

MINCOR LIFTS NICKEL ORE RESERVES BY 37%

Reserves Touch 50,200t of Nickel, Underpinning 35% Production Growth Target

- **Ore Reserves increase by 37%, or 16,600 tonnes**, to 50,200 tonnes of contained nickel
- **Mineral Resources increase by 8,700 tonnes** to 150,700 tonnes of contained nickel
- The strong results underpin Mincor's ambitious **35% production growth target** over the next two years
- Figures include outstanding high-grade maiden Ore Reserve for the **Mariners N10** ore body: **299,000 tonnes ore @ 3.5% nickel for 10,600 tonnes of contained nickel**
- Drilling through 2010/11 to extend **open mineralisation** at **South** and **North Miitel**, at the **Mariners N11** target and down-plunge at **Otter Juan** – further resource extensions considered highly likely

Australian nickel producer Mincor Resources NL (**ASX: MCR**) has continued its strong track record of resource and reserve growth at its Kambalda Nickel Operations in Western Australia, today announcing a **37% increase in its Ore Reserves** as part of the annual update to its Ore Reserves and Mineral Resources.

The excellent result provides a solid platform for Mincor's continued growth as a successful and profitable mid-tier nickel miner and underpins its plans to lift production by 35% over the next two years.

For the year to 30 June 2010 Mincor added 16,600 tonnes of nickel metal to its Ore Reserves, before depletion for production of 11,793 tonnes. This means that Mincor replaced 140% of the nickel that it mined during the year. Mincor's updated Ore Reserves stand at:

- **1,746,000 tonnes @ 2.9% nickel for 50,200 tonnes of contained nickel metal** (2009: 45,400 tonnes contained nickel before production).

This represents a **37% increase in Ore Reserves** before production.

Similarly, the Company added 8,700 tonnes of nickel metal to its Mineral Resource, again before mining depletion. Mincor's updated Mineral Resource is:

- **4,048,000 tonnes @ 3.7% nickel for 150,700 tonnes of nickel metal** (2009: 153,700 tonnes nickel).

The full tabulation of Mincor's updated Mineral Resources and Ore Reserves is presented below.

The stand-out result for the year was the successful conversion of the 2009 discovery of the **Mariners N10** Inferred Resource into a strong, high-grade Ore Reserve. Infill drilling completed since September 2009 has increased the N10 Mineral Resource by **49% to 324,000 tonnes @ 4.9% nickel for 15,800 tonnes of nickel**, from the previously published Inferred Resource containing 10,600 tonnes of nickel.

With appropriate mining parameters this has converted into a high-grade Ore Reserve of **299,000 tonnes ore @ 3.5% nickel for 10,600 tonnes of contained nickel metal**.

In January this year, Mincor announced the potential discovery of the N11 ore body at Mariners, below the N10. The drill-out of this potential new ore body will commence later in the current financial year.

Mincor has also enjoyed exploration success at its **Miitel Mine**, where drilling is currently underway on mineralisation that remains open to both the north and the south. To date only the new N29 ore body has been added to Reserves, while the total of new Mineral Resources discovered during the year at North and South Miitel is **310,000 tonnes @ 3.9% nickel for 12,000 tonnes of contained nickel metal**.

However, high-grade mineralisation is still being drilled at Miitel and further additions to resources are considered highly likely.

“This is an excellent outcome after a year of outstanding exploration success,” said Mincor’s Managing Director, Mr David Moore.

“We have substantially increased both the size and quality of our Reserves and Resources and can see a clear path, in the form of current drill intersections, to achieve continued increases. Mincor’s exploration success over the past ten years confirms Kambalda as one of the great nickel districts of the world, and we look forward to our next decade in the District.”

The results continue Mincor’s track record of replacing and/or adding to its Resources and Reserves. Mincor commenced mining at Kambalda in 2001 with a total Ore Reserve of 25,400 tonnes of nickel metal. To the end of June 2010, the Company had mined **122,800 tonnes** of nickel metal and had a further **50,200 tonnes** in Reserve. Adding mined production and un-mined reserves shows that Mincor has increased its starting Ore Reserve by nearly **sevenfold over the past nine years**. This is illustrated in Chart 1 below.

