2006

	MIITEL[1]	REDROSS	MARINERS	WANNAWAY	TOTAL
Ore Tonnes Mined (DMT)	67,334	34,875	50,613	6,444	159,266
Ore Tonnes Treated (DMT)	67,314	34,509	54,086	6,145	162,054
Average Nickel Grade (%)	2.38	3.29	2.34	2.52	
Nickel-in-Concentrate Sold	1,391.7	988.4	1,099.1	133.1	3,612.3
Copper-in-Concentrate Sold	140.0	63.2	105.9	12.6	321.7
Cobalt-in-Concentrate Sold	27.5	18.3	20.4	2.8	69.0
Sales Revenue (A$)*	*27.36m*	*19.02m*	*21.07m*	*3.20m*	*70.65m*
*Direct Operating Costs** (A$)*	*10.05m*	*6.21m*	*8.99m*	*1.60m*	*26.85m*
*Indirect Costs*** (A$)*	*2.42m*	*1.68m*	*1.23m*	*0.22m*	*5.55m*
*Operating Surplus**** (A$)*	*14.89m*	*11.13m*	*10.85m*	*1.38m*	*38.25m*
Capital Development/Exploration Costs (A$)	1.87m	0.51m	1.24m	0.14m	3.76m
Costs Per Pound Payable Nickel					
Payable Nickel Produced (lbs)	*1,994,259*	*1,416,342*	*1,575,193*	*190,664*	*5,176,458*
Mining Costs (A$/lb)	*3.00*	*2.64*	*3.40*	*4.19*	*3.07*
Milling Costs (A$/lb)	*1.10*	*0.84*	*1.18*	*1.07*	*1.05*
Ore Haulage Costs (A$/lb)	*0.24*	*0.20*	*0.29*	*0.37*	*0.25*
Other Mining/Administration (A$/lb)	*0.70*	*0.71*	*0.84*	*2.79*	*0.82*
Royalty Cost (A$/lb)	*1.21*	*1.19*	*0.78*	*1.17*	*1.07*
By-product Credits (A$/lb)	*(0.52)*	*(0.41)*	*(0.49)*	*(0.51)*	*(0.48)*
Cash Costs (A$/lb Ni) – Quarter	5.73	5.17	6.00	9.08	5.78

(1) "Miitel" includes North Miitel.

* Sales Revenue – estimate, awaits the fixing of the three-month nickel reference price.

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

*** Indirect Costs – royalties and net finance costs.

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

MINING PROGRESS – KAMBALDA NICKEL OPERATIONS

Overview

Mincor achieved a strong production result for the quarter, producing 3,612 tonnes of nickel in concentrate or over 4,070 tonnes of nickel metal contained in ore. This is the second highest attributable production on record. A record ore tonnage of 159,266 was delivered to the Kambalda Concentrator in the quarter.

The strong quarterly production was due to the expected further ramp-up in production at Mariners after an extended period of rehabilitation. In addition Redross completed development and established full stope mining and strong production continued from North Miitel.

Direct costs per tonne of ore (excluding royalties) decreased by 12%, 2% and 10% at Miitel, Mariners and Redross respectively; however cash costs per pound of nickel increased due to generally lower grades mined for the quarter.

Miitel Mine – Mining Progress

Stoping and development continued throughout the mine, with most activity now focused in the North Miitel ore body. The majority of production (28,000 tonnes) was won from mechanised flat back cut and fill stoping in North Miitel at the 395, 421, 470 and 497 levels. Production was enhanced in the last month of the quarter by production from long hole open stoping in the 375 (North Miitel) and 235 (Central Miitel) levels, yielding approximately 12,000 tonnes. Ore was also won from development of the lower levels of North Miitel.

Decline development continued at North Miitel, with a total of 291 metres achieved. The decline is now nearing the northern extremity of the North Miitel reserve and is currently on hold to allow definition and extensional drilling. A total of 205 metres of ore-drive development was completed, including progress on the 515, 520 and 545 levels on the N11 ore zone.

Some structural complexity was encountered in the lower-central parts of the North Miitel ore zone. Development and diamond drilling in these areas has identified the potential for significant ore reserve extensions. Work continues.

A feasibility study into the development of the South Miitel N18 resource was completed during the quarter. Mincor's board approved the development of this major new expansion to the Miitel Nickel Mine, and development work is expected to commence in early November.

Exploration programmes investigating possible extensions up and down dip of the N25 surface at North Miitel and the area between North Miitel and Central Miitel has commenced.

Redross Mine – Mining Progress

Capital development of the presently known ore reserves at Redross is complete. However possible significant extensions to the north and down-plunge remain under investigation.

During the quarter, ore strike-driving was largely completed and amounted to 130 metres. This development was conducted on the 15 and 17 levels.

With the completion of the strike-driving phase stoping operations have ramped up to planned levels. The majority of production is now sourced from air leg stoping, supplemented by long hole open stoping and mechanised half upper resue mining. During the quarter a total of 33,000 tonnes of ore was won from air leg stoping on the 9, 12, 13 and 14 levels.

