

21 November 2019

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## LANDMARK \$35M CAPITAL RAISING TO INCREASE NICKEL DEVELOPMENT AND EXPLORATION MOMENTUM AT KAMBALDA

**Proceeds to fund early pre-production capital expenditure while maintaining strong momentum  
with Resource growth and exploration programs**

- **\$30.0m committed through strongly supported share placement to professional and sophisticated investors (“Placement”)**
- **Existing strategic shareholders Independence Group NL (“IGO”) and Squadron Resources Pty Ltd (“Squadron”), part of the Munderoo Group, committed \$2.0m and \$7.2m respectively, being in excess of their pre-existing pro-rata shareholding in Mincor**
- **IGO and Squadron will have respective holdings of 4.41% and 6.17% in Mincor post-Placement**
- **Placement conducted at a price of \$0.60 per share, representing a discount of 7.7% to the closing price on 18 November 2019 and discounts of 10.7%, 9.3% and 7.4% to the 5, 15 and 30-day trading VWAPs respectively**
- **Share Purchase Plan targeting to raise \$5.0m to be offered to eligible shareholders on the same terms as the Placement**
- **Proceeds will enable Mincor to:**
  - **Commence early capital works at Cassini and Long-Durkin ahead of the expected completion of the Definitive Feasibility Study (“DFS”) in the March 2020 quarter as part of the Company’s Nickel Restart Strategy;**
  - **Underpin an \$8.0m exploration and Resource extension drilling programs in CY2020; and**
  - **Put the Company in a strong financial position as it seeks to commence pre-production activities, award key contracts and secure project finance.**

Mincor Resources NL (**ASX: MCR, “Mincor” or “the Company”**) is pleased to announce a successful placement of \$30.0 million (before costs) to strategic investors, institutions and other sophisticated and professional investors (“Placement”).

In addition, a Share Purchase Plan (“SPP”) targeting to raise \$5.0 million will also be offered to eligible shareholders on the same terms as the Placement. The SPP will be closed as soon as \$5.0 million of applications are received. If demand exceeds this amount, oversubscriptions will be accepted or scaled back at the Directors’ discretion.

Existing strategic shareholders, IGO and Squadron committed \$2.0 million and \$7.2 million respectively, being in excess of their pre-existing pro-rata shareholding in Mincor and will at completion of the Placement hold interests of 4.41% and 6.17% in Mincor respectively.

The capital raising is being undertaken to:

- **Fund early pre-production capital costs associated with Mincor’s Nickel Restart Strategy. Proceeds will allow Mincor to commence early capital works at Cassini and Long-Durkin ahead of the expected completion of the DFS in Q1 CY2020. These include pre-development activities at Cassini (clearing, box-cut and decline) and underground development at Long-Durkin;**

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- Maintain the current level of momentum with the Company's exploration and resource growth programs. As part of Mincor's strategy to build a pipeline of development projects, Mincor has budgeted approximately \$8.0 million for nickel exploration in CY2020, split between brownfields resource expansion projects and emerging greenfields opportunities;
- Further strengthen Mincor's balance sheet, increasing its forecasted cash position to approximately \$55 million by 31 December 2019. The Company believes that this strong financial position will assist it in negotiating a competitive project financing package upon completion of the DFS; and
- Fund general corporate and working capital purposes and to meet the costs associated with the Placement and SPP.

This capital raising follows Mincor achieving several recent milestones including:

1. Some of the best massive nickel sulphide intersections from the Cassini deposit reported in September and October 2019;
2. A further Mineral Resource upgrade at Cassini in early November 2019 to 1.254Mt @ 4.0% Ni for 50,400 nickel tonnes, following the completion of just six diamond drill holes subsequent to the previous Mineral Resource update in August 2019;
3. The execution of an Ore Tolling and Concentrate Purchasing Agreement with BHP Nickel West on substantially improved commercial terms for Mincor;
4. Significant progress with the Nickel Restart Strategy DFS, which is on track for completion next quarter; and
5. The appointment of Orimco Pty Ltd ("Orimco") as the Company's Debt Adviser and the commencement of discussions with several local and international financial institutions. Orimco has recently successfully advised a number of resource companies in securing competitive project financing packages.

