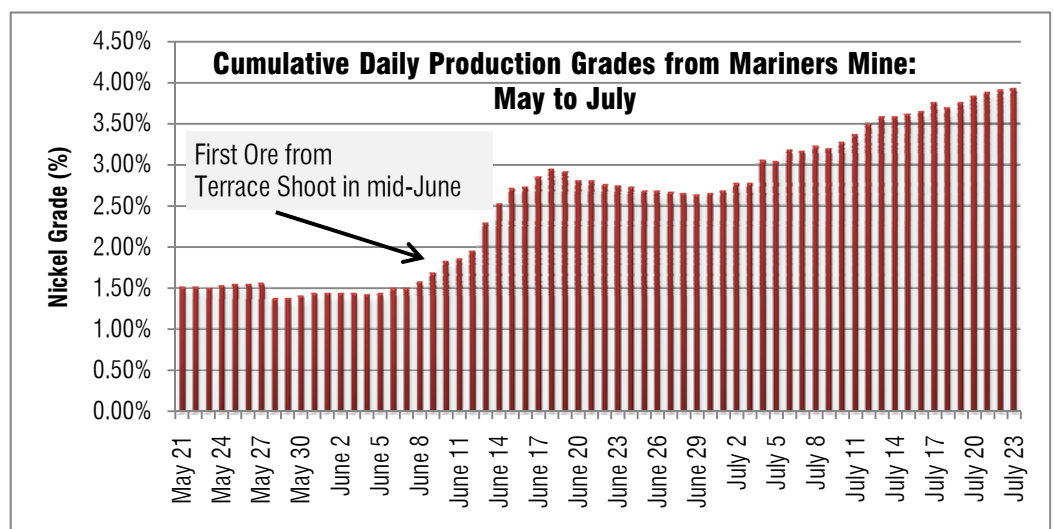




## HIGHLIGHTS

- After a difficult year Mincor has implemented a fundamental restructuring of its Kambalda operations, and expects to see a turn-around in performance from July 2011 onwards:
  - Miitel converted to owner-operator, Mariners to follow;
  - Mariners first ore from the high-grade Terrace Position;
  - McMahon first ore from the MN03 Shoot from Sept Quarter;
  - Operational structure streamlined and unified.
- These changes draw the curtain on an exceptionally difficult year for Mincor – reflected in provisional and unaudited Financial Results indicating a net loss after tax of **approximately \$6 million**, before non-cash impairment charges of approximately \$25 million before tax, for a total net loss after tax of **approximately \$23.4 million** for FY2011.
- The operational restructuring and new high-grade production sources are expected to return Mincor's operations to a sound financial footing from July 2011 onwards.
- Maiden resource/reserve figures were published for the new Mariners Terrace ore shoot: Mineral Resource of **76,000 tonnes @ 6.4% nickel** and Ore Reserve of **71,000 tonnes @ 4.3% nickel**, for 3,000 tonnes of nickel metal.
- Mincor executed a **landmark joint venture deal with Niuminco Ltd** for the exploration and development of a portfolio of high-potential mineral properties in Papua New Guinea.
- Drilling continued with highly encouraging results at Mincor's Tottenham copper-gold project in NSW.
- After Capital and Exploration investments of **\$12 million** for the Quarter, Quarter-end working capital (cash and receivables minus creditors and accruals) stands at **\$93 million** (end-Mar 2011: \$99.6 million), cash at bank **\$87.3 million**.

### Mining at Mariners reaches the Terrace Ore Position – immediate impact on cumulative daily production grades:



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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.

**TABLE 1: Production, Grade, Revenue and Costs – Quarter ending 30 June 2011**

	<b>SOUTH KAMBALDA OPERATIONS<sup>(1)</sup></b>	<b>NORTH KAMBALDA OPERATIONS<sup>(2)</sup></b>	<b>TOTAL FOR JUN 2011 QUARTER</b>	<b>PRECEDING QUARTER (Mar 2011) TOTAL</b>
Ore Tonnes Treated (DMT)	71,946	31,064	<b>103,010</b>	86,035
Average Nickel Grade (%)	1.94	3.61	<b>2.44</b>	2.63
Nickel-in-Concentrate Sold (tonnes)	1,144.5	1,036.5	<b>2,181.0</b>	1,977.60
Copper-in-Concentrate Sold (tonnes)	108.9	62.0	<b>170.9</b>	158.6
Cobalt-in-Concentrate Sold (tonnes)	23.8	11.6	<b>35.4</b>	28.2
Sales Revenue* (A\$)	17.92m	14.98m	<b>32.90m</b>	34.06m
Direct Operating Costs** (A\$)	17.61m	10.06m	<b>27.67m</b>	24.36m
Royalty Costs (A\$)	0.80m	0.48m	<b>1.28m</b>	1.41m
<b>Operating Surplus*** (A\$)</b>	<b>(0.49m)</b>	<b>4.44m</b>	<b>3.95m</b>	8.29m
Capital Costs****	4.54m	3.64m	<b>8.18m</b>	9.25m
Payable Nickel Produced (lbs)	1,640,054	1,442,853	<b>3,082,907</b>	2,792,787
Mining Costs (A\$/lb)	6.73	3.93	<b>5.42</b>	5.46
Milling Costs (A\$/lb)	1.83	0.81	<b>1.35</b>	1.20
Ore Haulage Costs (A\$/lb)	0.47	0.07	<b>0.28</b>	0.26
Other Mining/Administration (A\$/lb)	1.61	1.78	<b>1.69</b>	1.55
Royalty Cost (A\$/lb)	0.49	0.33	<b>0.41</b>	0.51
By-product Credits (A\$/lb)	(0.36)	(0.22)	<b>(0.29)</b>	(0.34)
Cash Costs (A\$/lb nickel)	10.77	6.70	<b>8.86</b>	8.64
Cash Costs (US\$/lb nickel) <sup>(3)</sup>	10.14	6.31	<b>8.34</b>	8.68

**TABLE 2: Production, Grade, Revenue and Costs – Financial Year 2010/11**

	<b>SOUTH KAMBALDA OPERATIONS<sup>(1)</sup></b>	<b>NORTH KAMBALDA OPERATIONS<sup>(2)</sup></b>	<b>TOTAL FOR FINANCIAL YEAR 2010/11</b>	<b>PRECEDING FINANCIAL YEAR(2009/10) TOTAL</b>
Ore Tonnes Treated (DMT)	251,068	144,911	<b>395,979</b>	371,159
Average Nickel Grade (%)	2.17	3.36	<b>2.61</b>	3.18
Nickel-in-Concentrate Sold (tonnes)	4,572.4	4,484.0	<b>9,056.4</b>	10,672.6
Copper-in-Concentrate Sold (tonnes)	434.5	267.9	<b>702.4</b>	808.0
Cobalt-in-Concentrate Sold (tonnes)	82.7	53.8	<b>136.5</b>	150.4
Sales Revenue* (A\$)	75.89m	70.02m	<b>145.91m</b>	173.38m
Direct Operating Costs** (A\$)	61.08m	41.89m	<b>102.97m</b>	84.79m
Royalty Costs (A\$)	3.58m	2.13m	<b>5.71m</b>	5.49m
<b>Operating Surplus*** (A\$)</b>	<b>11.23m</b>	<b>26.00m</b>	<b>37.23m</b>	83.10m
Capital Costs**** (A\$)	24.82m	12.81m	<b>37.63m</b>	27.95m
Payable Nickel Produced (lbs)	6,552,216	6,243,922	<b>12,796,138</b>	15,186,423
Mining Costs (A\$/lb)	5.84	4.01	<b>4.95</b>	3.48
Milling Costs (A\$/lb)	1.54	0.85	<b>1.20</b>	0.96
Ore Haulage Costs (A\$/lb)	0.40	0.09	<b>0.25</b>	0.16
Other Mining/Administration (A\$/lb)	1.40	1.46	<b>1.43</b>	1.00
Royalty Cost (A\$/lb)	0.55	0.33	<b>0.44</b>	0.36
By-product Credits (A\$/lb)	(0.39)	(0.25)	<b>(0.32)</b>	(0.30)
Cash Costs (A\$/lb Ni) – Full Year	9.34	6.49	<b>7.95</b>	5.66
Cash Costs (US\$/lb nickel) <sup>(3)</sup>	8.80	6.11	<b>7.49</b>	4.81

<sup>(1)</sup> Production from Mariners and Miitel.

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

<sup>(3)</sup> Average June 2011 quarter RBA settlement rate of US\$1.0619 (31 March 2011: US\$1.0047; 30 June 2010: US\$0.85).