Exploration of the N10 and N20 surfaces to extend reserves commenced late in the month.

During the quarter, a decision was made to move Redross from contract mining to owner mining, at a projected one-off capital cost of $8 million. Preparations were complete at the end of the quarter and the transition took place on 1 October. Mincor thanks its mining contractor, Barminco, for the invaluable assistance rendered in achieving this smooth transition.

Mariners Mine – Mining Progress

Mariners continued its production ramp-up following the completion of rehabilitation operations in the 07 ore body and preliminary development of the 08 ore body. Both tonnes and grade improved over the previous quarter.

Ore production was increasingly sourced from flat back stoping and level development in the 08 ore body.

6,000 tonnes of ore was mined from flat back stopes on the 1700, 1924 and 1750 levels.

Substantial production (12,000 tonnes) was won from long hole open stoping of the dwindling 07 ore body on the 1850 and 1805 levels.

621 metres of level development were completed during the quarter in the 1650, 1675, 1700, 1750, 1835, 1924 and 1925 levels.

Access to the next level (1625) in the 08 ore body had commenced late in the quarter.

Development and drilling of the 08 ore body has indicated that it is structurally complex and has identified both extensions and reductions in the reserve. Drilling continues.

The decline advanced 91 metres towards the bottom of the 08 ore body. It has been temporarily halted on occasions to allow definition drilling to correctly locate the development.

Preparations for exploration drilling in the untested down plunge area of the 08 ore body commenced during the quarter.

Wannaway Mine – Mining Progress

Wannaway continued satisfactorily as a small-scale remnant operation working on an owner-operator basis. Mining equipment operated reliably. The workforce at Wannaway remains enthusiastic and committed to the ongoing success of the mine. An example of the high morale and sense of ownership is reflected in the fact that Wannaway achieved 12 months without a Lost Time Incident during the quarter.

Ore was located outside reserves on the 342 level in the Southern Lobe, the 490 stope in the NO2 ore body and the 822 at the bottom of the NO1 ore body. These results are encouraging and suggest the likelihood of on-going extensions to the Wannaway mine life.

Further review of additional remnant opportunities continues.

HEALTH, SAFETY AND THE ENVIRONMENT

No lost-time injuries were recorded for the quarter. This is an improvement on the previous quarter and is consistent with the positive trend established last quarter. The work on the Safety Management Systems and more importantly the work done in the area of attitude, behaviour and accountability (culture) are delivering improved performance. Mincor and its mining contractor, Barminco, are working together to further improve the safety culture.

Key safety initiatives carried out during the quarter included:

- Implementation of the Safety Improvement Plan.
- Implementation of the Contractor Management System for site access.
- Audits on emergency preparedness for underground fires at Redross and Wannaway.
- Continued development and implementation of the Underground Operators training modules.
- Further development of the Mines Rescue Teams skills (including preparation for entry in the upcoming mines rescue competition).
- Preparation of Safety Management Training for managers and supervisors.
- Continuation of the Health and Fitness program in the Lake Eaton Village.

KAMBALDA NICKEL EXPLORATION

REGIONAL NICKEL EXPLORATION – CARNILYA HILL JOINT VENTURE (Mincor earning 70%)

The old Carnilya Hill Mine (historic production of 1.4 million tonnes at 3.4% nickel) exhibits a typical Kambalda-style trough morphology, although overturned, and contains various amounts of massive, matrix and disseminated mineralisation within a sediment free window. Previous mining and drilling delineated the mineralised trough down to 360 metres vertically below surface. Mincor's interpretation was that the host trough structure continues beyond the limit

of previous drilling. Mincor's work to date has confirmed this hypothesis, demonstrating the potential to replicate the original high-grade Carnilya Hill ore body in the down-plunge direction.

Diamond drilling continued through the quarter with 5 diamond holes and 4 wedges completed.

CMD006, an infill hole, was planned to intersect the overturned basal contact midway between CMD005 (10.71 metres at 6.95% nickel) and the old mine workings. The hole proved ineffective, as it failed to intersect the basal contact, passing below the folded limb of the syncline and remaining in basalt for its entire length. Down-hole electromagnetic surveying indicates an anomaly 15 to 20 metres up-dip of the hole. This DHTEM target will be tested with a wedge hole in due course.

CMD007 was drilled on a 160 metres step-out section targeting the down plunge extent of CMD002W1. The hole intersected 1.27 metres at 3.85% nickel from 604.83 metres. Mineralisation comprises a sequence of semi-massive, stringer and blebby sulphides. Down-hole Electro-Magnetics (DHEM) indicates a strong in/off-hole conductor dominantly above and west of the hole.