Commenting on the capital raising, Mincor's Managing Director, David Southam, said:

*"This highly successful capital raising marks another important milestone in our journey to resume profitable and sustainable nickel sulphide mining in Kambalda.*

*"The commitment of existing institutional and sophisticated shareholders shows that our recent success with Cassini and other milestones have gained traction with investors. I would also like to acknowledge both IGO and Squadron for their continued ongoing support of the Company through their strong participation in the capital raising.*

*"The capital raising effectively puts us ahead of the curve in terms of the normal evolution of a resource developer as we progress from DFS through to production. With a significantly strengthened balance sheet, we will have the capacity to commit to important items of pre-production capital expenditure before we complete the DFS. Some of these items are detailed in the presentation that accompanies this announcement, and include the construction of a box-cut, site infrastructure and the commencement of the decline at Cassini.*

*"We will also be in a much stronger position to negotiate a competitive project funding package and expect to be in a position to move seamlessly from DFS completion through to a formal decision to mine without delay, allowing us to capitalise as quickly as possible on the strong nickel market environment.*

*"We are also mindful that, while we rule-off our mining inventory to complete the DFS next quarter, we are confident that our portfolio of opportunities has the potential to yield a lot more. As an example, the Cassini Mineral Resource currently has 50,400 contained nickel tonnes, however the funding from this capital raising will allow us to maintain a disciplined exploration spend with the aim of increasing this Mineral Resource while testing nearby and adjacent targets.<sup>1</sup> Mincor is planning to be in operation for many years and this important upfront investment in our project pipeline will help us to achieve that objective, creating a platform to continue growing our Ore Reserves well into the future."*

<sup>1</sup> For further details refer to announcement "Cassini Mineral Resource hits 50,400 nickel tonnes as recent drilling confirms substantial new high-grade Kambalda Deposit" dated 6 November 2019.

## Placement

The Company has received binding commitments for a \$30.0 million Placement (before costs) which will be settled through the proposed issue of 50,000,000 fully paid ordinary shares (**Shares**) at an issue price of \$0.60 per Share. The Placement, which was extremely well supported, was undertaken utilising the Company's existing ASX Listing Rule 7.1 and 7.1A placement capacity. 21,325,932 Shares will be issued pursuant to ASX Listing Rule 7.1 and 28,674,068 Shares will be issued pursuant to ASX Listing Rule 7.1A (**Placement Shares**).

The issue price represents a 7.7% discount to the closing price on 18 November 2019 and a discount of 10.7% to the volume weighted average market price (**VWAP**) of Shares over the last five trading days.

Euroz Securities Limited and Petra Capital acted as Joint Lead Managers to the Placement. Gilbert + Tobin were legal advisers to the offer.

The Company expects to issue the Placement Shares on or around 27 November 2019.

## SPP

The Company applied for an ASX Waiver to the ASX Listing Rules to allow it to launch an SPP to enable all shareholders to participate in this milestone capital raising. The ASX Waiver was granted on 20 November 2019, allowing the SPP to proceed.

The Company is targeting to raise \$5.0 million (before costs) through the SPP. The SPP will allow all eligible shareholders to subscribe for new Shares at the issue price of \$0.60 per Share. The SPP will be closed as soon as \$5.0 million of applications are received. If demand exceeds this amount, oversubscriptions will be accepted or scaled back at the Director's discretion.

Participation in the SPP is entirely optional. Shareholders whose registered address is in Australia and New Zealand as at 5.00pm (WST) on the Record Date of 20 November 2019 ("**Eligible Shareholders**") will be offered the opportunity to subscribe under the SPP for up to \$15,000 worth of Shares (subject to any scale back at the Company's absolute discretion) at an issue price of \$0.60 per Share. The issue price is free of brokerage and commission.

It is proposed that the following timetable will apply with respect to the SPP:

Record Date (5:00pm WST)	20 November 2019
Announcement Date of SPP	21 November 2019
Despatch of SPP Offer and Application Form	27 November 2019
Opening Date of SPP	27 November 2019
Closing Date of SPP (5:00pm WST)	18 December 2019
Issue of Shares under SPP	24 December 2019
Quotation of Shares under SPP	27 December 2019

The timetable is indicative only. The Company reserves the right to change the timetable or cancel the SPP at any time before the new Shares are issued, subject to regulatory requirements. **The Company encourages shareholders who wish to participate to act promptly in submitting their application forms.** The Company reserves the right to close the SPP early, in its sole and absolute discretion, should it be considered necessary to do so, by making an announcement to the ASX.

