

REMNANT MINING ENDS AT WANNAWAY AS FOCUS TURNS TO NEW POTENTIAL AT DEPTH

Australian nickel producer Mincor Resources NL (**ASX: MCR**) today announced the end of remnant mining operations at its Wannaway Mine, due to the long-expected depletion of viable ore reserves. The mine will be placed on care and maintenance as of close of business on Friday, 8 August while the Company continues drilling beneath the old workings, where recent high-grade nickel intersections have demonstrated substantial new ore potential.

The Company said that the cessation of operations at Wannaway was not expected to have a material effect on Group production for the financial year, which is forecast at between 19,500 and 20,500 tonnes of nickel in ore.

Mincor said that Wannaway had been expected to close in January 2005, once the original 400,000-tonne ore reserve had been mined. However, the dedicated and highly skilled Wannaway workforce had succeeded in keeping the mine operating on a safe and profitable remnant-mining basis for 3 and a half years beyond that time.

“We are sad to see the remnant ore finally run out at Wannaway”, said Mincor’s Managing Director David Moore, “but it is really just the start of a new chapter in the life of this extraordinary mine – we have high-grade nickel intersections down below and we hope to see a new mineral resource take shape there in the months to come.

“In the meantime I want to pay tribute to the hard work, skill and dedication of our Wannaway team, who have done a remarkable job of running the operation on a profitable remnant-mining basis. Most impressively of all, they have done it safely, and to this day Wannaway holds the record for the longest period without a Lost Time Injury among all our mines.”

Wannaway was discovered by WMC Resources Ltd and first commenced operations in 1984, producing 647,000 tonnes of ore at 2.3% nickel for 14,871 tonnes of nickel metal until it closed in 1998. Mincor acquired the operation and re-commenced mining in October 2001, with an ore reserve of 400,000 tonnes at 3.2% nickel. This reserve was depleted, as per schedule, by July 2004, and after a further 6 months of mining the operation was scheduled to close in January 2005. However, it continued as a remnant mining operation until August 2008. In total, Mincor produced 522,000 tonnes of ore at 3.03% nickel for 15,812 tonnes of nickel metal – 24% more than the original ore reserve.

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, with 8 drilling rigs currently active in the world-class Kambalda Nickel District of Western Australia.

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