CMD007W1, a wedge hole off CMD007, intersected very strong nickel mineralisation on the basal contact, 5.68 metres at 4.12% nickel from 591.57 metres, in a broader zone of 6.29 metres at 3.87% nickel from 590.96 metres (core angles indicate the intersection is close to true width) 22 metres up-dip of the parent hole. The intersection lies on the overturned basal contact and contains a well-developed mineralisation profile, with 0.7 metres of massive sulphides on the basal contact (grading 13.9% nickel) overlain by a broad zone of matrix sulphides followed in turn by disseminated sulphides. Re-mobilised stringer sulphide veins extending into the basalt increase the width of the overall intersection. The importance of this well-developed nickel profile is that it demonstrates the presence of relatively undisturbed channel-style mineralisation.

CMD009 was drilled down-dip of the intersection in CMD005 but failed to intersect the basal contact, passing below the interpreted closure of the syncline.

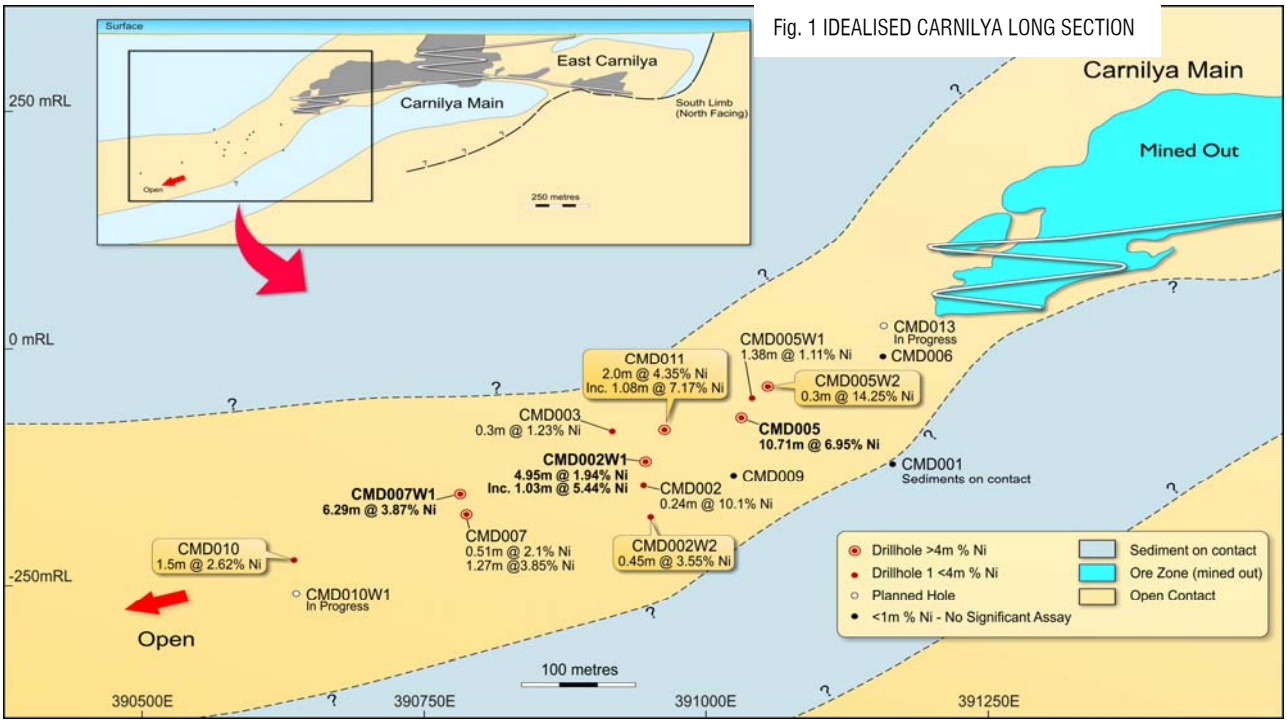
CMD010 intersected 1.50 metres at 2.62% nickel from 670.86 metres on a major step-out position some 160 metres west of CMD007W1. The intersection lies on the overturned basal contact and comprises 0.06 metres of semi-massive sulphides assaying 14.05% nickel overlain by stringer and disseminated sulphides. The core angles indicate that the mineralisation is close to true width.

CMD011 intersected 2.0 metres at 4.35% nickel from 507.00 metres, including 1.08 metres at 7.17% nickel, with core angles indicating that the intersection is close to true width. The mineralisation in this hole consists of massive and matrix sulphides developed under an interpreted structurally created basalt leading edge.

The intersection in hole CMD011 demonstrates good continuity of both mineralisation and sulphide tenor with the previous intersections in CMD007W1 (6.29 metres at 3.87% nickel) and CMD002W1 (4.95 metres at 1.94% nickel).

Two further holes, CMD005W2 and CMD002W2, were wedged off existing parent holes. The former intersected a narrow zone of high-grade and high tenor mineralization: 0.30 metres at 14.25% nickel from 482.42 metres depth with the drill core indicating some structural complexity in this area. CMD002W2 intersected 0.45 metres at 3.55% nickel from 615.04 metres depth, in stringer sulphides, and is thought to define the base of the mineralised channel in that area. Both intersections are close to true width.

