

5 August 2019

MINCOR SIGNS BINDING ORE TOLLING AND CONCENTRATE PURCHASE AGREEMENT WITH BHP NICKEL WEST

Landmark agreement provides Mincor with a processing and sales route, and sets the foundation for a new era of nickel sulphide mining in the world-class Kambalda District

Mincor Resources NL (**ASX: MCR, “Mincor” or the “Company”**) is pleased to announce that it has finalised and executed a binding Ore Tolling and Concentrate Purchase Agreement (**“Offtake Agreement”**) with BHP Billiton Nickel West Pty Ltd (**“BHP Nickel West”**).

The completion of the landmark Offtake Agreement, which is consistent with the Term Sheet with BHP Nickel West announced on 19 March 2019 (see ASX announcement of 19 March 2019 for more details), marks a major step towards the restart of nickel sulphide mining in the Kambalda District of Western Australia.

Highlights

- **Right to process up to 600ktpa of nickel sulphide ore at the Kambalda Nickel Concentrator.**
- **Nickel concentrate produced will be sold to BHP Nickel West for further downstream processing at the Kalgoorlie Nickel Smelter and Kwinana Nickel Refinery.**
- **Significant foundation agreement to the successful completion of Mincor’s Definitive Feasibility Study on an integrated restart plan, scheduled for release in December 2019.**
- **Aligns Mincor with BHP’s recent commitment to develop its nickel sulphide business to capture growth in battery markets.**
- **Mincor to become the key platform to restarting the concentrator at BHP’s Kambalda operation.**

Mincor’s Managing Director, Mr David Southam, said the signing of a long-term agreement with BHP Nickel West was a significant milestone for the Company’s shareholders, for the Kambalda region and for the broader revival of the nickel industry in Western Australia.

“We are delighted to have established a long-term partnership with a Tier-1 counter-party who shares our view of the battery market.” he said.

“Both our teams have taken the necessary time to complete what will be a long-term agreement that we believe will stand the test of time and underpin the future of the Kambalda nickel sulphide region.

“Mincor and a growing number of industry participants believe in the potential generational change for nickel contained in battery technology, specifically for electric vehicles and electrical storage solutions.

“With hundreds of billions of dollars earmarked for investment in the battery industry over the next decade, I believe Mincor’s timing could not be better as we head into a development phase, given the dynamic shift in forecasted nickel consumption over the coming years.

“At the same time, the stainless steel market – which accounts for around 70% of today’s consumption – is forecast to continue to grow strongly, especially in the nickel content rich 300 series market.

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“With our processing and sales pathway secured, our focus will be on resource definition drilling at Cassini and Long, the delineation of Ore Reserves, and the completion of a DFS for an integrated mine plan by the end of 2019.

“We are planning for success, and this may mean that early capital works decisions will be made during the year, which could include a box-cut and decline commencement at Cassini, underground development at Long and Durkin North, site infrastructure investments and other operational readiness activities,” Mr Southam said.

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