\* 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 June Quarter, Mincor established the final nickel prices for the production months of January, February and March. As a result Mincor recognised a negative sales revenue adjustment of **\$1.54 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

### Quarterly Overview

Mincor's June Quarter production was up 11% over the March Quarter with production of 2,514 tonnes of nickel-in-ore for 2,181 tonnes of nickel-in-concentrate, bringing production for the full Financial Year to 10,372 tonnes of nickel in ore.

The higher tonnes were the result of higher production from Otter-Juan (up 27.5%) as stoping areas were re-established after the seismic event of the previous Quarter; and the treatment of some 32,000 tonnes of low-grade material that had been stockpiled at Miitel and Mariners over the previous few months. The inclusion of this low-grade material is reflected in the lower grades and higher cash costs for these mines compared to the previous Quarter. These costs and grades should not be considered representative of future production.

Mine	Tonnes	Grade	Nickel-in-ore	Nickel-in-concentrate
Miitel	41,694	2.09	870.0	724.9
Mariners	30,252	1.73	523.9	419.6
Otter Juan	19,869	3.56	706.6	651.7
Coronet	1,359	1.94	26.4	24.1
Carnilya Hill: Mincor's 70%	9,836	3.94	387.5	360.7
<b>Totals</b>	<b>103,010</b>	<b>2.44</b>	<b>2,514.4</b>	<b>2,181.0</b>

A fundamental restructuring of Mincor's Kambalda Operations was designed and largely implemented during the Quarter. Miitel converted to an owner-operator mine from 1 July and Mariners will follow later in the calendar year. The management structure across the operations has been unified and manning levels reduced and shifted to a largely residential basis.

### Northern Operations

Following the deterioration of ground conditions experienced during the March Quarter the lower levels of Otter Juan have been closed off and the main source of ore is now the levels above the 48F1 Level.

An increased proportion of production is coming from remnant mining areas higher in the mine with stoping occurring from the 24 level down to the 48 level. Access to the high grade 36G surface was achieved and 44 metres of ore driving was completed, returning high-grade ore. Stoping of this ore surface will commence in July.

At McMahon development continued towards the MN03 ore body with 520 metres completed. The main decline has advanced to the take-off position for the 1203 access, which is the first access to the MN03 ore body. Development of the 9 level access to the lower-grade MN02 ore body commenced and at the end of the Quarter the ore contact had been accessed and strike driving commenced. Ore from development of the strike drives on the main MN03 ore body is expected to contribute to production from August 2011.

Production from Carnilya Hill is controlled by the stoping sequence which defines the order in which the remaining stopes can be mined. During the Quarter this mining sequence resulted in an overall 25% increase in grade over the previous Quarter. Mining at Carnilya Hill is expected to be completed in the first Quarter of calendar 2012.

### Southern Operations

The production constraints experienced at both Miitel and Mariners in previous quarters continued with manpower shortages, equipment availability, stope sequencing and reserve reconciliations having a negative impact on production. The structural changes implemented at the end of the Quarter are expected to resolve these issues.

At Mariners development targeted access to the high-grade Terrace ore zone. By the end of the Quarter this ore position had been accessed and high-grade production had started, with development faces 7 to 9 metres wide in very high-grade massive sulphide ore.

At Miitel longhole stoping commenced in the main N18 ore body with 4 stopes being mined on the 640 level. The mine converted to an owner-operator setup on 1 July.

## OVERVIEW AND OUTLOOK

### Overview of the Financial Year ending 30 June 2011 and Provisional Financial Results

Operational setbacks during 2010/11 and sharply lower nickel prices (as denominated in Australian Dollars) in the latter half of the year have combined to impact Mincor's financial performance. Mincor's provisional and un-audited accounts indicate that it will make a **loss after tax and before non-cash impairment charges of approximately \$6 million for the full financial year.**

This figure includes \$9.9 million (before tax) in regional exploration costs that have been written off against profits. The operating surplus generated by Mincor's Kambalda mines was \$37 million (that is, the profit from operations before capital, exploration and head office expenditures and before depreciation and amortisation). Total capital invested during the year was \$38 million, including \$8 million in near-mine exploration that was capitalised.

However, to this \$6m full-year loss must be added a write-down in the value of the Miitel Mine following the negative reconciliation achieved against ore reserves during the year. Mincor has estimated a net impairment charge for Miitel of approximately \$13 million.

In addition, the McMahon Mine carries an allocation of \$17 million of the original purchase price of Mincor's North Kambalda acquisition (even though in a business/commercial sense the acquisition was paid off within the first year). The early closure of Otter Juan will cause the McMahon Mine to carry a higher fixed cost burden than originally envisaged. As a result McMahon will not generate sufficient cashflow (at modelled nickel prices) to cover all of the remaining acquisition cost as well as its own development capital. Thus it is necessary to write down a portion of this acquisition cost, for a net impairment charge of approximately \$9.3 million.

Finally, the loss of ore reserves at Otter Juan following the seismic event in March will result in a write-down of the value of those reserves (approximately \$2.6 million).

These write downs are expected to result in a non-cash impairment charge against profits of approximately \$25 million before tax. Thus the total **net loss after tax for the 2010/11 Financial Year including non-cash impairment charges is expected to be approximately \$23.4 million.**

These figures are management's best estimates but remain subject to confirmation and audit. Mincor's audited Financial Results are expected to be released on or about 18 August 2011.

### Outlook for the Financial Year 2011/12

Recognising its reduced production capacity as a consequence of the events of the past year, Mincor has implemented a fundamental restructuring of its Kambalda operations. This is designed to improve efficiencies, minimise costs, and maximise grade and margin.

Most of these changes came into effect on 1 July. As of that date Miitel converted to an owner-operator mine, with Mariners to follow later in the calendar year. The operational management structure has been unified, manning levels reduced and a number of other measures taken.

On the basis of these changes, as well as the planned increase in grade from Mariners and the commencement of production from McMahon, Mincor expects its operations to return to a sound financial footing from July 2011 onwards.

Mincor's targeted production for FY2011/12 is approximately 10,000 tonnes of nickel-in-ore, from 345,000 tonnes of ore grading an average of 2.9% nickel. Average cash costs are targeted at A\$6.10 per pound payable nickel before royalties. Total capital expenditures are forecast at \$20 million, and Mincor has also set aside \$7 million for Kambalda and Australian regional exploration and \$5 million for PNG exploration.

On a mine-by-mine basis production is forecast as follows:

- Mariners Mine: **110,000 tonnes ore @ 3.5% nickel**
- Miitel Mine: **80,000 tonnes ore @ 2.6% nickel**
- McMahon Mine: **85,000 tonnes ore @ 2.3% nickel**
- Otter Juan Mine: **40,000 tonnes ore @ 3.5% nickel**
- Carnilya Hill Mine: **30,000 tonnes ore @ 3.1% nickel**

Otter Juan and Carnilya Hill are expected to close later in the financial year.

Mincor's updated Mineral Resources and Ore Reserves are tabulated at the end of this report. Mincor's total ore reserves are estimated to contain some 30,500 tonnes of nickel metal, down from 50,200 tonnes at the start of the previous financial year. This reflects depletion by production during the year and the loss of ore reserves at Miitel and at Otter Juan.

On the basis of these ore reserves Mincor's Kambalda nickel operations have a life of approximately 3 to 4 years, a figure that is in line with Mincor's historical average. Mincor will work on extending these reserves through exploration, as it has done in the past with considerable success.

Immediate targets for Ore Reserve additions are the Mineral Resources below the N10 ore body at Mariners, the large new Inferred Mineral Resource outlined at South Miitel during the year (containing some 13,000 tonnes of nickel metal) and the Ken ore trend that will become drillable from the McMahon decline over the next few months.

Mincor will also put strong emphasis over the coming year on regional exploration throughout the Kambalda District. Kambalda remains one of the most well-mineralised nickel districts in the world and the Company owns some 120 kilometres of the strike of the prospective basal contact.

In addition, Mincor will continue to explore its highly promising Tottenham Copper-Gold project and other prospects within Australia.

Mincor will also invest in the exploration of its newly acquired joint venture prospects in Papua New Guinea, where the Company sees strong potential for the discovery of world class copper-gold porphyry systems, epithermal gold deposits, and high-grade volcanogenic massive sulphide deposits.

Mincor is fully funded for these growth initiatives, even once its current on-market share buy-back is complete. Moreover the company expects to be able to fund these growth projects largely from operational cashflows, depending on the nickel price.