Fig. 1 IDEALISED CARNILYA LONG SECTION



WIDGIEMOOLTHA REGIONAL NICKEL EXPLORATION (Mincor 100%)

A systematic regional Reverse Circulation (RC) and Diamond drilling campaign continued through quarter, testing the highly prospective basal contacts on both sides of the Widgiemooltha Dome. Drilling concentrated at the newly discovered Turner Prospect, Wannaway, Redross South and the Redross East contact.

Turner Nickel Prospect

The Turner Prospect is a 1.1 kilometre long magnetic anomaly along the important stratigraphic position known as the basal contact. At the Turner Prospect the basal contact is concealed beneath a layer of transported overburden. The magnetic anomaly is typical of those produced by the thickened ultramafic units commonly associated with nickel sulphide deposits in the Kambalda area. Historic drilling at this anomaly has not been effective as most holes failed to penetrate the transported cover. Mincor's geologists recognised the morphology of the magnetic anomaly as an outstanding greenfields target and have completed 2,296 metres of diamond drilling.

Two holes on an initial section intersected significant nickel sulphides just above the basal contact: MDD096: 1.83 metres at 2.07% nickel from 189 metres (true thickness estimated at 1.8 metres), and MDD139: 2.42 metres at 1.71% nickel from 133.66 metres (true width estimated at 2.2 metres). The intersection in MDD139 lies 70 metres directly up-dip of the intersection in MDD096. The former intersection comprises brecciated sulphide clasts within a structurally deformed basal contact overlain by light matrix and disseminated sulphide mineralisation. A wedge of basalt was intersected above this zone, suggesting the morphology typical of a Kambalda-style mineralised channel structure.

MDD140 was drilled 60 metres up-dip of MDD139 and intersected a broad zone of disseminated sulphides whilst MDD097 was drilled 80 metres down-dip of MDD096 and intersected sediment on the basal contact. Both holes are believed to define the flanking positions of a trough. No significant assays were returned.

Four holes were then drilled on a section 300 metres to the south: MDD94-MDD95, MDD144 and MDD146. All these holes intersected disseminated sulphides above the basal contact.

MDD094 intersected a small zone of 0.05 metres at 1.43% nickel from 164.58 metres. MDD144 intersected 0.65 metres at 2.17% nickel from 280.4 metres at the basal contact. MDD146 intersected 3.84 metres at 1.00% nickel from 299.96 metres above the basal contact and a small stringer sulphide zone of 0.05 metres at 1.99% nickel from 304.26 metres in the footwall basalt.

MDD146 was the deepest hole completed on this section and is devoid of interflow sediments in the ultramafic. This may imply that the mineralised system is deeper and follow up drilling is planned.

Two holes were drilled on the infill section 150 metres south of MDD096. MDD142 intersected disseminated sulphides with no significant nickel. MDD143 was drilled 90 metres below MDD142 and assayed 2.29m at 2.26%Ni from 274.5 metres. A thin stringer zone in the footwall returned, 0.15 at 2.3%Ni from 277.75 metres

Although no true ore grade intersections have been returned to date at Turner, the early drilling is highly encouraging. This greenfields target is a newly discovered mineralised system and appears to have volcanological features typical of nickel deposits around the Widgiemooltha Dome. The plunge of the mineralization is interpreted to be southwards and relatively shallow. Further drilling is planned.

Wannaway Nickel Mine

The Wannaway Nickel Mine is a major mineralised system with total past production of more than 1.12 million tonnes at 2.63% nickel for 30,000 nickel tonnes contained. The system has a large halo defined by a the 1% down-hole nickel contour and generally correlates with a sediment free window on the basal contact. This halo has a shallow plunge and appears to extend north and south of the mine. Recent exploration has focused on the potential to define additional ore bodies within this trend. A drilling program consisting of 15 holes of RC for 3,283 metres and 6 holes of diamond for 1,007 metres was completed during the quarter.

North of the mine the best result was returned in WDD018, 2.92 metres at 1.15% nickel from 267.18 metres. The mineralisation was at the basal contact and comprised of low tenor massive and matrix sulphides. Follow up drilling is planned. A number of assays are still outstanding for the northern drilling.

South of the mine, a large magnetic anomaly was tested. The best result was in WDD025 which returned 0.25 metres at 1.56% nickel from 166.05 metres in re-mobilised stringer sulphides in the hanging wall ultramafics. Two diamond hole remains to complete the program.

Redross East Contact

The Redross East ultramafic contact has a strike extension of 2.5 kilometres with occurrences of nickel sulphide mineralisation along its entire length. The best intercept is a low tenor, thick disseminated zone in MDD055: 17.73 metres at 0.9% nickel from 51.27 metres at a 0.5% nickel cut-off. This is interpreted to indicate flanking mineralisation and may be used, in conjunction with a geological interpretation, as a vector toward high-grade nickel sulphide mineralisation.

