

MINCOR TO ACQUIRE MAJOR KAMBALDA LAND PACKAGE

Acquisition of the Bluebush Line Secures 40km of Prospective Basal Contact

Australian nickel producer Mincor Resources NL (**ASX: MCR**) has further expanded its strategic growth footprint in the Kambalda Nickel District of Western Australia after reaching agreement with BHP Billiton Limited, its off-take partner, to acquire a major package of highly prospective nickel sulphide exploration tenements in the District.

The agreement covers the “**Bluebush Line**”, which contains numerous high-grade nickel occurrences extending over a strike length of more than 40km. These include drill intersections of up to **7.15 metres @ 6.14% nickel** in the advanced stage Stockwell Prospect.

The Bluebush Line is believed to be the only remaining surface exposure of the basal contact in the Kambalda Nickel District not yet controlled by long-term holders. The basal contact is the stratigraphic position that hosts all known Kambalda nickel deposits.

The Bluebush Line contains numerous known nickel occurrences, including those at **Cameron, Lawry, Grimsby** and **Stockwell**. WMC Resources Ltd completed 34,000 metres of drilling at Stockwell/Grimsby in the late 1990s, outlining a substantial zone of nickel sulphide mineralisation.

A selection of better drill intersections* from these occurrences include:

Prospect	Depth to Top of Intersection (metres)	Width of Intersection (metres)	Nickel Grade
Stockwell	62.3	7.15	6.14%
Stockwell	86.7	5.10	6.76%
Grimsby	133	4.85	4.89%
Lawry	80.0	2.48	4.26%
Cameron	260.5	3.84	3.44%
Riddler	48.0	1.00	1.89%
Douglas	72.0	2.00	1.18%

(All reported as down-hole widths in vertical holes, in which the dip of the basal contact varies from 60 to 80 degrees.)

No exploration has been conducted anywhere on the Bluebush Line since 2001, leaving the area wide open to the recent advances in geological thinking, geophysical techniques and deep drilling capabilities that have proved so successful for Mincor since it first entered the District nearly 7 years ago.

“We are thrilled at the opportunity to acquire this outstanding package of ground,” said Mincor’s Managing Director, David Moore. “These may be the last of the tenements in the Kambalda Nickel District with genuine near-surface prospectivity.

“We intend to commence an aggressive exploration program as soon as possible, with our focus initially on the Stockwell/Grimsby area, where we believe there is clear potential for the early delineation of a substantial nickel resource,” he continued.

“However, we will also aggressively pursue the entire 40 kilometre strike length of the basal contact along the Bluebush Line – surely one of the best exploration positions in the entire Kambalda District. Outside of three prospect areas, there is not a single drill-hole extending to more than 200 metres in depth.

“This acquisition is further evidence of Mincor’s ability to continue to grow its successful Kambalda nickel business. Opportunities of this quality are rare at any time, and especially so in the current bull market for resource assets,” Mr Moore said.

Under the agreement, Mincor will sub-lease the Bluebush tenements (with rights to explore for and mine nickel) from BHP Billiton until the formal termination of the Nickel Refinery Act, after which it will acquire the tenements outright.

The sub-lease and acquisition terms are confidential but are not considered material to Mincor. The deal includes an off-take agreement for the nickel produced from the tenements. The gold rights to the tenements are held by Gold Fields Limited.

The sub-lease is subject to Ministerial approval and the normal administrative procedures of the relevant Acts. The sale agreement is subject to the termination of the Nickel Refinery (Western Mining Corporation Limited) Agreement Act 1968, Ministerial approval, and normal third party consents under a variety of subsidiary agreements.

**The drill intersections quoted here have been extracted by Mincor Resources NL from the WMC Resources Ltd data base, and as such the detailed quality control on the location, drilling, sampling and assaying of these results has not been independently verified by Mincor Resources NL. However Mincor’s knowledge of WMC Resources’ quality control procedures, and previous experience with WMC Resources’ drill-hole database, suggest that such data is reliable. It should be noted that BHP Billiton gives no warranty of any kind as to the accuracy of the information.*

Mincor owns and operates five nickel mines in the Kambalda Nickel District of Western Australia, and is developing two more. The Company has an aggressive multi-pronged growth strategy in nickel, and, as part of its Growth and Expansion Strategy, is actively exploring for other base metal commodities.

The information in this Public Report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by 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 Persons 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.