Cumulative Nickel Production and Year-End Reserves

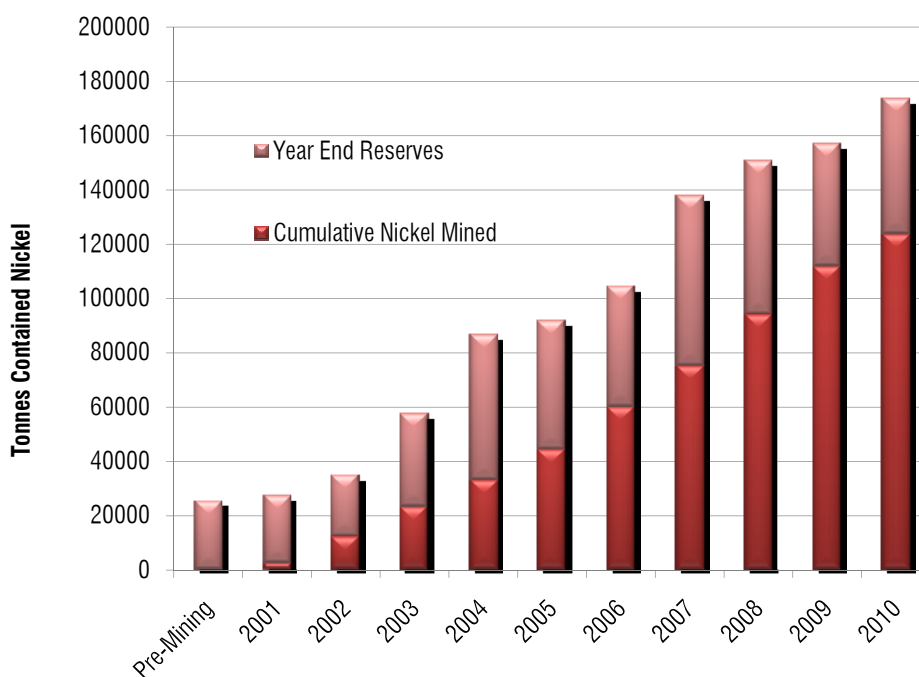


Chart 1: Cumulative nickel production and year-end Ore Reserves

Nickel Metal in Year-End Mineral Resources

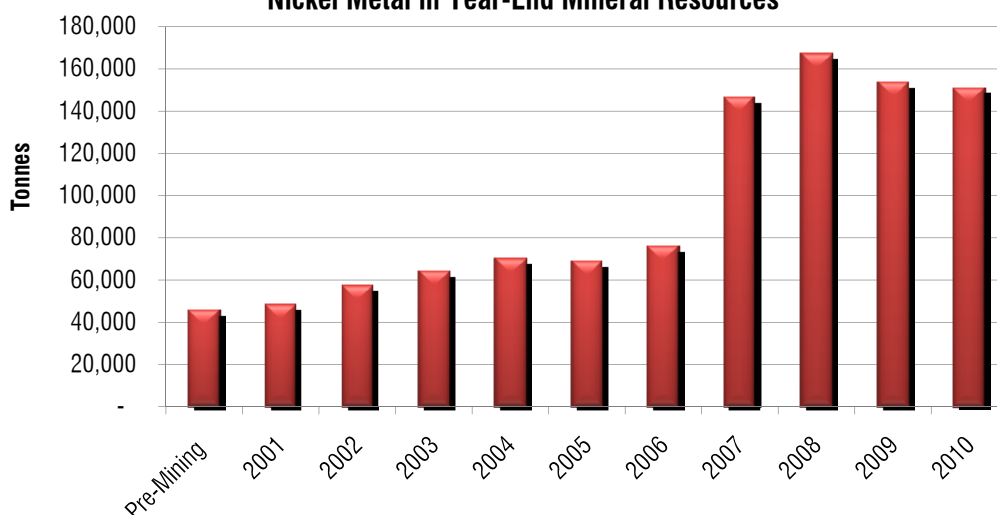


Chart 2: Year-end Mineral Resources (this chart does not show production, hence the columns represent each year’s starting Mineral Resource after depletion by the previous year’s production).

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TABULATION OF RESOURCES AND RESERVES