The mineralisation at Redross East Contact is analogous to the Mariners upper trough. The contact is untested for 1.4 kilometres. A wide spaced, 12 hole drill program has been initiated to test the contact at 400 metre centres, with 2 holes per line.

The best intersection to date is 1 metre at 2.08% nickel from 92 metres in MRC138, comprising low tenor massive sulphides within the footwall basalt. Drilling continues.

Redross South Contact

Drill testing of the 800 metres strike of the basal contact south of Redross Mine has been disappointing to date. A full geochemical evaluation of the ultramafic will be undertaken next quarter. No further drilling is planned at this stage.

Soil Sampling

A major soil sampling programme of 2,442 samples was completed to infill two anomalies generated from previous work completed by Mincor. The anomalies lie on newly granted exploration licenses, E15/809 and E15/812. The two anomalies are named Dordie Far West (1,200 x 500 metres maximum nickel 700ppm) and Railway (750 x 500 metres maximum nickel 2700ppm). Both anomalies are coincident with the Mount Morgan Komatiite and footwall basalt contact and are considered to be very encouraging. Infill soil results are expected next quarter.

NEAR-MINE NICKEL EXPLORATION (Mincor 100%)

Redross Nickel Mine

The N20 and N30 are mineralised surfaces that appear to be structural repetitions of the main Redross basal contact. They occur immediately west of the mine.

The N20 surface has an historic intersection from hole RRD90 of 1.82 metres at 16.4% nickel. Two reverse circulation percussion holes (RRC150 and RRC151) were drilled to follow up this mineralisation. Both holes intersected disseminated mineralisation and assay results are awaited.

AUSTRALIA-WIDE GOLD AND BASE METAL EXPLORATION (Mincor 100%)

Work continued on Mincor's 100% owned regional gold and base metal prospects across Australia. Delays are being experienced due to the lack of drill rigs. However it is hoped that the Lake Cowan Gold Prospect, the Gascoyne Tungsten Prospect, the Tottenham Copper Prospect and the Dundas Uranium-Gold Prospect will be drilled during the current quarter.

Gascoyne Tungsten Prospect

Nardoo Well Trend

The most recent work completed was stream sediment sampling, detailed geological mapping, night lamping and channel chip sampling along strike of the known mineralised zones. Drill pads will be prepared and drilling is expected to commence before the end of November. Significant tungsten assay results from new zones of skarn hosted mineralisation are listed below with locations shown in Figures 2 and 3:

Approximately 100 metres northwest of the Quartzite Skarn:

- 1.89 metres at 0.43% WO3

The area between the Main and Quartzite Skarns:

- 9.45 metres at 0.75% WO_3
- 3 metres at 0.85% WO_3
- 3 metres at 1.41% WO_3
- 3.55 metres at 0.45% WO_3

Southern extension of the Northern Skarn:

- 1.7 metres at 0.36% WO_3
- 0.7 metres at 2.29% WO_3
- 1.0 metres at 1.46% WO_3

Northern extension of the Magnetite Skarn:

- 2.2 metres at 1.08% WO3;
- 3.2 metres at 0.69% WO_3 (including 1.4 metres at 1.49% WO_3);
- 3.0 metres at 1.18% WO_3

In addition, samples from areas of known mineralisation that have been sampled previously provided further evidence of high grade mineralisation within known pods:

Main Skarn:

- 1.1 metres at 17.33% WO3

Northern Skarn:

- 0.4 metres at 5.35% WO_3
- 0.9 metres at 2.11% WO_3

The latest assay results also indicate that anomalous tin (0.2-0.5% SnO_2) is associated with tungsten at the Main and Quartzite Skarns as well as in northern extensions of the Magnetite Skarn. Grab samples have returned up to 0.73% SnO_2 in calc-silicate rock near the Main Skarn. In addition, elevated molybdenum (250-1120ppm Mo in assay) is associated with tungsten at both the Main and Northern Skarns.

