



MIRABELA NICKEL
LTD

(Receivers and Managers Appointed) (Administrators Appointed)

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SANTA RITA MINE REDUCING PRODUCTION OUTPUT

Perth, AUSTRALIA – 30 October 2015: Mirabela Nickel Limited (Receivers and Managers Appointed) (Administrators Appointed) (**Mirabela** or the **Company**) (ASX: MBN) wishes to advise that on 22 October 2015 the Company's wholly owned Brazil subsidiary, Mirabela Mineração do Brasil Ltda (**MMB**) terminated the employment of approximately 220 employees (representing approximately 33.7% of total MMB staff) and approximately 180 contractors at the Santa Rita mine.

The reduction of the workforce at the Santa Rita mine forms part of MMB's decision to decrease production output at the Santa Rita mine in order to reduce operating costs during the current sustained climate of depressed nickel price. The Lower Production Model (**LPM**), commencing from late October 2015, will facilitate a 33% reduction in current nickel in concentrate annual production output, from 18,000 tonnes to 12,000 tonnes, annualised. The LPM has been developed to try and manage the operations as close to breakeven cash position as possible over a fifteen month period from October 2015 to December 2016.

Mirabela management believe this action to be prudent in light of continuing sustained weak nickel price and position the operations for any recovery in nickel price. As a result of implementation of the LPM, production guidance for 2015 is changed from 16,500 – 18,000 tonnes of nickel contained in concentrate to approximately 14,500 – 16,000 tonnes of nickel contained in concentrate.

Contact Details

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