MIRABELA NICKEL – Q3 UPDATE

FORWARD-LOOKING STATEMENTS

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This presentation may contain "forward-looking statements", within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable to Canadian and Australian securities legislation, concerning the business, operations and financial performance and condition of Mirabela Nickel Limited ("Company"). Forward-looking statements include, but are not limited to, statements with respect to the future price of nickel, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of exploration activities, permitting time lines, currency exchange rate fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, timing and possible outcome of pending litigation, title disputes or claims and limitations on insurance coverage. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative connotation thereof. By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or results, to be materially different from future results, performance or achievements expressed or implied by such forward-looking information.

Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Also, many of the factors are beyond the Company's control. Accordingly, readers and participants should not place undue reliance on forward-looking information. All forward-looking information disclosed in this presentation is qualified by this cautionary statement.

The Company also confirms that as previously announced, the board and management are continuing to focus the remainder of the 2014 financial year on returning the operation to normalised production levels, re-assessing capital requirements and cost base to prepare the Company for 2015. As a result, the Company is not in a position to provide any operational, unit cash cost or capital guidance.

DIRECTORS AND MANAGEMENT TEAM

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Directors

Richard Newsted

Alastair McKeever

Ross E Griffiths

Mark Millazo

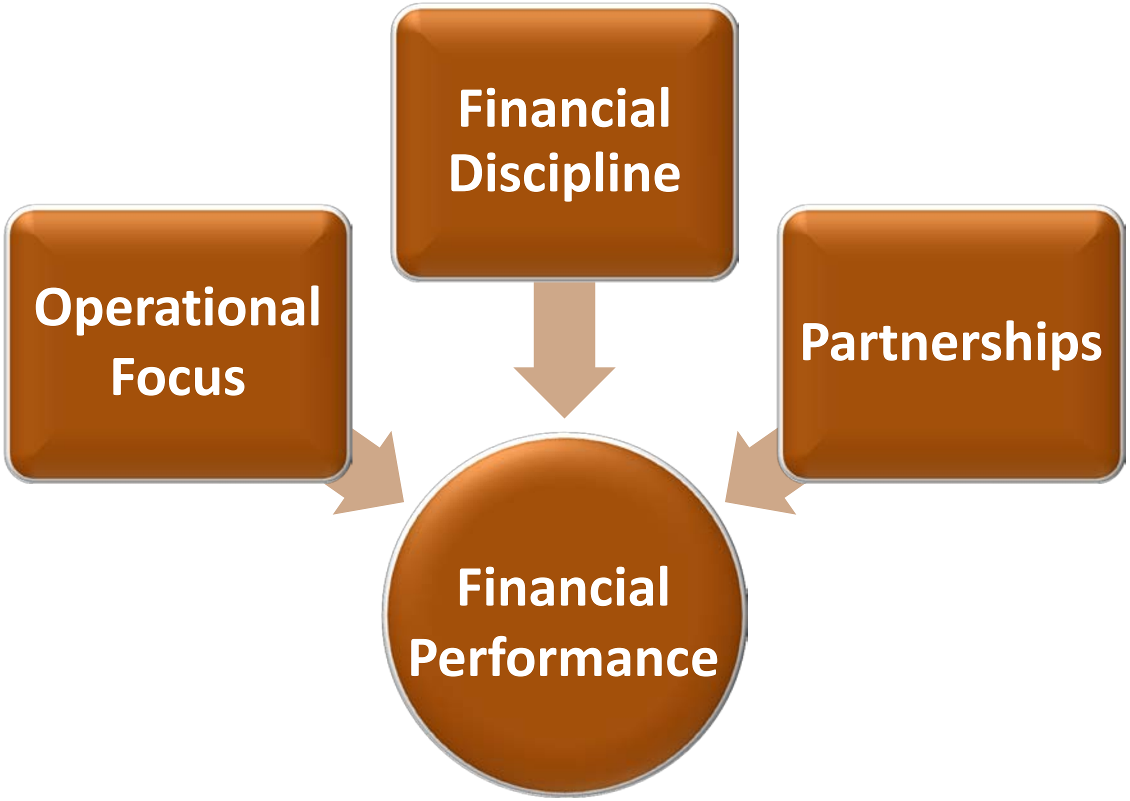
Management Team

Maryse Belanger

Milson Mundim

Victor Retamal

RENEWED FOCUS



FOCUS ON OPERATIONS AND FINANCIAL DISCIPLINE WHILE DEVELOPING STRONGER PARTNERSHIPS

FOCUS AREAS

- Safety as a priority for all areas
- Sharing vision
- Hands-on technical excellence
- Dedicated to solving urgent value impacting problems with a multi-disciplinary approach
- Challenge and opportunity identification
- Providing coaching for operators to improve effectiveness
- Enabling and empowering all operators