## HEALTH AND SAFETY

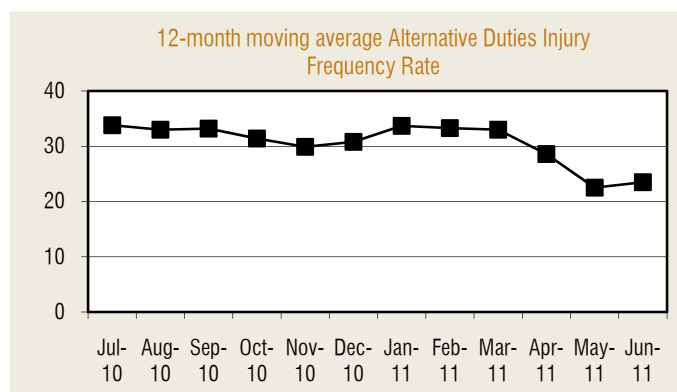
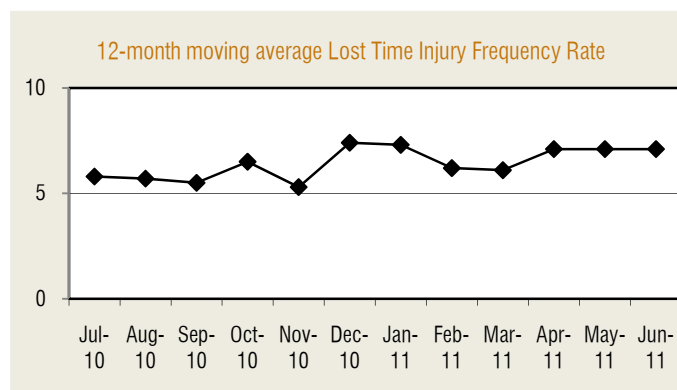
Regrettably 3 Lost Time Injuries were recorded for the Quarter.

The 12 month moving average Lost Time Injury Frequency Rate for all Mincor Operations is 7.1.

There has been an encouraging 28.8% decrease in the Alternative Duties Injury Frequency rate which reflects the implementation of enhanced strategies to reduce the number of injuries across all operations.

The following improvement strategies were undertaken during the Quarter:

- Implementation of actions arising from the external Safety Management Systems Audit.
- 8 training sessions on 4-man MineArc Refuge Chambers at Miitel.
  - 7 dehydration training sessions at Miitel and Mariners with 124 people attending.
- Review of Part 10 of Specific Requirements for Underground Mines of the Mine Safety & Inspection Regulations 1995; undertaken at Northern Operations to ensure site compliance.
- Explosive Management Plans reviewed at Northern Operations.
- 43 Task observations completed between the Northern and Southern operations.
- At Otter-Juan 33 Competency Based Tickets issued for underground mobile equipment and specialised tasks. Nine Employees completed re-assessments on various tasks.
- Development of a Traffic Management Plan for Otter Juan and Carnilya Hill and Haul Road Maintenance Procedure.



## KAMBALDA NICKEL – EXTENSIONAL EXPLORATION

Mincor's Extensional Exploration program in Kambalda is aimed at the discovery of extensions to known ore bodies and at the ongoing conversion of Mincor's Mineral Resource inventory into Ore Reserves.

### Mariners Ore System

Drilling at the Mariners Mine in and around the Terrace Position (now formally named the N09L and N09I ore surfaces) continued during the quarter. Better results included:

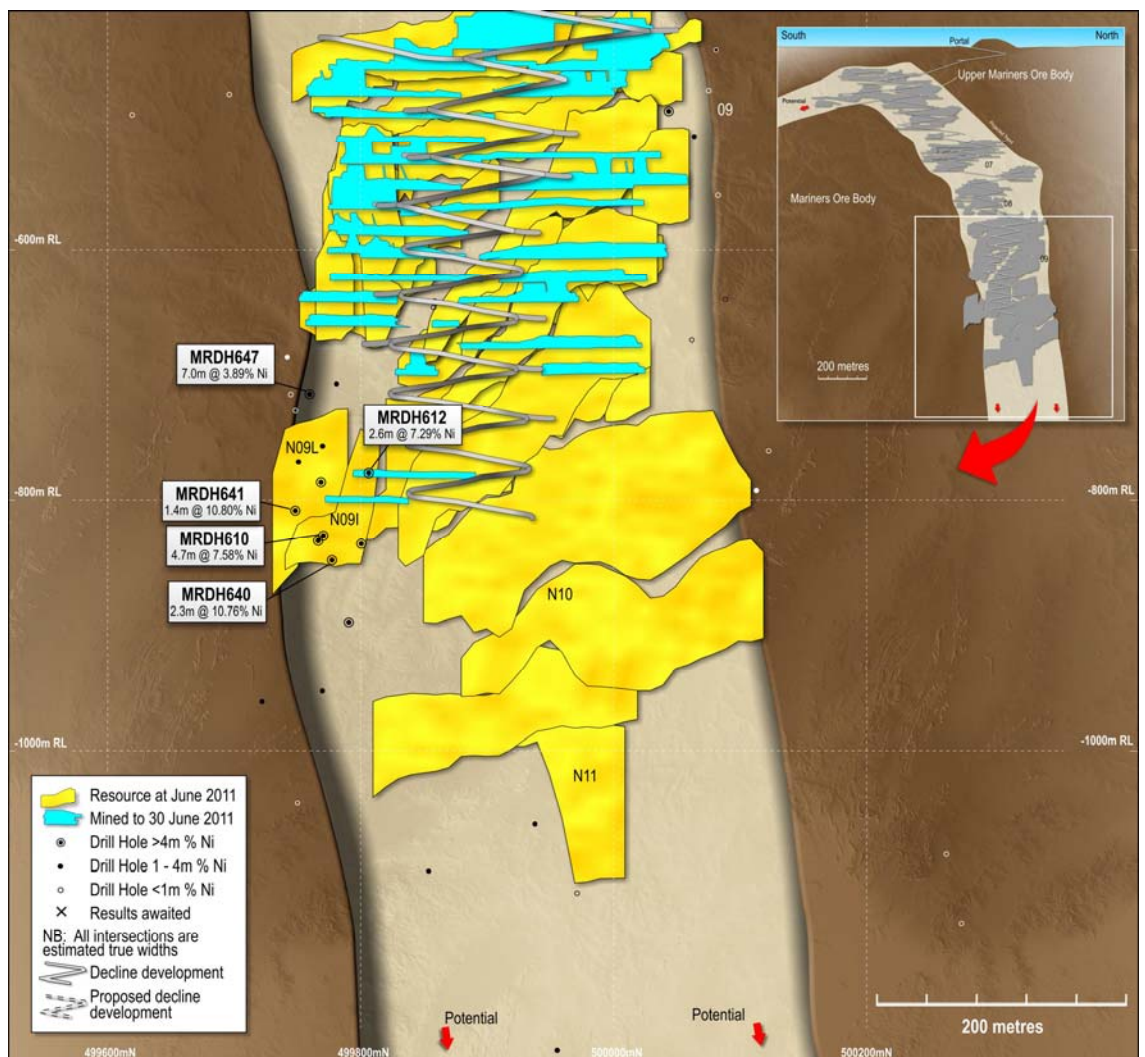
- MRDH0640: **4.46 metres @ 10.76% nickel from 220.00 metres** (estimated true width of 2.3 metres)
- MRDH0641: **3.05 metres @ 10.80% nickel from 194.26 metres** (estimated true width of 1.4 metres)
- MRDH0647: **10.31 metres @ 3.89% nickel from 125.89 metres** (estimated true width of 7.0 metres)

During the Quarter the maiden Mineral Resource and Ore Reserve estimates were completed for this new discovery. The Mineral Resource is estimated at **76,000 tonnes @ 6.4% nickel** for 4,800 tonnes of nickel metal, while the Ore Reserve contains **71,000 tonnes @ 4.3% nickel** for 3,000 tonnes of nickel metal.

By the end of the quarter underground access to this very high-grade position had been achieved and full faces of massive ore up to 9 metres wide were being excavated in the 1200 Level strike drive.

In the meantime the potential for the southern bounding structure of the Mariners ore system – the location of the Terrace ore shoot – to host more high-grade ore zones was highlighted by the intersection in MRDH640 (see above). This intersection occurs at the base of the Terrace Resource and is open down-dip.