**The accompanying presentation outlining the capital raising and the proposed use of funds will be released separately on the ASX platform.**

- ENDS -

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***Summary Information***

The following disclaimer applies to this announcement and any information contained in it (the Information). The Information in this announcement is of general background and does not purport to be complete. It should be read in conjunction with Mincor's other periodic and continuous disclosure announcements lodged with ASX Limited, which are available at [www.asx.com.au](http://www.asx.com.au). You are advised to read this disclaimer carefully before reading or making any other use of this announcement or any Information contained in this announcement. In accepting this announcement, you agree to be bound by the following terms and conditions including any modifications to them.

***Forward Looking Statements***

This announcement may include forward-looking statements. These forward-looking statements are based on Mincor's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Mincor, which could cause actual results to differ materially from such statements. Mincor makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of this announcement.

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This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

## APPENDIX 1: Nickel Mineral Resources and Ore Reserves

### Nickel Mineral Resources as at 5 November 2019

RESOURCE	MEASURED		INDICATED		INFERRED		TOTAL		
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Ni tonnes
Cassini	-	-	1,092,000	4.0	162,000	4.3	1,254,000	4.0	50,400
Long	-	-	410,000	4.0	340,000	4.4	750,000	4.2	32,000
Redross	39,000	4.9	138,000	2.9	67,000	2.9	244,000	3.2	7,900
Burnett	-	-	241,000	4.0	-	-	241,000	4.0	9,700
Miitel	156,000	3.5	408,000	2.8	27,000	4.1	591,000	3.1	18,100
Wannaway	-	-	110,000	2.6	16,000	6.6	126,000	3.1	3,900
Carnilya*	33,000	3.6	40,000	2.2	-	-	73,000	2.8	2,100
Otter Juan	2,000	6.9	51,000	4.1	-	-	53,000	4.3	2,300
Ken/McMahon**	25,000	2.7	183,000	3.9	54,000	3.2	262,000	3.7	9,600
Durkin North	-	-	417,000	5.3	10,000	3.8	427,000	5.2	22,400
Durkin Oxide	-	-	154,000	3.2	22,000	1.7	176,000	3.0	5,200
Gellatly	-	-	29,000	3.4	-	-	29,000	3.4	1,000
Voyce	-	-	50,000	5.3	14,000	5.0	64,000	5.2	3,400
Cameron	-	-	96,000	3.3	-	-	96,000	3.3	3,200
Stockwell	-	-	554,000	3.0	-	-	554,000	3.0	16,700
<b>TOTAL</b>	<b>256,000</b>	<b>3.7</b>	<b>3,973,000</b>	<b>3.7</b>	<b>712,000</b>	<b>4.1</b>	<b>4,940,000</b>	<b>3.8</b>	<b>187,900</b>

Note:

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

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

\*\*Ken/McMahon also includes Coronet (in the 2010/11 Annual Report it was included in Otter Juan).

The information in this report that relates to nickel Mineral Resources is based on information compiled by Rob Hartley, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Hartley is a full-time employee of Mincor Resources NL and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hartley consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

### Nickel Ore Reserves as at 30 June 2019

RESERVE	PROVED		PROBABLE		TOTAL		
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Ni tonnes
Burnett	-	-	271,000	2.6	271,000	2.6	6,900
Miitel	28,000	2.6	129,000	2.2	157,000	2.3	3,600
Durkin North	-	-	708,000	2.5	708,000	2.5	17,700
<b>TOTAL</b>	<b>28,000</b>	<b>2.6</b>	<b>1,108,000</b>	<b>2.5</b>	<b>1,136,000</b>	<b>2.5</b>	<b>28,200</b>

Note:

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

The information in this report that relates to nickel Ore Reserves is based on information compiled by Paul Darcey, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Darcey is a full-time employee of Mincor Resources NL and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Darcey consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.