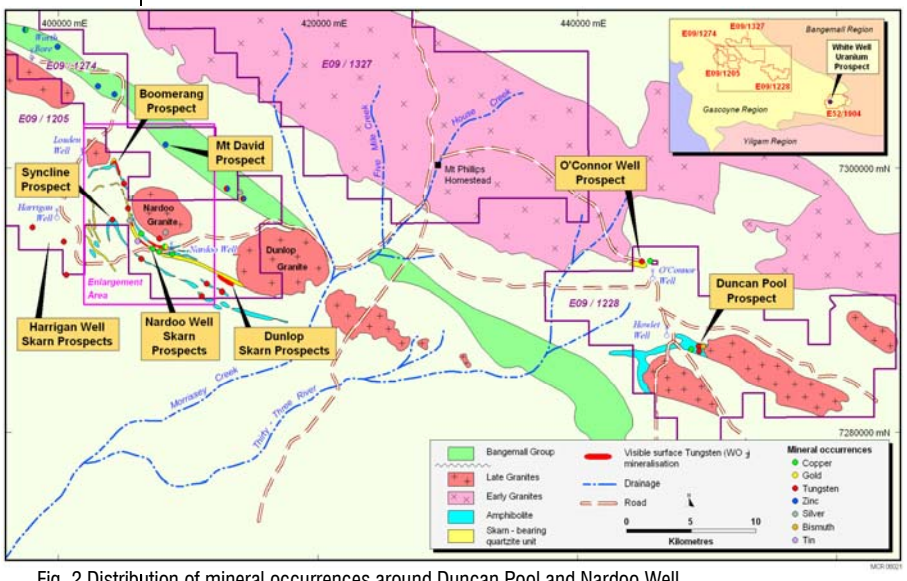


Fig. 2 Distribution of mineral occurrences around Duncan Pool and Nardoo Well

Regional Reconnaissance – Gascoyne Prospect

Nardoo Well forms only a part of Mincor's 1,200 square kilometre Gascoyne landholding and regional reconnaissance work is ongoing in tandem with the more detailed studies at Nardoo Well. Orientation stream sediment sampling has successfully outlined known mineralisation and generated several new target areas extending northwards from the Northern Skarn. Other reported tungsten occurrences at Duncan Pool as well as the gold, copper, uranium and zinc potential of the Project will all be investigated so that appropriate follow up work can be planned (Fig.2).

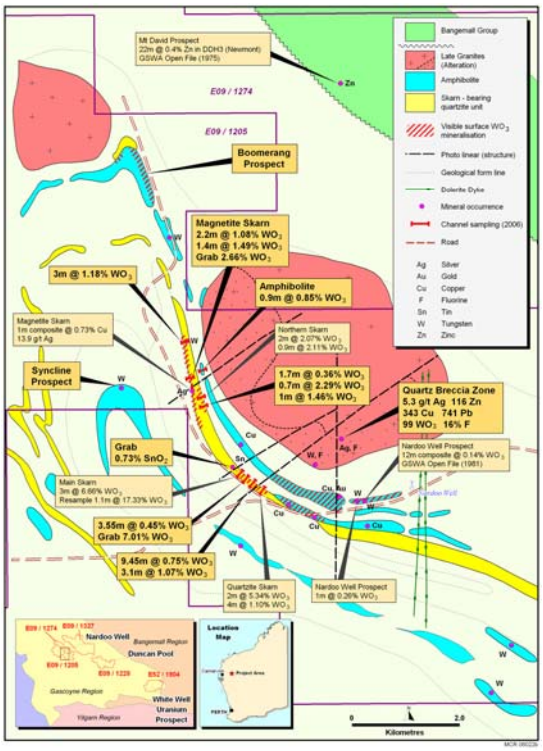


Fig. 3 Significant results from detailed sampling of Nardoo Well trend and surrounds (see Fig. 1 for location of enlarged area

Lake Cowan Gold Project

The setting of this highly prospective gold prospect, located 40 kilometres north of the Norseman gold mining centre in Western Australia, has been described in previous quarterly reports. A programme of aircore drilling is planned as a first pass test of the area and will comprise approximately 7,700 metres of drilling in a series of traverses. Unavailability of specialised lake-drilling equipment has caused delays but drilling is expected to commence in mid November.

Tottenham Copper Project

The Tottenham Project is located 120 kilometres south of Girrilambone in the highly prospective Lachlan fold belt of New South Wales. The project comprises a series of old copper workings associated with massive sulphides within silica and magnetite altered Girilambone sedimentary and volcanic rocks. Mincor controls a collective total of approximately 35 kilometres of strike of the prospective stratigraphy. A programme of diamond and RC drilling is planned to test areas of known resource potential around the old Mount Royal, Orange Plains and Caroline workings while detailed ground magnetics is planned for the Caroline Trend, stretching from the Ace workings in the west to North of Caroline itself ahead of a program of scout drilling in these areas (Figure 4). Previous drilling by other companies has focused almost exclusively on shallow oxide-copper occurrences.

