

MINCOR DELIVERS ROBUST \$64 MILLION PROFIT FOR 2008 DESPITE NICKEL PRICE DROP

Maintains Annual Fully Franked Dividend Payout at 12 cents

- *Net profit after tax for FY 08 of \$64.04M on sales revenue of \$329.3M.*
- *\$12.8M exploration write-offs and \$11.9M net provisional pricing adjustments.*
- *28% increase in production to record 16,562 tonnes of nickel-in-concentrate.*
- *Cash margin down by 33% due to lower nickel prices, despite lower costs.*
- *\$112.5M cash at 30 June 2008 & no debt – strong platform for continued growth.*

Australian nickel mining company Mincor Resources NL (**ASX: MCR**) has maintained a strong platform for its multi-mine growth strategy in the Kambalda region of Western Australia, after today announcing a robust net annual profit after tax of **\$64.04 million***, despite the impact of lower nickel prices during the year.

The bottom line earnings result – which is 36% lower than the Company's all-time record profit of \$101.3 million for the 2007 financial year – was struck on gross revenues of \$329.3 million (2007: \$334.5 million). The reduction in earnings reflects a 33% fall in average cash margins due to lower realised nickel prices. The result translates into earnings per share of 32.1 cents (2007: 51.3 cents).

The profit result is net of \$12.8 million in exploration expenditure written off, as well as \$11.9 million in negative net provisional pricing adjustments from the previous year. Operational earnings (revenues minus cash costs) were \$171.2 million (2007: \$191.4 million), while earnings before interest, tax, depreciation and amortisation (EBITDA) were \$140.8 million (2007: \$175.7 million).

Despite the impact of the nickel price on earnings, the Company has declared a fully franked final dividend of **6 cents per share** – bringing the dividend payout for the 2007/08 financial year to **12 cents per share** (2007: 12 cents). This maintains Mincor's track record of returning cash to shareholders, with uninterrupted dividend payments dating back to 2003.

The Company's financial position remains exceptionally strong, with a net cash balance at year end of **\$112.5 million and no debt**. Despite the absence of gearing, the return on shareholders' equity achieved for the year was a healthy 29%.

The 2008 financial result was based on a 28% increase in production to a record 16,562 tonnes of nickel-in-concentrate (2007: 12,927 tonnes). The average nickel price realised by the Company during the year fell to A\$13.53/lb compared with A\$17.28/lb the previous year, reducing the Company's cash margin by 33% despite a 3% improvement in cash costs to A\$6.40/lb for the year (2007: A\$6.59/lb).

"Notwithstanding a period of extreme volatility on global equity and commodity markets, and a much tougher operating environment, Mincor has once again delivered strongly during the past year," commented the Company's Managing Director, David Moore.

"We have lifted our production very substantially while keeping cash costs under control, we have successfully completed two significant acquisitions, we have developed two new mining operations, and we have enjoyed outstanding exploration success. Finally, we have delivered a robust financial result and maintained our dividend despite the sharp drop in both the nickel price and our share price."

* All Dollar references in this release are Australian Dollars unless otherwise specified.

Mr Moore said the Company had a strong production base in its two operational centres in the Kambalda Nickel District, and was pursuing an aggressive exploration strategy aimed at lifting its resource base to 400,000 tonnes of contained nickel metal over the next few years.

“With our tremendous range of exploration targets throughout the Kambalda District and an exploration budget of \$20 million, exploration will be a key theme for the coming year. We will be targeting not only extensions to our existing resources, but also the discovery of Ultra-sized Nickel Ore Bodies and whole new nickel districts,” he said.

Outlook

Mincor is targeting production of between 19,500 and 20,500 tonnes of nickel metal in ore for the 2008/09 financial year. In line with the lower nickel price, the Company has moved rapidly to switch its production focus from volume to margin, and is targeting a substantial reduction in its cash costs.

“Mincor has generated strong profits since 2001 and paid regular dividends since 2003,” Mr Moore concluded. “We have an outstanding asset base, a clear growth vision and the financial capacity to deliver on our goals. We are excited and optimistic about the future.”

Mincor is Australia’s 3rd largest listed nickel producer. The Company is targeting a long term production rate of 20,000 tonnes of nickel in ore per annum, and is pursuing an aggressive exploration growth strategy in the world-class Kambalda Nickel District of Western Australia.

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Released by:

Nicholas Read/Kate Bell
Read Corporate
Tel: (08) 9388 1474

On Behalf of:

Mr David Moore, Managing Director
Mincor Resources NL
Tel: (08) 9476 7200 www.mincor.com.au

Forward-Looking Statements

This release may include forward-looking statements. These forward-looking statements are based on management'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 Mincor Resources NL, which could cause actual results to differ materially from such statements. Mincor Resources NL makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release.