- ENDS -

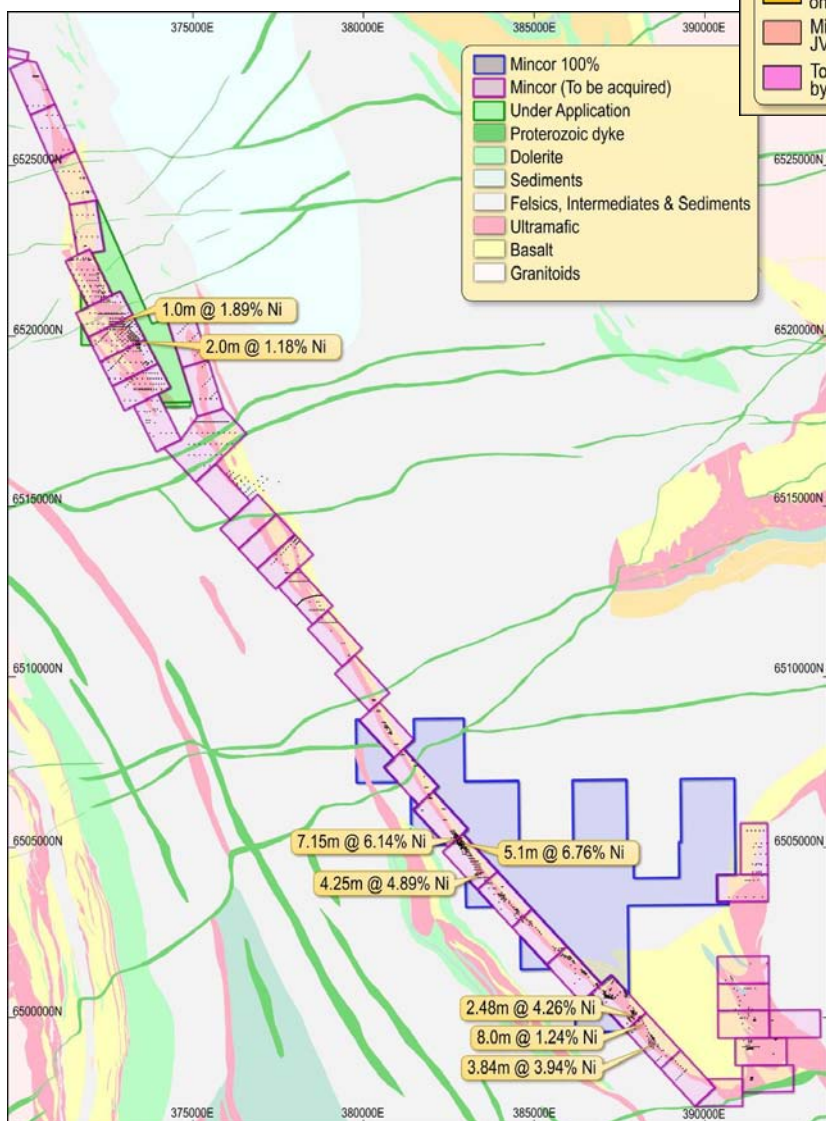
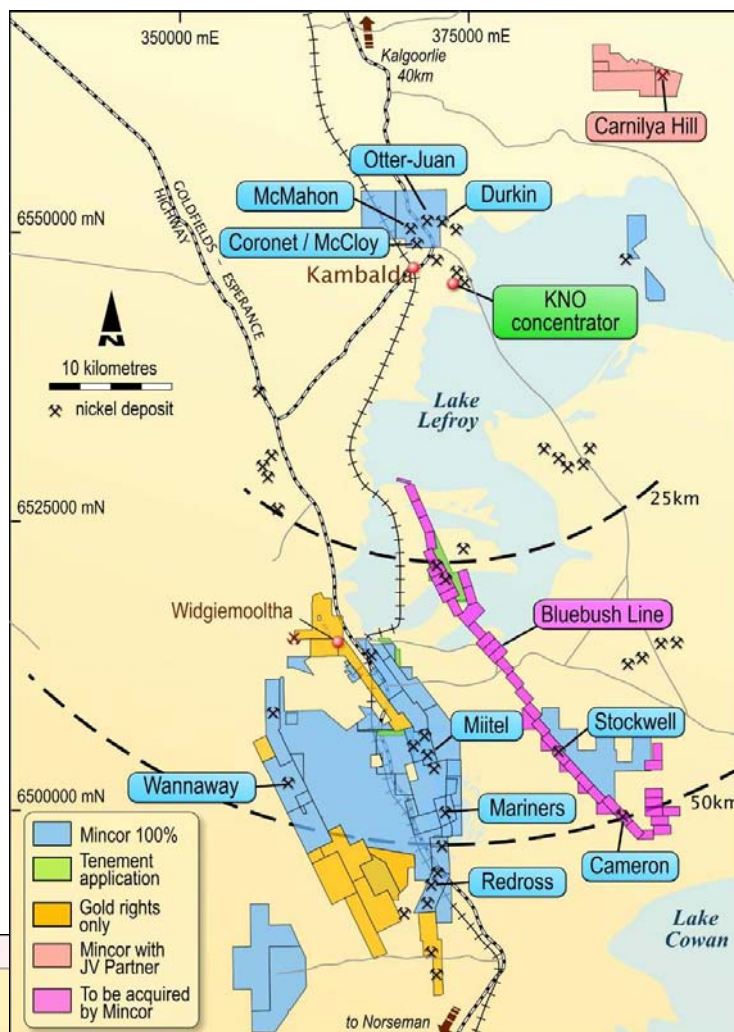
Released by:

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

On Behalf of:

Mr David Moore, Managing Director
Mincor Resources NL
Tel: (08) 9321 7125 www.mincor.com.au

Map 1: Mincor's rights and tenement holdings in the Kambalda Nickel District, including the Bluebush Tenements



Map 2: Detail of the Bluebush Tenements showing known nickel prospects and selected drill intersections. Black dots represent the location of all known drilling