

## **MINCOR PLANS MAJOR GOLD DRILLING PROGRAM FOLLOWING SUCCESSFUL OPEN PIT OPTIMISATIONS**

**Accelerates Kambalda gold development strategy with key in-fill drilling program  
set to begin shortly to upgrade Widgiemooltha gold resources**

- Open pit optimisation studies\* establish economic potential of each of Mincor's five Widgiemooltha gold resources, subject to successful in-fill drilling
- Major in-fill drilling program to commence in July to upgrade Inferred Resources within existing pit shells to Indicated status
- This will underpin a full Feasibility Study commencing in the second half of this year on the development of a series of open pit mining operations

Mincor Resources NL (**ASX: MCR**) is pleased to advise that it has taken another important step forward in its Kambalda Gold Strategy, with the successful completion of open pit optimisation studies on the Company's five Widgiemooltha gold resources paving the way for a landmark drilling program to commence later this month.

The studies concluded that each resource, if confirmed by in-fill drilling, has the potential to host an economically viable gold mining operation at a gold price of just A\$1,200 per ounce.

The studies, which were carried out by an independent mining consultant, further validate the quality of Mincor's gold assets – particularly considering the strength of the Australian Dollar gold price, which is currently over A\$1,700 per ounce.

However, with 50% of the Mineral Resource in the pit shells classified at the lowest confidence level (Inferred), further drilling is required before final feasibility work may commence.

Mincor will begin a major drilling program during July in order to in-fill and confirm the resource models and to test for resource extensions in a number of areas where the gold resources have not been closed off by previous drilling.

The results of the drilling program will be incorporated into updated resource models which will be used in the final Feasibility Study. The total cost of both the drilling program and Feasibility Study is estimated at \$700,000. Drilling will start once final regulatory approvals are received, which is expected later this month.

Mincor's total gold inventory stands at 238,640 ounces in Mineral Resources across six prospects. Five of these are in the Widgiemooltha area and contain an estimated total of 177,080 ounces of gold. The outcome of the pit optimisation studies now confirm these five resources as the prime focus of Mincor's gold strategy.

The drilling program will use Reverse Circulation drilling to in-fill resources that lie within the conceptual pit shells.

In addition, with all the gold resources at least partly open, drilling will also target extensions to mineralisation beyond the current resource boundaries. Finally, a small number of diamond drill holes will be completed for geotechnical and metallurgical purposes.

The Company's Kambalda Gold Strategy is aimed at establishing near-term cash-flows through the mining of several shallow low-cost open pits in sequence, with the ore processed through toll-treatment arrangements.

Mincor's CEO, Mr Peter Muccilli, said the decision to commit to an in-fill drill program in the near term reflected the Company's growing confidence in the quality of its gold assets.

"The pit optimisation studies have demonstrated the economic potential of the existing gold resources at Widgiemooltha at a gold price well below current levels. This gives us the impetus to move ahead immediately with a major in-fill program that will, if successful, lead directly to full-scale feasibility studies.

"We have made rapid progress on the gold front, and if this program is successful we will have a solid foundation on which to build a gold mining business," he said.

"All the while of course we are continuing to watch the nickel price closely, and while it remains well-below the trigger price we require to re-start our nickel mines, it is clearly moving in the right direction."

#### Notes\*

The pit shells are conceptual in nature and subject to the results of feasibility studies and updated resources with further drilling. It also assumes future gold prices are sufficient to justify mine development. There is no guarantee that these mine developments will take place.