FIGURE 1: Mariners – Long section



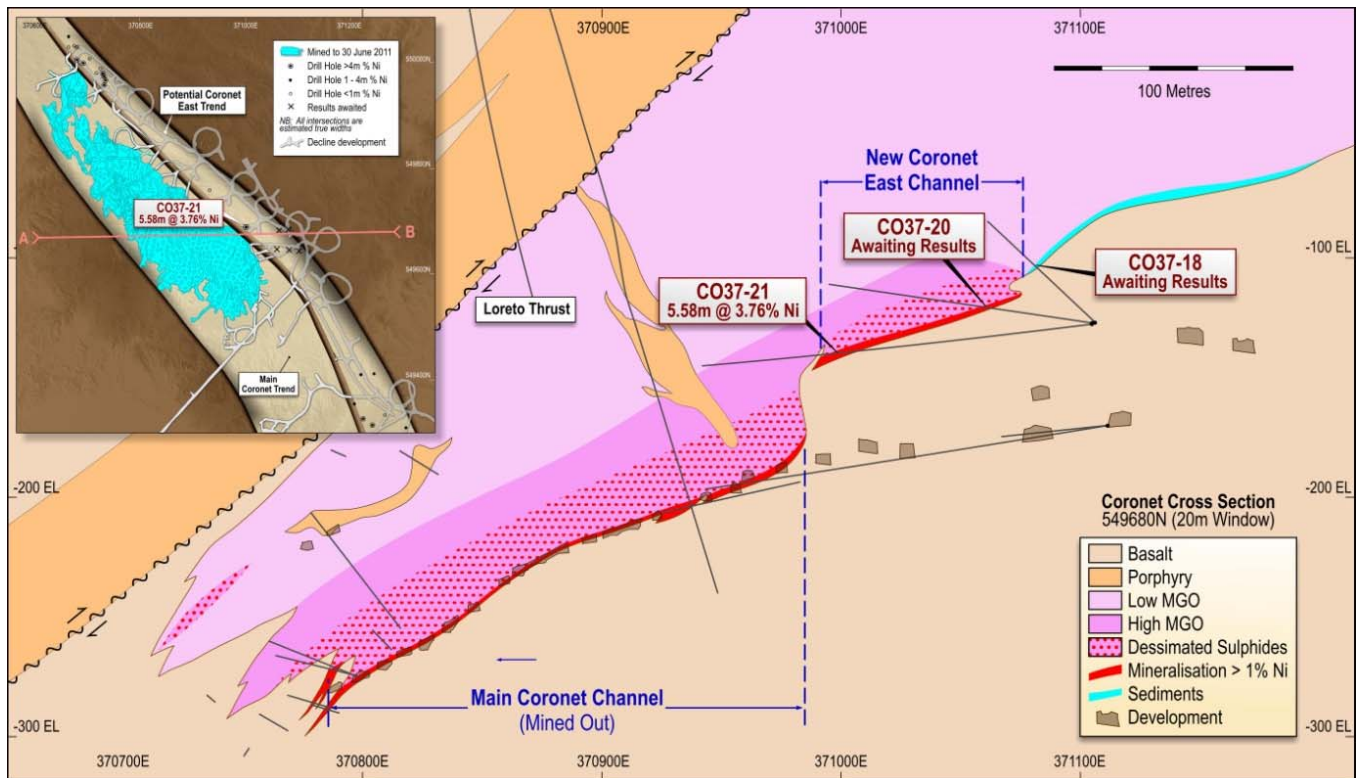
## North Kambalda Ore Systems - Coronet

In-mine geophysical work completed during 2010 outlined a number of electromagnetic anomalies in and around the Coronet ore body. Over the June Quarter three holes were completed testing these anomalies, with highly encouraging results:

- C037-21: **5.58 metres @ 3.76% nickel** (estimated true width of 2.0 metres)
- C037-16: **1.15 metres @ 2.14% nickel** (estimated true width of 1.1 metres)
- C37-17: **2.45 metres @ 2.35% nickel** (estimated true width of 1.9 metres)

These intersections appear to identify a new sub-channel containing lower tenor massive and matrix sulphides running parallel to the main Coronet trend, and, importantly, only 30 metres above the main decline (see cross section). This new sub-channel is open to the north and south and has a prospective length of more than 600 metres (see inset plan). It is an excellent new exploration target with low-cost and near-term development potential.

FIGURE 2: Coronet East – Cross section/Plan projection



## RESOURCE CONVERSION DRILLING PROGRAM

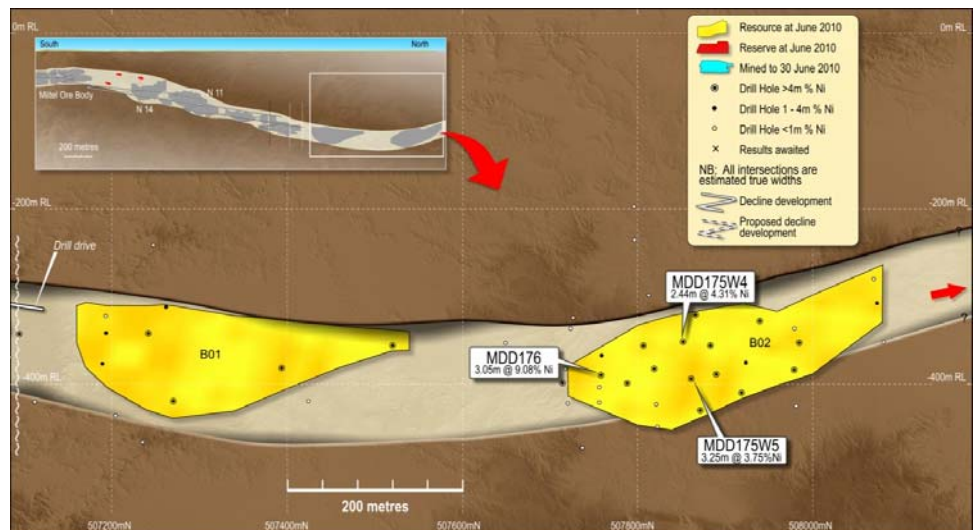
Resource drilling was carried out on two projects designed to confirm the identified mineral resources in preparation for detailed feasibility studies later in the year.

### Burnett Mineral Resource

Eight infill drill intersections were completed. Results confirm the continuity of mineralisation within the resource envelope and the overall geological interpretation.

Burnett lies on a faulted extension of the Miitel basal contact and is interpreted to be the northward extension of the Miitel ore system. It comprises two ore surfaces, the latter of which, the B02, is the largest and highest grade and was the focus of the infill drilling campaign.

FIGURE 3: Burnett – Long section



The following new intersections were achieved:

- MDD176: **4.05 metres @ 9.08% nickel from 740.75 metres** (estimated true width of 3.05 metres)
- MDD175W5: **4.99 metres @ 3.75% nickel from 752.95 metres** (estimated true width of 3.25 metres)
- MDD175W4: **3.62 metres @ 4.31% nickel from 713.85 metres** (estimated true width of 2.44 metres)
- MDD176W3: **1.50 metres @ 6.87% nickel from 757.30 metres** (estimated true width of 1.05 metres)
- MDD175W3: **1.54 metres @ 6.63% nickel from 789.45 metres** (estimated true width of 1.03 metres)

All these intersections have a thin zone of massive sulphide on the basal contact, although some intersections were partially affected by a porphyry intrusion.

The drilling has now infilled the B02 resource to a spacing of 40 metre centres. Geological interpretation shows the mineralisation on a linear, relatively undeformed contact over an extent of 400 metres. Although no intersection has returned a totally porphyry-obscured contact, porphyry has been modelled adjacent to the contact where it runs from the footwall to the hanging wall, south to north.

## Stockwell Mineral Resource

### Stockwell Resource – Infill Drilling

The Stockwell Project was first drilled by WMC Resources Ltd in the late 1990's. Based on the results of 51 holes by WMC and 21 holes by Mincor, a global resource for Stockwell was estimated by Mincor at 557,000 tonnes @ 3.1% nickel. This is made up of three mineralised surfaces lying less than 300 metres below surface.

The ore trends in these surfaces have a shallow plunge with variable dips and appear to be influenced at depth by a fault structure. The mineralisation comprises Kambalda-style matrix and disseminated nickel sulphides lying directly on the basal contact as well as remobilised sulphides along structures in the hanging wall.

During the Quarter fifteen new diamond drill intersections were achieved within the main N03 resource. While a number of assay results have not yet been received, results to date generally confirm the original interpretation.

## KAMBALDA NICKEL – REGIONAL EXPLORATION

Mincor's Regional Exploration program in Kambalda is targeted at the discovery of entirely new ore bodies in this well endowed and highly prospective nickel district.