Vision and Values

OPERATIONAL FOCUS

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- Technical Excellence with a managed focus on the key drivers for value
- Mine planning is critical for improved financial performance
- Strategic planning is vital for clarity around predictive performance
- Modified approach to mining will improve results from operation in the current low price environment
- Built-in flexibility for the operation

OPERATIONAL IMPROVEMENTS

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❑ Mine

- Driving availability and utilization of mining equipment
- Drill and blast procedures
- Direct feed to the mill
- Ore control system
- Material movement increasing

❑ Tailings Dam and Water

- Phase 1 construction on schedule – Raise from 149 m elevation to 156 m elevation
- Geotechnical and operating parameters in the normal operating range
- Risk mitigated
- Tailings deposition improving
- Pumping capacity restored
- Water reservoir now clean and functional
- Clean water to the plant

OPERATIONAL IMPROVEMENTS - PLANT

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- ❑ Production of ultrafine material in the SAG mill - from abrasive grinding to impact grinding
- ❑ Improvement in conditioning
- ❑ Increase in grinding efficiency in the ball mills will be increased
- ❑ Installation of froth washing
- ❑ Operation and process control changes

SIGNIFICANT INITIATIVES HAVE BEEN IDENTIFIED

FINANCIAL DISCIPLINE

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- Main pillars
  - Deceleration of capital investments to allow appropriate time for implementation of new mine plan
  - Phasing of waste movement at the mine
  - Rationalizing shipping and logistics
  - Rationalization of all external consulting activities

IMPACT OF THE INDONESIAN ORE BAN NOT EVIDENT YET

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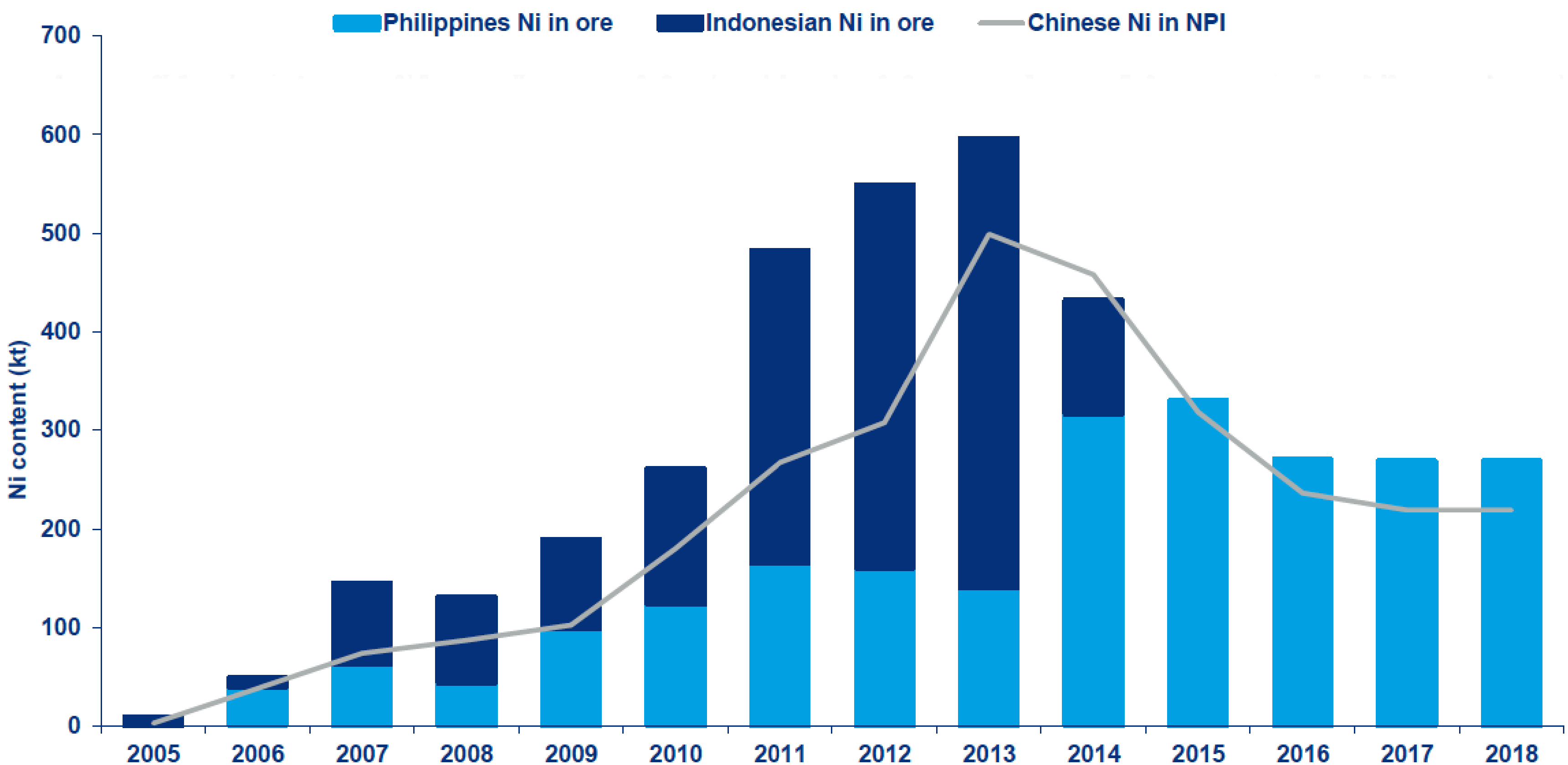