The information in this Public Report that relates to Exploration Results is based on information compiled by Robert Hartley, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Hartley is a full-time employee of Mincor Resources NL. Mr Hartley 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 Competent Persons as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hartley 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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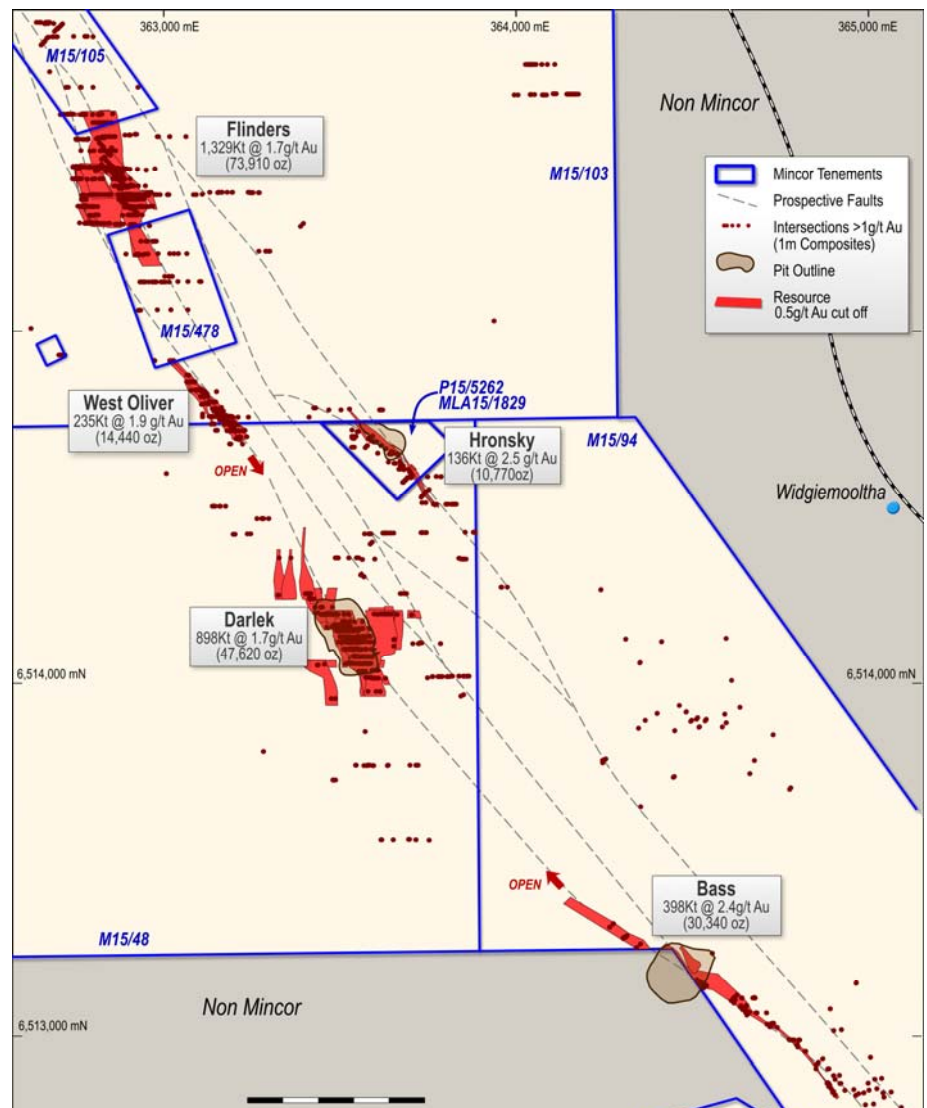


FIGURE 1: Widgiemooltha Gold Location Map

## APPENDIX 1: Gold Mineral Resources, June 2016

| RESOURCE           |             | MEASURED |          | INDICATED        |            | INFERRED         |            | TOTAL            |            |                |
|--------------------|-------------|----------|----------|------------------|------------|------------------|------------|------------------|------------|----------------|
|                    |             | Tonnes   | Au (g/t) | Tonnes           | Au (g/t)   | Tonnes           | Au (g/t)   | Tonnes           | Au (g/t)   | Ounces         |
| West Oliver        | 2016        |          |          | 193,750          | 2.0        | 41,450           | 1.7        | 235,200          | 1.9        | 14,440         |
| Jeffreys Find      | 2016        |          |          | 833,400          | 1.7        | 321,700          | 1.5        | 1,155,100        | 1.7        | 61,560         |
| Bass               | 2016        |          |          | 223,900          | 2.4        | 174,250          | 2.3        | 398,150          | 2.4        | 30,340         |
| Hronsky            | 2016        |          |          | 80,900           | 2.5        | 55,400           | 2.4        | 136,300          | 2.5        | 10,770         |
| Darlek             | 2016        |          |          | 733,111          | 1.7        | 164,650          | 1.4        | 897,750          | 1.7        | 47,620         |
| Flinders           | 2016        |          |          |                  |            | 1,328,900        | 1.7        | 1,328,900        | 1.7        | 73,910         |
| <b>GRAND TOTAL</b> | <b>2016</b> |          |          | <b>2,065,050</b> | <b>1.8</b> | <b>2,086,350</b> | <b>1.7</b> | <b>4,151,400</b> | <b>1.8</b> | <b>238,640</b> |

Figures have been rounded and hence may not add up exactly to the given totals Note that Resources are inclusive of Reserves reported at 0.5 g/t cut off

For descriptions of JORC Code 2012 Appendices, Sections 1-3, please refer to the Company's 2nd of June 2016 ASX Announcement 'Mincor Advances Gold Strategy as Kambalda Resource Inventory Doubles to ~240,000 ounces'.

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