FIGURE 4: Oblique geological section showing US-NOB target

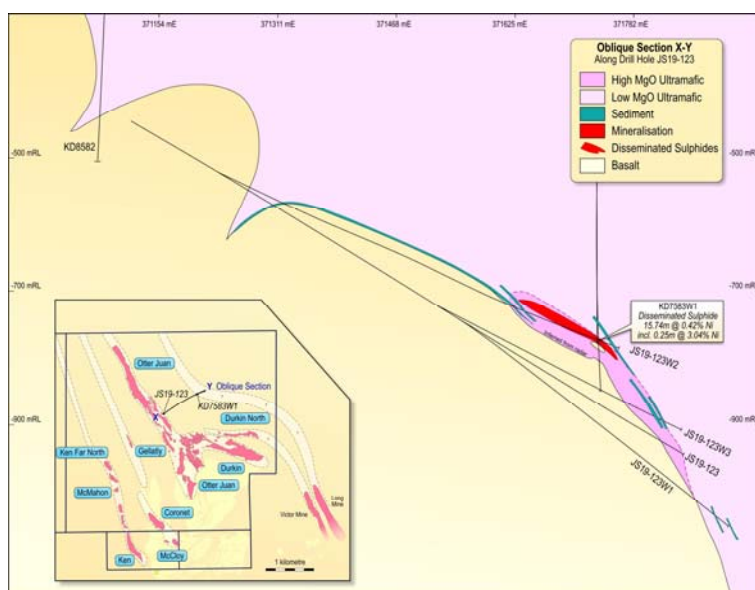
### Ultra-Sized Nickel Ore Body (US-NOB) Program

Mincor's underground US-NOB drilling program is designed to systematically test the basal contact along the eastern corridor of the Kambalda Dome. The basal contact in this area has yielded a number of nickel sulphide ore bodies containing >100,000 tonnes of nickel metal.

During the Quarter Mincor completed the fourth pierce point (JS-19-123W3) on its initial oblique section. The hole intersected an open contact typical of a flanking environment, with no significant mineralisation.

Two geophysical surveys were then completed, comprising down-hole electromagnetics and borehole radar. While some ambiguities remain, these surveys have satisfied Mincor that a very large ore body is not present along this section of the ore trend. However the drilling appears to have confirmed the presence of a fertile high-MgO channel structure, albeit un-mineralised at this locality.

Further lithochemical studies are underway and final geological interpretations will be used to design a follow-up program, which is likely to involve testing the channel structure elsewhere along its interpreted plunge extent.





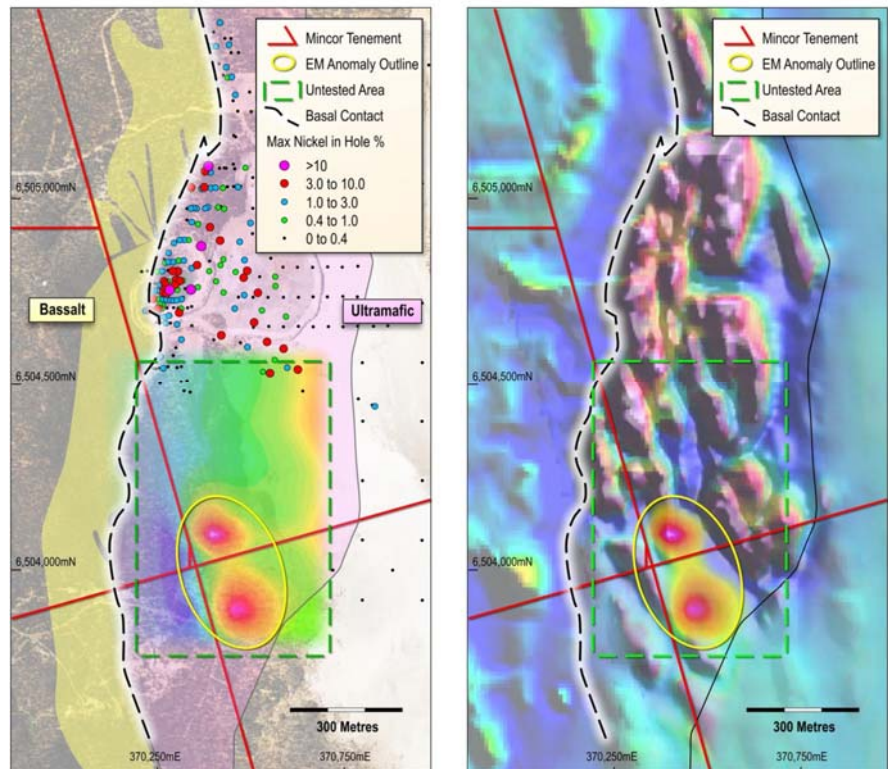
## Dordie Pit Area

The Dordie magnetic anomaly is a thickened magnetic complex that hosts the North Dordie Deposit at its northern extremity. Due to locally steep terrain no drilling has ever tested the southern extent of this magnetic feature despite coincident surface geochemical anomalism and known fertility.

Litho-geochemical results of rock chip samples along the basal contact confirm the presence of a channelised environment within the overlying ultramafic rocks. A ground electromagnetic survey was undertaken and generated a number of anomalies coincident with magnetic highs. High priority drill-testing is planned.

FIGURE 5: Dordie pit area showing:

- aerial photo of Dordie pit and maximum down-hole nickel assays
- magnetic image showing the Dordie magnetic complex and basal contact (dashed Western edge) with location of Squid EM anomaly



## Dordie South Magnetic High

Five kilometres south of the North Dordie open pit the Dordie Contact contains a significant untested magnetic high with an interpreted embayed contact, local EM anomalies and surface gossans. Four RC drill holes (MRC024, MRC026, MRC028 and MRC029) were completed in May to test this target.

(Drill-hole data in Table 3)

All the holes intersected the EM anomaly and the basal contact. MRC026 intersected 2 metres @ 0.56% nickel with anomalous copper from 57 metres down-hole. This result is considered encouraging and further work is planned.

FIGURE 6: Figure Map (Solid Geology, Orthophoto, Magnetics and Squid EM) Target area in dashed red

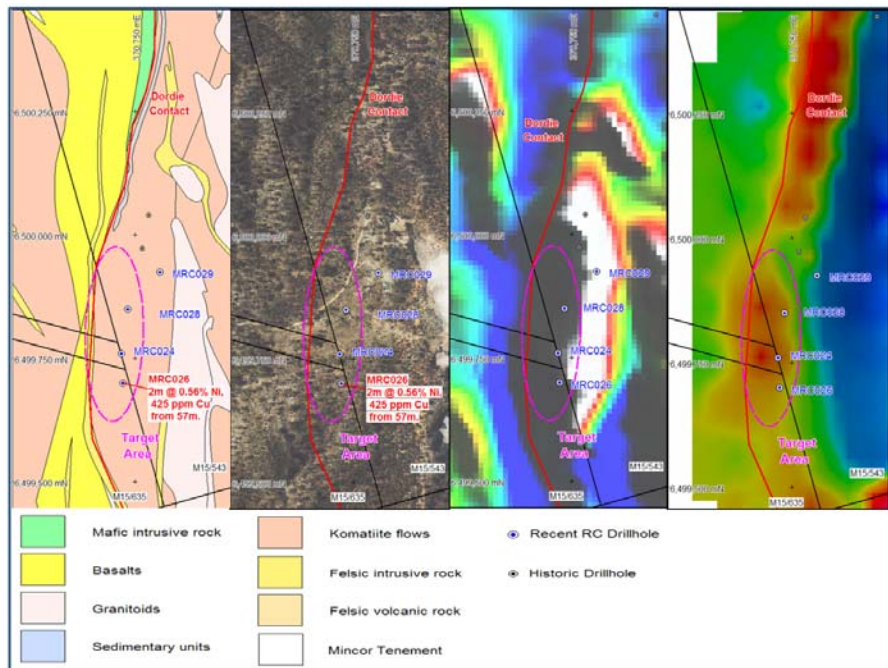


Table 3: Drill-holes completed during the Quarter at Dordie South

Hole ID	Prospect	Tenement	Northing	Easting	RL	Dip	Azimuth	Depth
MRC024	South Dordie	ML15/543	6499760	370722	307	-50	270	150
MRC026	South Dordie	ML15/543	6499700	370725	306	-60	270	168
MRC028	South Dordie	ML15/543	6499850	370735	304	-65	270	252
MRC029	South Dordie	ML15/543	6499925	370800	305	-60	270	180

### Anomaly A

Anomaly A contains disseminated and massive sulphide mineralisation on the Miitel-Redross basal contact south of Mariners Mine. Previous exploration results were re-interpreted during the Quarter and two new holes were drilled.