- Philippines has increased its shipment of mid-grade ore which is being blended with Indonesian high-grade ore to support on-going NPI production, albeit at higher cost and lower production rate

Source: WoodMackenzie LME Forum Oct 2014

MARKET DEFICIT EXPECTED TO EMERGE IN 2015

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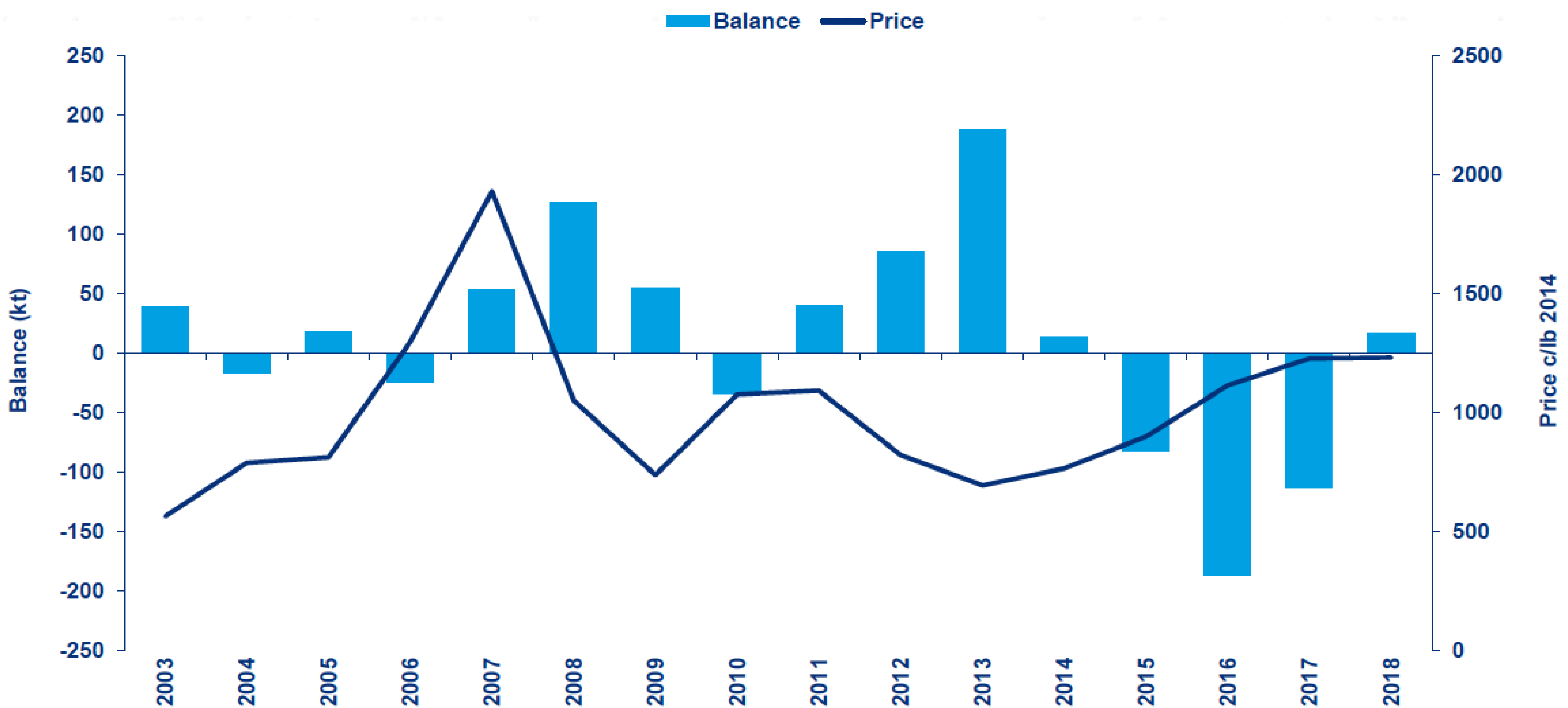