Mineral Resources as at 30 June 2010

RESOURCE		MEASURED		INDICATED		INFERRED		TOTAL		
		Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Ni Tonnes
Mariners	2010	100,000	3.5	542,000	4.2	62,000	3.3	704,000	4.0	28,500
	2009	178,000	3.5	316,000	3.3	213,000	5.0	707,000	3.9	27,200
Redross	2010	31,000	5.1	138,000	2.9	67,000	2.9	236,000	3.2	7,500
	2009	31,000	5.1	138,000	2.9	67,000	2.9	236,000	3.2	7,500
Burnett	2010					250,000	3.7	250,000	3.7	9,400
	2009					161,000	3.1	161,000	3.1	4,900
Miitel	2010	51,000	4.0	550,000	3.9	98,000	3.6	699,000	3.8	26,800
	2009	152,000	3.5	476,000	3.7	28,000	4.2	656,000	3.7	24,200
Wannaway	2010			123,000	2.6	16,000	6.6	139,000	3.0	4,200
	2009			123,000	2.6	16,000	6.6	139,000	3.0	4,200
Carnilya Hill*	2010	48,000	5.0	99,000	3.5			147,000	4.0	5,900
	2009	29,000	5.3	139,000	4.4			168,000	4.5	7,600
Otter Juan**	2010	113,000	4.3	289,000	3.0	83,000	2.4	485,000	3.2	15,500
	2009	241,000	4.4	238,000	3.6	104,000	2.5	583,000	3.7	21,700
McMahon/Ken	2010			249,000	2.9	79,000	6.2	328,000	3.7	12,200
	2009	26,000	3.1	269,000	3.3	93,000	6.3	388,000	4.0	15,600
Durkin	2010			251,000	5.2	127,000	5.0	378,000	5.1	19,400
	2009			251,000	5.2	127,000	5.0	378,000	5.1	19,400
Gellatly	2010			29,000	3.4			29,000	3.4	1,000
	2009			29,000	3.4			29,000	3.4	1,000
Stockwell	2010			557,000	3.1			557,000	3.1	17,100
	2009			557,000	3.1			557,000	3.1	17,100
Cameron	2010			96,000	3.3			96,000	3.3	3,200
	2009			96,000	3.3			96,000	3.3	3,200
Grand Total	2010	343,000	4.2	2,923,000	3.6	782,000	4.0	4,048,000	3.7	150,700
	2009	657,000	4.0	2,632,000	3.5	810,000	4.3	4,099,000	3.8	153,700

- Figures have been rounded and hence may not add up exactly to the given totals.
- Note that Resources are inclusive of Reserves.

* Resources shown for Carnilya Hill are those attributable to Mincor – that is, 70% of the total Carnilya Hill Resource.

** Otter Juan includes Coronet and McCloy.

Resources are estimated to a 1% nickel cut-off. No minimum mining width criteria are used. The Resource estimation is done using inverse distance or kriging methods, depending on the data density. Volume models are constructed using all available data including underground drive and stope mapping. Grade interpolation using assay results from diamond drill core and, in places, underground face samples.

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. Mr Hartley is a permanent employee of Mincor Resources NL. Mr Hartley has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hartley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Ore Reserves as at 30 June 2010

RESERVE		PROVED		PROBABLE		TOTAL		
		Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Ni Tonnes
Mariners	2010	77,000	2.4	447,000	3.2	524,000	3.1	16,300
	2009	138,000	2.8	203,000	2.6	340,000	2.7	9,000
Redross	2010	33,000	3.5			33,000	3.5	1,200
	2009	33,000	3.5			33,000	3.5	1,200
Miitel	2010	28,000	2.6	585,000	2.7	613,000	2.7	16,400
	2009	28,000	2.6	440,000	2.7	468,000	2.7	12,400
Wannaway	2010			39,000	2.9	39,000	2.9	1,100
	2009			39,000	2.9	39,000	2.9	1,100
Carnilya Hill*	2010	52,000	3.5	30,000	3.1	83,000	3.3	2,800
	2009	54,000	3.1	74,000	3.3	127,000	3.2	4,100
Otter Juan**	2010	109,000	3.6	104,000	2.9	212,000	3.2	6,900
	2009	185,000	3.4	123,000	3.5	307,000	3.4	10,500
McMahon	2010			242,000	2.3	242,000	2.3	5,600
	2009	23,000	2.3	269,000	2.4	291,000	2.4	7,100
Grand Total	2010	299,000	3.2	1,447,000	2.8	1,746,000	2.9	50,200
	2009	460,000	3.1	1,147,000	2.7	1,607,000	2.8	45,400

- Figures have been rounded and hence may not add up exactly to the given totals.
- * Reserves for Carnilya Hill are those attributable to Mincor – that is, 70% of the total Carnilya Hill Reserve.
- ** Otter Juan includes Coronet and McCloy.

Appropriate dilution for the various mining methods was applied to the Indicated and Measured Resources. Using a 1.5% nickel cut-off and minimum mining width criteria, areas were selected as being mineable. Additional modifying factors to account for ore loss, recovery, further dilution, etc were then applied to achieve an estimated Reserve.

The information in this Public Report that relates to Ore Reserves is based on information compiled by Mr Steve Cowle, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Cowle is a permanent employee of Mincor Resources NL. Mr Cowle has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Cowle consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Mincor is a leading Australian nickel producer. The Company is listed on the Australian Securities Exchange and forms part of the benchmark S&P/ASX 200 Index. Mincor operates two mining centres in the world class Kambalda Nickel District of Western Australia, and has been in successful production since 2001.

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