Table 4: Drill holes completed during the Quarter at Anomaly A

Hole ID	Prospect	Tenement	MGA Northing	MGA Easting	RL	Dip	Azimuth	Depth
MDD177	Anomaly A	M15/91	6,496,900.00	6,496,803	303	-60	270	210
MDD179W1	Anomaly A	M15/91	372,773.00	372,801	303	-58	270	194

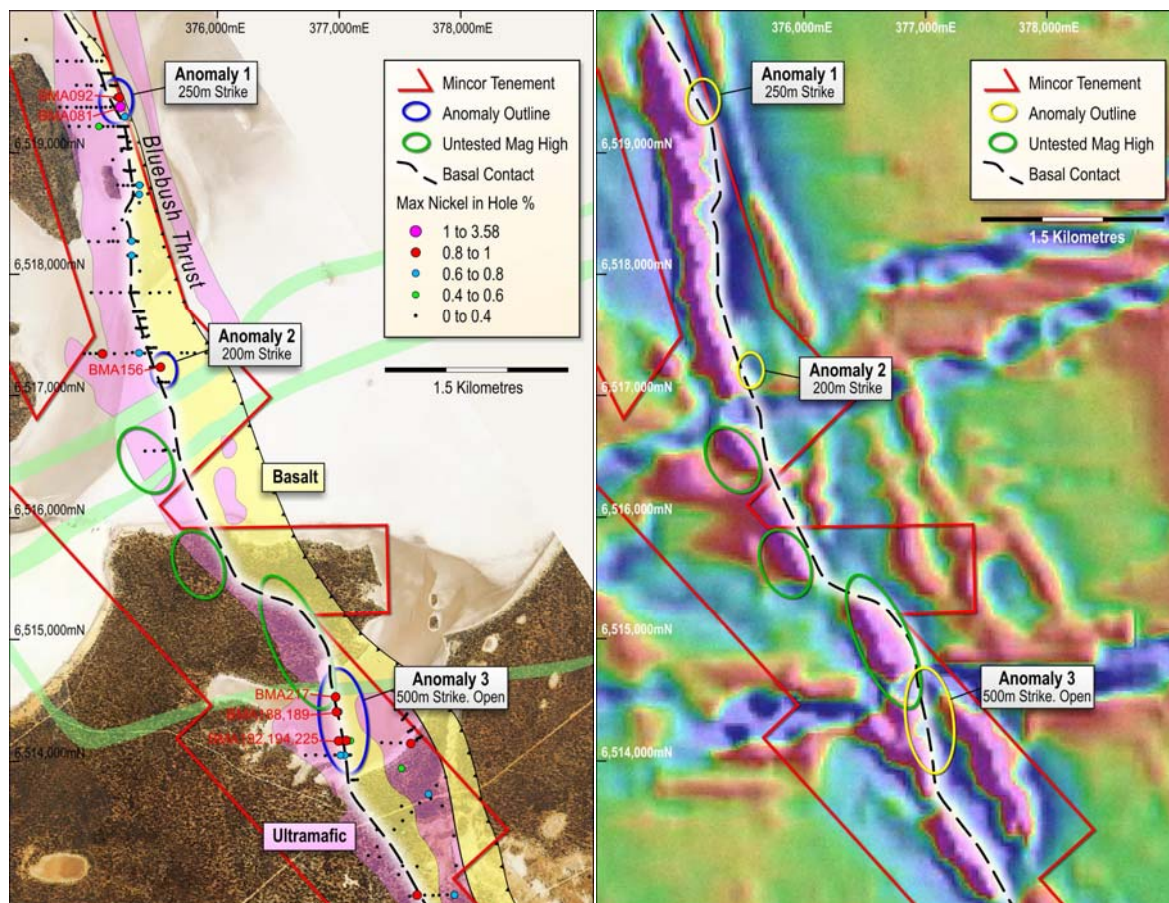
Both holes intersected thick, channelised fertile high-MgO ultramafic rocks with minor nickel sulphide mineralisation. These results appear to confirm a southerly plunge to the ore system and further work is planned.

### Bluebush Line – Mons Prospect (Lake Lefroy)

A major air-core drilling campaign was undertaken at the Mons prospect during the Quarter. The prospect is located at the northern end of the Bluebush Line and much of the prospect area is covered by the thin lake sediments of Lake Lefroy.

The prospect was discovered by an airborne EM survey carried out previously by Mincor and further delineated by a round of air-core drilling completed in November 2010. This work confirmed the presence of moderate to high MgO ultramafic rocks on a regional magnetic high and the preservation of the basal contact over a strike of two kilometres, with geochemical support from hole BMA081 (9 metres @ 0.88% nickel including 3 metres @ 1.04% nickel, 105ppm Cu from 9 metres).

FIGURE 7: Bluebush MON summary air-core drilling and Ni-Cu anomaly: (a) solid rock geology plan and lake edge in blue, ultramafic in brown and footwall basalt in yellow; (b) aeromagnetic image/geology showing the three areas of interest in blue



The air-core drilling program completed during the June Quarter consisted of 128 holes for 2,981 metres, both infilling and extending the known prospects. A number of highly anomalous intersections were achieved:

- BMA092: **24 metres @ 0.5% nickel**, 172 ppm Cu from 3 metres, including 3 metres @ 0.97% nickel; 178 ppm Cu
- BMA156: **1 metres @ 0.96% nickel**, 660ppm Cu (BOH)
- BMA188: **24 metres @ 0.67% nickel**, 199 ppm Cu from 40 metres, including 6 metres @ 0.95% nickel
- BMA192 : **9 metres @ 0.7% nickel**, 955 ppm Cu from 32 metres
- BMA189 : **9 metres @ 0.43% nickel**, 670 ppm Cu from 24 metres
- BMA194 : **12 metres @ 0.52% nickel**, 177 ppm Cu from 30 metres
- BMA217 : **15 metres @ 0.68% nickel**, 162 ppm Cu from 60 metres including 6 metres @ 1.0% nickel

These preliminary results identify three main target areas:

Around BMA092 an anomaly is defined by 100 metre spaced air-core drilling and is characterised by moderate broad Ni-Cu anomalism over 250 metres of strike. The 200 metre anomaly around BMA156 is defined by three lines of drilling. Strong Ni-Cu-Zn intersected in the hole could be related to sediments. The third zone is delineated in BMA188-189, BMA192, BMA194 and BMA217. It is defined by a broad strong Ni-Cu anomaly over 500 metres of strike and open to the north.

Geochemical analysis and interpretation is continuing and further drilling is planned.

## REGIONAL EXPLORATION

### Tottenham Copper Project (Mincor 100%)

The drilling program that commenced at Tottenham in January continued through the June Quarter before ending in early July. Of the 28 holes completed in this program, all but two intersected significant copper-gold mineralisation. The results are considered highly encouraging and demonstrate the presence of district-scale copper-gold mineralisation located in a number of stratigraphic horizons.

The geology and mineralisation at Tottenham fits the description of mafic-dominated Volcanogenic Massive Sulphide systems sometimes termed 'Besshi Type'. The mineralisation in these systems is typically Copper-rich, with zinc, silver and gold within well-developed iron-sulphide (pyrite/pyrrhotite) bodies. The best copper grades are typically proximal to the source of the fluids that formed these bodies – possible "black smokers" erupting from the sea floor, driven by underlying igneous activity.

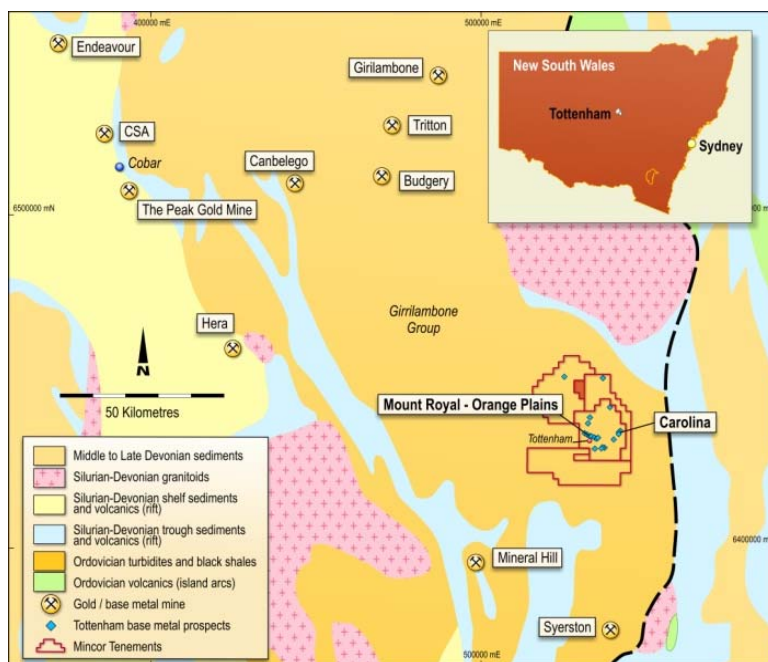
Mincor believes that a cluster of such VMS systems may be present on its tenements, their presence indicated by the district-scale copper-gold mineralisation outlined to date.

