

HIGH-GRADE NICKEL INTERSECTION EXTENDS OTTER JUAN

Innovative Drilling Technique Could Revolutionise Kambalda Exploration

Australian nickel miner Mincor Resources NL (**ASX: MCR**) has delineated a significant potential extension to its **Otter Juan nickel mine** at Kambalda using an innovative underground drilling technique that has returned an intersection of **8.29 metres @ 3.70% nickel** (true width 3.5 metres) more than 100 metres beyond the furthest previous drill intersection in the ore body.

Mincor said today (**Friday**) that the diamond drill hole intersected the Otter Juan ore trend at the exact location predicted by its geologists, confirming the strength and predictability of what is historically the strongest ore trend in Kambalda. The intersection lies just inside the current inferred mineral resource.

The Otter Juan mine, which was acquired by Mincor last year, is by far the biggest ore system yet discovered in the Kambalda district, with over 300,000 tonnes of nickel metal produced since the early 1970s.

“This is a very significant result that confirms the continuation of the Otter Juan ore trend to the north,” said Mincor’s Managing Director, Mr David Moore. “Of equal significance is the success of the drilling technique, which has the potential to revolutionise our capacity to extend reserves at all our nickel mines.

“The key point is that to drill out the Otter Juan trend from surface would be costly and time consuming,” he said. “With this new drilling technique we have used a 420 metre long underground drill hole to do what would otherwise have needed a 1.5 kilometre deep surface hole.”

In what is believed to be a first for Kambalda, the hole was drilled parallel to the estimated position of the ore trend from an excavation in the footwall, and then bent upwards to intersect the target zone.

“It is this kind of innovative thinking that will realise the true potential of the Kambalda Nickel District,” Mr Moore continued. “Combined with the other innovations that have been employed over the past few years, it reinforces our belief that the district – already by far the biggest concentration of high-grade nickel sulphides known in Australia – has massive untapped potential and many decades of profitable mining ahead of it.”

The information in this Public Report that relates to Exploration Results, Mineral Resources or 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.

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