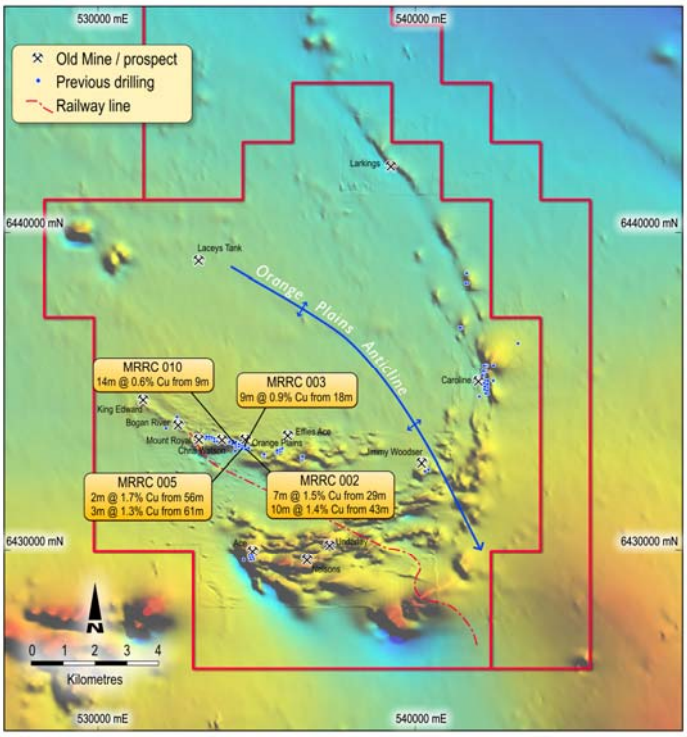


Fig. 4 Location of old workings, Tottenham Project, central NSW

Drilling and other field work will commence as soon as all approvals are finalised and suitable drill rigs become available.

Georgina Project (Lead-Zinc-Silver)

All tenements in this project area have now been granted. This is a conceptual play targeting mainly Mississippi Valley type (MVT) zinc and lead mineralisation in the southern Georgina Basin based on the results of new studies recently released by the Northern Territory Geological Survey.

Dundas Uranium and Gold Prospect

Approvals have been obtained to allow a line of scout reverse circulation drilling across a palaeochannel within Mincor's Dundas tenements, south of Norseman. This will comprise a fence of approximately ten holes to be drilled to the base of the channel in order to determine the stratigraphy and potential for the area to host roll front style uranium mineralisation as well as gold mineralisation at the base of the channel. Drilling is expected to be carried out during November.

CORPORATE MATTERS

Profits and Dividends

During the quarter Mincor reported its full year financial results. The Company achieved a 45% increase in net after tax profits to $29.3 million, from gross revenues of $175.3 million and strong operational cash flows of $52.0 million. A final year dividend of 3c per share was declared and paid, bringing the full-year pay out to 5c per share, a 67% increase over the previous year.

Hedging Arrangements

In line with its strategy of maintaining maximum exposure to the nickel price while securing a minimum level of protection against adverse price movements, Mincor has sold forward a total of 4,544 tonnes of payable nickel metal to December 2008, at an average price of A$19,725 per tonne.

This represents approximately 26% of Mincor's budgeted production over that period.

This hedging is distributed as follows:

Oct 2006 to Dec 2006	265 tonnes of nickel per month at a price of A$17,756/tonne
Jan 2007 to Jun 2007	230 tonnes of nickel per month at a price of A$19,165/tonne
Jul 2007 to Dec 2007	223 tonnes of nickel per month at a price of A$20,015/tonne
Jan 2008 to Jun 2008	147 tonnes of nickel per month at a price of A$21,340/tonne
Jul 2008 to Dec 2008	25 tonnes of nickel per month at a price of A$23,250/tonne

Cash and Debt

As at 30 September 2006, Mincor had cash and receivables of $144.5 million and creditors and accruals of $75.28 million, giving a net working capital position of $69.22 million.

The Company has no debt, and has available undrawn debt facilities of $10 million under the CBA Revolving Facility.

The information in this Public Report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Peter Muccilli and Mr Richard Hatfield, both of whom are Members of The Australasian Institute of Mining and Metallurgy. Mr Muccilli and Mr Hatfield are full-time employees of Mincor Resources NL. Mr Muccilli and Mr 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. Mr Muccilli and Mr Hatfield 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
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APPENDIX 1 - Surface Drill-holes Completed During the Quarter

Following is a list of collar details for all surface drill-holes completed during the quarter. Coordinates are in the MGA94 (zone 51) coordinate system.

Hole_ID	Prospect	Tenement	Grid	Hole_Type	NAT_North	NAT_East	NAT_RL	Max_Depth	Azimuth	Dip
CMD002W2	Carnilya	M26/49	MGA	DIAMOND	6563400	390757	368	447	354	-65
CMD005W1	Carnilya	M26/49	MGA	DIAMOND	6563495	390866	367	256.2	354	-65
CMD005W2	Carnilya	M26/49	MGA	DIAMOND	6562495	390866	367	239.5	354	-65
CMD006	Carnilya	M26/49	MGA	DIAMOND	6563551	390998.7	367	528	354	-65