- Supply response in the near term will be limited
- In the near term a market deficit seems unavoidable and price increases are expected

Source: WoodMackenzie LME Forum Oct 2014

Q3 REPORT HIGHLIGHTS

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- Production for the quarter of 2,628 tonnes of nickel in concentrate (Q2 2014: 2,767).
- Sales for the quarter of 2,823 tonnes of nickel in concentrate (Q2 2014: 2,366)
- Unit cash costs of US$9.02/lb for the quarter (Q2 2014: US$8.43/lb)
- Year-to-date production of 8,333 tonnes of nickel in concentrate at an average unit cash cost of US$8.22/lb
- Average mined nickel grade of 0.43% for the quarter (Q2 2014: 0.42%) and total mining material movement of 6.7 million tonnes (Q2 2014: 5.6 million tonnes)
- Processing plant throughput for the quarter of 1.5 million tonnes (Q2 2014: 1.4 million tonnes)
- Average processing plant nickel recovery of 45% (Q2 2014: 49%) and average nickel feed grade of 0.39% (Q2 2014: 0.40%) for the quarter
- Cash on hand and on deposit of US$34.14 million at the end of the third quarter (Q2 2014: US$62.42 million), and approximately US$ 29.2 million as at 31 October 2014

Q3 OPERATIONS REPORT

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- Mirabela's third quarter saw improvement in total material movement and processing plant throughput, since exiting voluntary administration. However, the lower quantity of ore mined resulted in the requirement to blend with marginal grade ore to ensure adequate feed to the plant. This adversely impacted the grade of ore being fed to the plant as well as overall production output. Lower plant availability in July was due to ongoing preventative maintenance. The operations focus during most of the third quarter remained on waste stripping.

- The board and management are continuing to focus the remainder of the 2014 financial year on returning the operation to normalised production levels, re-assessing capital requirements and cost base to prepare the Company for 2015. As a result, the Company is not in a position to provide any operational, unit cash cost or capital guidance.

Q3 OPERATIONS REPORT

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❑ Mining

Total mined material movement for the quarter was 6.7 million tonnes of material moved for 0.8 million tonnes of ore. The productivity of loading and hauling equipment improved during the quarter to finally reached forecasted levels during September. Earlier in the year, the lack of operator and relief crews was resulted in low overall utilisation of the mining fleet. The resolution of this issue is currently underway. Long periods of rainfall have also adversely impacted material movement. Targeted productivity improvements continue to focus on equipment availability and utilisation. During the quarter, focus also concentrated on waste stripping. Mine grades of 0.43% are slightly up on the previous quarter.

❑ Processing

During the quarter 1.5 million tonnes of ore was milled, at an average head grade of 0.39% nickel and achieving an average recovery of 45%. A large proportion of ore fed to the mill during the quarter originated from stockpiled material. Preventative maintenance on the Primary Crusher adversely impacted plant performance, including the replacement of the spider bushing, housing and eccentric, along with the replacement of 600 metres of conveyor #2. Desliming performed at normal levels during the quarter, however, it was negatively impacted by an obstruction of the pulp distributor of the SAG mill, which contributed to a lower nickel recovery.

During the quarter Mirabela produced 2,628 tonnes of contained nickel in concentrate, 660 tonnes of contained copper in concentrate, and 49 tonnes of contained cobalt in concentrate.

Q3 REPORT

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- Mirabela recorded a C1 unit cash cost for the third quarter of US$9.02/lb, taking the average unit cash cost for the first nine months of the year to US$8.22/lb. Unit cash costs for the third quarter of 2014 were higher than the second quarter of 2014 predominantly due to lower payable nickel production.

- In absolute terms, mining costs are higher than the previous quarter due mostly to higher material movement. However, the impact of increased waste stripping capitalisation resulted in a lower mining unit cash cost for the quarter. Production costs are higher than the previous quarter due in part to higher ore milled along with the adverse impact of plant preventative maintenance and repairs. However, overall, as a result of the lower production along with a greater utilisation of broken ore inventories through the mill, the resulting unit cash cost is higher in Q3 2014.

- Mirabela closed the third quarter with cash on hand and on deposit of US$34.14 million. The decrease in cash on hand from 30 June 2014 (US$62.42 million) was driven primarily from a combination of factors including: negative cash flow from operations resulting from a September sale proceed being received early October; capital expenditure of US$19.06 million (mostly attributable to the tailings dam work and equipment rebuilds); repayment of borrowings for the Caterpillar and Atlas Copco finance facilities of US$2.78 million; and interest payments relating to the Banco Bradesco working capital facility, and Caterpillar and Atlas Copco finance facilities of US$1.61 million.