Compilation and interpretation of all data is now underway, and consideration is being given to the use of additional exploration tools such as an Induced Polarisation (IP) survey, before the next round of drilling.

Results of the 12 holes completed since the previous Quarterly Report are presented below:

- |          |                                                               |                                    |
|----------|---------------------------------------------------------------|------------------------------------|
| • TMD12: | <b>1.39 metres @ 2.18% copper and 0.54g/t gold</b>            | (estimated true width 1.28 metres) |
| • TMD13: | <b>0.45 metres @ 8.34% copper and 2.61g/t gold</b>            | (estimated true width 0.41 metres) |
| • TMD15: | <b>1.35 metres @ 11.28% copper, 2.06g/t gold</b>              | (estimated true width 1.24 metres) |
| • TMD16: | <b>1.78 metres @ 6.88% copper, 1.67g/t gold</b>               | (estimated true width 1.64 metres) |
| • TMD17: | (upper zone): <b>2.07 metres @ 2.00% copper, 1.28g/t gold</b> | (estimated true width 1.91 metres) |
| • TMD17: | (lower zone): <b>3.77 metres @ 6.21% copper, 1.74g/t gold</b> | (estimated true width 3.47 metres) |
| • TMD18: | <b>0.91 metres @ 2.62% copper and 0.82g/t gold</b>            | (estimated true width 0.84 metres) |
| • TMD19: | <b>0.62 metres @ 1.27% copper and 0.51g/t gold</b>            | (estimated true width 0.57 metres) |
| • TMD20: | <b>0.12 metres @ 1.32% copper and 0.56g/t gold</b>            | (estimated true width 0.11 metres) |

FIGURE 8: Regional location of the Tottenham Copper Project and Mincor's tenement holdings



- TMD21: **3.58 metres @ 1.37% copper and 0.21gt gold** (estimated true width 3.30 metres)
- TMD22: **2.66 metres @ 3.17% copper, 0.69gt gold** (estimated true width 2.45 metres)
- TMD23-24: no significant intersection.
- TMD25: **1.83 metres @ 4.82% copper, 0.37gt gold** (estimated true width 1.68 metres)
- TMD26-28: Assays pending

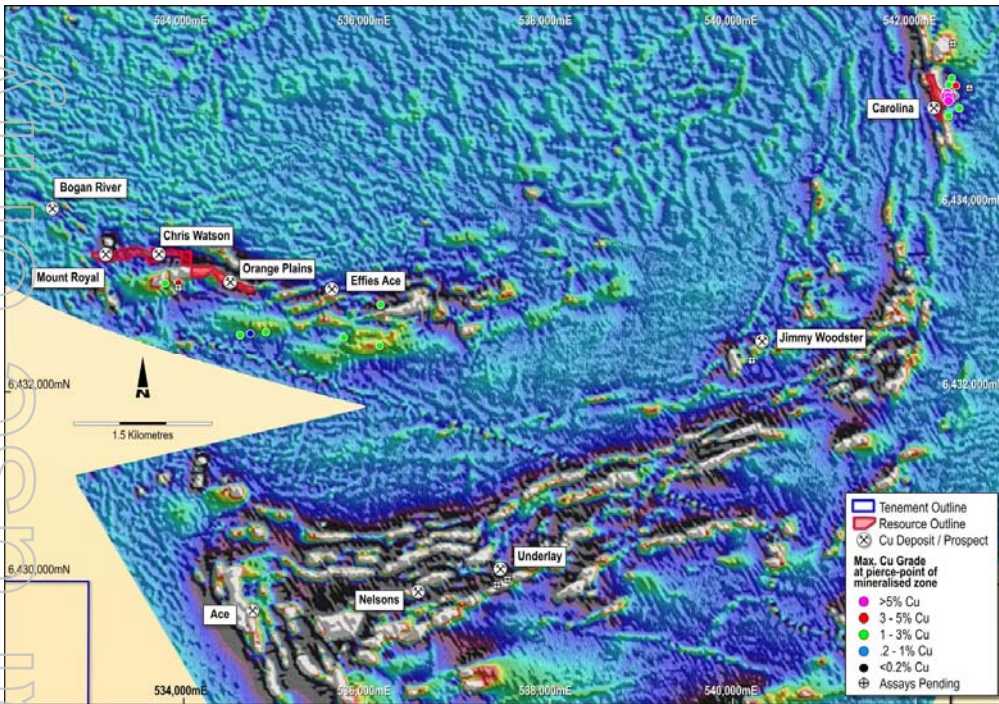


FIGURE 9: Regional magnetic image (first vertical derivative of TMI) showing prospect and anomaly locations and holes drilled in the quarter. The prospects and anomalies can be seen lining up along magnetic high trends which correspond with the distribution of the prospective quartz-magnetic marker unit

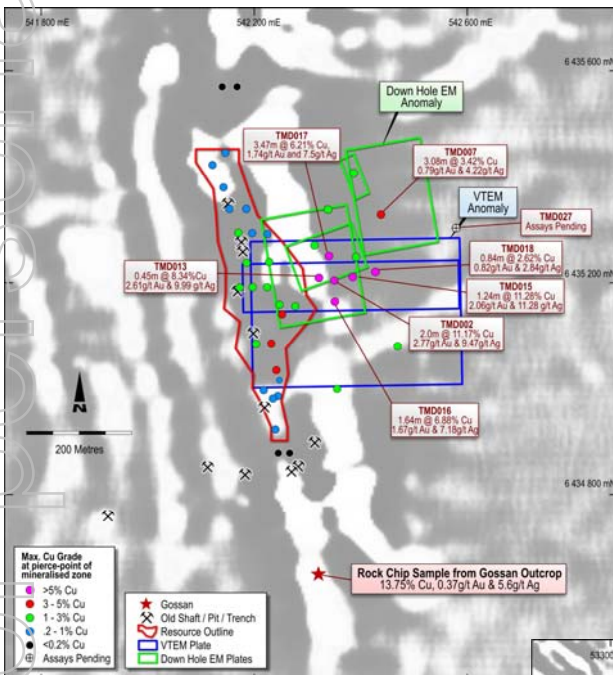
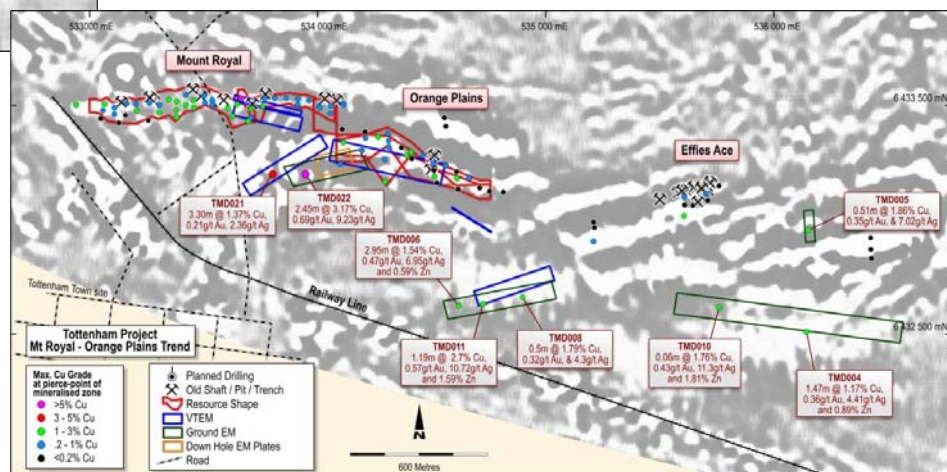


FIGURE 10 (left): Carolina Prospect - Plan view showing drill-hole locations and EM anomalies. Note that it is the location of drill-hole copper-gold intersections that are plotted, not the location of the drill-hole collars

FIGURE 11 (below): Plan view showing drill-hole locations and EM anomalies. Note that it is the location of drill-hole copper-gold intersections that are plotted, not the location of the drill-hole collars