CMD007	Carnilya	M26/49	MGA	DIAMOND	6563472	390600	371	660	354	-65
CMD007W1	Carnilya	M26/49	MGA	DIAMOND	6563472	390600	371	449.1	354	-65
CMD008	Carnilya	M26/49	MGA	DIAMOND	6563460.8	390856.5	368	258	352	-70
CMD009	Carnilya	M26/49	MGA	DIAMOND	6563463	390856.5	368	591	350	-70
CMD010	Carnilya	M26/49	MGA	DIAMOND	6562324.6	390471.9	370	759	354	-70
CMD011	Carnilya	M26/49	MGA	DIAMOND	6563505	390821	368	560	350	-65
MDD094	Turner	M15/81	MGA	DIAMOND	6495600	372640	295	228	270	-60
MDD095	Turner	M15/81	MGA	DIAMOND	6495600	372710	295	291	270	-60
MDD096	Turner	M15/81	MGA	DIAMOND	6495900	372680	295	243	270	-60
MDD097	Turner	M15/81	MGA	DIAMOND	6405900	372780	295	310	270	-60
MDD126	Redross South	M15/90	MGA	DIAMOND	6491800	371500	305	312	270	-60
MDD126	Redross South	M15/90	MGA	DIAMOND	6491800	371500	305	312	270	-60
MDD130	Redross South	M15/90	MGA	DIAMOND	6491580	371590	305	429	270	-60
MDD139	Turner	M15/81	MGA	DIAMOND	6495900	372600	295	180	270	-60
MDD140	Redross South	M15/90	MGA	DIAMOND	6491580	371590	305	429	270	-60
MDD140	Turner	M15/81	MGA	DIAMOND	6495900	372535	295	135	270	-60
MDD142	Turner	M15/81	MGA	RC	6495750	372680	295	252	270	-60
MDD143	Turner	M15/81	MGA	DIAMOND	6495750	372780	295	327.8	270	-60
MDD144	Turner	M15/81	MGA	DIAMOND	6495600	372785	295	329.6	270	-60
MDD146	Turner	M15/81	MGA	DIAMOND	6495600	372785	295	357	270	-70
MRC116	Redross East	M15/90	MGA	RC	6494600	372640	300	126	270	-60
MRC137	Redross East	M15/81	MGA	RC	6495000	372780	300	180	270	-60
MRC138	Redross East	M15/90	MGA	RC	6493760	372377	310	120	270	-60
MRC145	Redross East	M15/90	MGA	RC	6494050	372560	302	138	270	-70
MRC146	Redross East	M15/90	MGA	RC	6494050	372620	302	174	270	-70
MRC147	Redross East	M15/90	MGA	RC	6494050	372680	302	96	270	-70
MRC148	Redross East	M15/90	MGA	RC	6494050	372740	302	108	270	-60
MRC149	Redross East	M15/90	MGA	RC	6494050	372830	302	120	270	-60
RRC150	Redross	M15/90	MGA	RC	6493112	371760	325	200	270	-60
RRC151	Redross	M15/90	MGA	RC	6493240	371756	325	180	270	-60
RRD126	Redross	M15/90	MGA	DIAMOND	6493494	372573	325	54	270	-60
RRD152	Redross	M15/90	MGA	DIAMOND	6493032	371999	325	54	270	-60
WDD018	Wannaway	M15/89	MGA	DIAMOND	6503039	359100	360	472	80	-60
WDD021	Wannaway	M15/89	MGA	DIAMOND	6503590	358960	360	403	80	-60
WDD024	Wannaway	M15/89	MGA	DIAMOND	6500820	360040	350	395	80	-60
WDD025	Wannaway	M15/89	MGA	DIAMOND	6501045	359930	350	373	80	-60
WDD034	Wannaway	M15/89	MGA	DIAMOND	6501050	359800	305	150	80	-60
WDD035	Wannaway	M15/89	MGA	DIAMOND	6501300	359800	305	150	80	-60
WRC016	Wannaway	M15/89	MGA	RC	6502670	359110	365	150	80	-60
WRC017	Wannaway	M15/89	MGA	RC	6502930	359300	365	162	80	-60
WRC019	Wannaway	M15/89	MGA	RC	6503090	359230	360	168	80	-60
WRC020	Wannaway	M15/89	MGA	RC	6503320	359120	350	150	80	-60
WRC022	Wannaway	M15/89	MGA	RC	6503590	359080	360	168	80	-60
WRC023	Wannaway	M15/89	MGA	RC	6500820	360120	350	140	80	-60
WRC026	Wannaway	M15/89	MGA	RC	6501045	360010	350	150	80	-60
WRC027	Wannaway	M15/89	MGA	RC	6500350	360420	350	196	80	-60
WRC028	Wannaway	M15/89	MGA	RC	6500120	360650	305	150	80	-60
WRC029	Wannaway	M15/89	MGA	RC	6499920	360820	305	150	80	-60
WRC030	Wannaway	M15/89	MGA	RC	6499750	361000	305	150	80	-60
WRC031	Wannaway	M15/89	MGA	RC	6503750	359050	305	151	80	-60
WRC032	Wannaway	M15/89	MGA	RC	6504000	358950	305	151	80	-60
WRC033	Wannaway	M15/89	MGA	RC	6504250	358850	305	151	80	-60
WRC036	Wannaway	M15/89	MGA	RC	6500430	360370	305	160	80	-60