### Tabulation of Tottenham Drill-holes (all locations are in the MGA zone 55 (GDA94) coordinate system)

Hole ID	Prospect	North (m)	East (m)	From (m)	To (m)	Interval (m)	Estimated true thickness	Cu %	Au g/t	Ag g/t
TMD12	Carolina	6435256	542533	264.94	266.33	1.39	1.28	2.18	0.54	2.7
TMD13	Carolina	6435195	542375	164.63	165.08	0.45	1.41	8.34	2.61	9.99
TMD14	Carolina	6435189	542503				Hole Failed			
TMD15	Carolina	6435189	542505	236.95	238.3	1.35	1.24	11.28	2.06	11.28
TMD16	Carolina	6435158	542395	167.22	169	1.78	1.64	6.88	1.67	7.18
TMD17	Carolina	6435238	542413	168.95	171.02	2.07	1.91	2	1.28	3.75
and				190.81	194.58	3.77	3.47	6.21	1.74	7.5
TMD18	Carolina	6435189	542565	282.77	283.68	0.91	0.84	2.62	0.82	2.84
TMD19	Carolina	6435382	542526	290.16	290.78	0.62	0.57	1.27	0.51	1.18
TMD20	Carolina	6435320	542469	224.06	224.18	0.12	0.11	1.32	0.56	1.9
TMD21	Orange Plains	6433156	533800	172.87	176.45	3.58	3.30	1.37	0.21	2.36
TMD22	Orange Plains	6433170	533945	157.7	160.36	2.66	2.45	3.17	0.69	9.23
TMD23	Jimmy Woodser	6432274	540208				NSA			
TMD24	Underlay	6429954	537534				NSA			
TMD25	Underlay	6429888	537427	102.04	103.87	1.83	1.68	4.82	0.37	9.63
TMD26	Carolina	6435780	542494				Assays Pending			
TMD27	Carolina	6435326	542650				Assays Pending			
TMD28	Orange Plains	6433102	533949				Assays Pending			

## PAPUA NEW GUINEA

As announced on 24 May 2011, Mincor executed a landmark joint venture agreement during the quarter with unlisted PNG explorer Niuminco Ltd. Under the terms of the agreement Mincor will spend up to \$30 million over eight years to earn an interest in four projects held by Niuminco.

These projects are the following:

- **The Edie Creek Gold Project**, located in the Morobe Goldfields close to the giant Hidden Valley gold deposit that is currently under development by the Morobe Joint Venture. Edie Creek is an historic gold producing area with minimal modern exploration where Mincor will target the delineation of a multi-million ounce gold resource. Mincor may earn up to 51% through a staged earn-in process and the expenditure of \$15 million.

- **The May River Exploration Licence**, located adjacent to Xstrata's giant Frieda River Porphyry copper-gold project, and prospective for several mineralisation styles including Porphyry copper-gold and VMS copper-gold deposits, with historic drill intercepts including **109 metres @ 1.53g/t gold** from surface (mesothermal style) and **19 metres @ 11.4% copper and 2.7g/t gold** (VMS style). Mincor may earn up to 72% through a staged earn-in process and the expenditure of \$5 million.

- **The Bolobip Exploration Licence**, located close to the giant Ok Tedi copper-gold mining operation, and considered prospective for porphyry copper-gold mineralisation. Trenching completed by CRA in the 1980's yielded extensive surface gold mineralisation (best trench results **95 metres at 1.5g/t gold**) in an intrusive multi-phase quartz-diorite porphyry. Mincor may earn up to 72% through a staged earn-in process and the expenditure of \$5 million.

- **The Kubuna Exploration Licence**, located adjacent to the operating Tolokuma Gold Mine, and considered prospective for both porphyry copper and epithermal gold mineralisation. Mincor may earn up to 72% through a staged earn-in process and the expenditure of \$5 million.

At present the joint venture agreement covering the Edie Creek tenements remains subject to certain conditions precedent relating to statutory provisions and third party rights. Until these conditions precedent are met Mincor is not able to commence exploration at Edie Creek.

Mincor has commenced active preparations for work on the May River, Bolobip and Kubuna Exploration Licences.

During the quarter contact was made and meetings held with all the key landholder groups. The outcome of these meetings was extremely positive.

Preparations are now well-advanced for field work to commence at Bolobip, where a field camp is currently being established. The old trenches will be re-opened and re-sampled over the next few months, and this work will be followed by an Induced Polarisation (IP) survey.

At May River planning is well-advanced for a major heli-borne geophysical survey. This will cover both areas of known mineralisation – the VMS targets in the north and the porphyry copper-gold targets in the south. Airborne electromagnetics (VTEM) will be carried out, and in the south this will be supplemented by a new technology known as ZTEM, which is designed to map the earth's resistivity.

An intensive phase of data location and compilation continues on all projects.

FIGURE 12: Mincor's Joint Venture Tenements in PNG



## 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 1,890 tonnes of payable nickel metal to December 2012, at an average price of A\$27,362 per tonne.

This represents approximately 20% of Mincor's expected production over that period. This hedging is distributed as shown below:

<b>Jul 2011 to Dec 2011</b>	140 tonnes of nickel per month at a price of \$27,080/tonne
<b>Jan 2012 to Jun 2012</b>	95 tonnes of nickel per month at a price of \$27,694/tonne
<b>Jul 2012 to Dec 2012</b>	80 tonnes of nickel per month at a price of \$27,459/tonne

### Cash and debt

As at 30 June, Mincor had cash of **\$87.34 million** (end March 2011: \$96.13 million); and receivables net of creditors and accruals of \$5.63 million, giving a working capital position of **\$92.97 million** (end March 2011: \$99.64 million).

During the quarter Mincor incurred a **\$1.54 million** decrease in revenue received (compared to revenue booked as receivables in the previous quarter) due to provisional pricing adjustments.

On 21 June 2011 Mincor announced its intention to undertake an on-market buy-back of up to 20,018,000 of its shares, being approximately 10% of the Company's share capital.

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

## Mineral Resources as at 30 June 2011

RESOURCE	MEASURED		INDICATED		INFERRED		TOTAL		
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Ni Tonnes
Mariners	125,000	3.6	417,000	4.8	65,000	3.5	608,000	4.4	26,900
Redross	31,000	5.1	138,000	2.9	67,000	2.9	236,000	3.2	7,500
Burnett			121,000	4.8			121,000	4.8	5,700
Miitel	175,000	4.2	263,000	3.1	545,000	3.0	983,000	3.2	31,700
Wannaway			123,000	2.6	16,000	6.6	139,000	3.0	4,200
Carnilya Hill*	63,000	4.1	41,000	2.3	0	0.0	104,000	3.4	3,500
Otter Juan**	45,000	3.3	114,000	4.7	79,000	2.3	238,000	3.7	8,700
McMahon/Ken			264,000	2.9	79,000	6.2	343,000	3.7	12,600
Durkin	-	-	251,000	5.2	127,000	5.0	378,000	5.1	19,300
Gellatly	-	-	29,000	3.4	-	-	29,000	3.4	1,000
Cameron	-	-	96,000	3.3	-	-	96,000	3.3	3,200
Stockwell	-	-	557,000	3.1	-	-	557,000	3.1	17,100
<b>Grand total</b>	<b>439,000</b>	<b>4.0</b>	<b>2,414,000</b>	<b>3.7</b>	<b>978,000</b>	<b>3.5</b>	<b>3,832,000</b>	<b>3.7</b>	<b>141,400</b>

- 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 2011

RESERVE	PROVED		PROBABLE		TOTAL		
	Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Ni Tonnes
Mariners	49,000	2.9	329,000	3.8	378,000	3.7	13,900
Redross	33,000	3.5	-	-	33,000	3.5	1,200
Miitel	108,000	2.6	114,000	2.5	222,000	2.5	5,600
Wannaway	-	-	39,000	2.9	39,000	2.9	1,100
Carnilya Hill*	33,000	3.3			33,000	3.3	1,100
Otter Juan**	40,000	3.6	14,000	3.8	54,000	3.6	2,000
McMahon			242,000	2.4	242,000	2.4	5,600
<b>Grand total</b>	<b>263,000</b>	<b>3.0</b>	<b>738,000</b>	<b>3.1</b>	<b>1,001,000</b>	<b>3.0</b>	<b>30,500</b>

- 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 Peter Teasdale, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Teasdale is a permanent employee of Mincor Resources NL. Mr Teasdale 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 Teasdale consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

- REPORT ENDS -