HALF YEAR REPORT
30 June 2009

MINARA RESOURCES LIMITED
ABN 23 060 370 783

This Half Year Report is lodged with the Australian Securities Exchange under the Listing Rule 4.2A

A press release covering the results will be released separately.

ASX CODE: MRE

CONTENTS PAGE

CONTENTS	PAGE
Results for Announcement to the Market	1
Directors' Report	2
Auditors Independence Declaration	8
Condensed Consolidated Statement of Comprehensive Income	9
Condensed Consolidated Statement of Financial Position	10
Condensed Consolidated Statement of Changes in Shareholders' Equity	11
Condensed Consolidated Cash Flow Statement	12
Notes to and forming part of the Condensed Consolidated Financial Statements	13
Directors' Declaration	21
Auditors Review Report	22

MINARA RESOURCES LIMITED
ABN 23 060 370 783

APPENDIX 4D

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Details of the reporting period and the previous corresponding period

The current reporting period is 1 January 2009 to 30 June 2009
The previous corresponding comparative period is 1 January 2008 to 30 June 2008

Revenue from ordinary activities	Down 34%	to $190.1m
Profit from ordinary activities after tax	Down 106%	to a loss of $3.1m
Net profit for the period attributable to members	Down 106%	to a loss of $3.1m

Dividends (distributions)
No dividend is proposed in relation to this period

The Financial Statements comply with Australian equivalents to the International Financial Reporting Standards (A-IFRS)

NTA Backing	**30 June 2009**	**30 June 2008**
Net tangible asset backing per share	0.70	1.46

Minara Resources Limited's principal activity is a 60% shareholding in, and management of, the Murrin Murrin Nickel/Cobalt Project Joint Venture

Please refer to the commentary included in the Directors' Report for an explanation of the above results.

This interim financial report is to be read in conjunction with the most recent annual financial report.

DIRECTORS' REPORT

The Directors of Minara Resources Limited (the **Company**) present their report, together with the financial report of the Consolidated Entity, being the Company and its controlled entities, for the six month period ended 30 June 2009, together with the auditor's review report thereon.

DIRECTORS

The Directors of the Company serving during the period and at the date of this report are:

Peter Coates	Non-executive Director and Chairman
Peter Johnston	Managing Director and Chief Executive Officer
John Morrison	Non-executive Director
Ivan Glasenberg	Non-executive Director
Willy Strothotte	Non-executive Director
Malcolm Macpherson	Non-executive Director
Markus Ocskay	Alternate Non-executive Director

PRINCIPAL ACTIVITIES

The principal activities of the Company during the period were the operation of the Murrin Murrin Nickel/Cobalt Joint Venture Project (the **Project** or the **MMJV** or **Murrin Murrin**), involving the mining and processing of laterite ore to produce nickel and cobalt, exploration for nickel directly and in joint ventures with third parties.

The Company's wholly owned subsidiary, Murrin Murrin Holdings Pty Ltd, has a 60% interest in the Project. Glenmurrin Pty Ltd holds the remaining 40% interest in the Project.

The Company's wholly-owned subsidiary, Murrin Murrin Operations Pty Ltd, is the operator of the Project.

DIVIDENDS

There was no dividend declared or proposed for the half year ended 30 June 2009.

REVIEW OF OPERATIONS AND RESULTS

Financial Results ($'million)

	6 Months Ended 30 June 2009	6 Months Ended 30 June 2008
Ni Sales (tonnes)	9,362	9,013
Co Sales (tonnes)	650	599
Revenue from operations ($ million)	190.1	289.4
Gross profit ($ million)	4.7	86.9
Pre tax (loss)/profit ($ million)	(10.3)	69.2
Net (loss)/profit after tax ($ million)	(3.1)	50.9
Net cash flow ($ million)	(14.8)	(90.4)

The Company recorded a half year consolidated gross profit from ordinary activities of $4.7m and a loss after tax of $3.1m for the financial period ended 30 June 2009. These results have been reported under A-IFRS requirements.

The Company receives a provisional payment for all on specification nickel lots (being LME 99.8% nickel grade), based on the LME cash settlement price for nickel on the day prior to the delivery date of a particular lot. However, nickel sales are not finalised until the third month following the month of delivery using the average LME cash settlement price for the third month after the month of delivery less selling costs. In the Company's financial statements, all sales that have not been finalised at 30 June 2009 (4,676 tonnes nickel) have been valued for revenue recognition purposes at US$15,291 per tonne. At finalisation, if the nickel price varies from the price used for revenue recognition purposes at 30 June 2009, then the variance in revenue relating to those sales will be recognised in that following period.

Health & Safety

There were two lost time injuries and one disabling injury reported during the half-year period.

The lost time injury frequency rate (LTIFR) 12 month rolling average to 30 June 2009 was 1.10 (June 2008: 3.09). The disabling injury frequency rate (DIFR) 12 month rolling average to 30 June 2009 was 1.46 (June 2008: 1.99).

Since June 2008 both the DIFR and LITFR have decreased demonstrating an improvement in the safety record to June 2009.

Environment

There were no environmental incidents reported to the regulatory authorities during the half-year to 30 June 2009.

Operations

Production at Murrin Murrin for the six months to 30 June 2009 was 15,604 tonnes of nickel packaged, and 1,084 tonnes of cobalt packaged. The Company's share is 60%. During the previous corresponding 6-month period to 30 June 2008, production was 15,022 tonnes of nickel packaged, and 999 tonnes of cobalt packaged.

The plant continues to operate on a consistent production platform in line with budgets. During the reporting period there was no major plant downtime apart from scheduled routine maintenance work. There was a planned maintenance shut down in the acid plant during the first quarter of 2009 and some additional remedial maintenance work was completed on the acid plant duct work.

The heap leach facility is fully integrated with existing operations providing a second low risk processing stream to recover nickel and cobalt metal. The facility continues to deliver additional revenue via the commercial scale heap leaching of laterite ores and scats (reject material from the ore processed for HPAL).

Exploration

Irwin Hills – Coglia Well JV (MMJV 60%)

No exploration was conducted during the half-year period.

Bardoc Nickel JV (Minara 100%)

Review of nickel sulphide target rankings commenced during the half-year period. This review is expected to continue into the second half of 2009.

Mt Margaret (MMJV 100%)

No exploration was conducted during the half-year period.

Weld Range JV (Minara 75%)

No exploration was conducted during the half-year period.

Mt Rankin and Collurabbie JVs (Minara earning 70%)

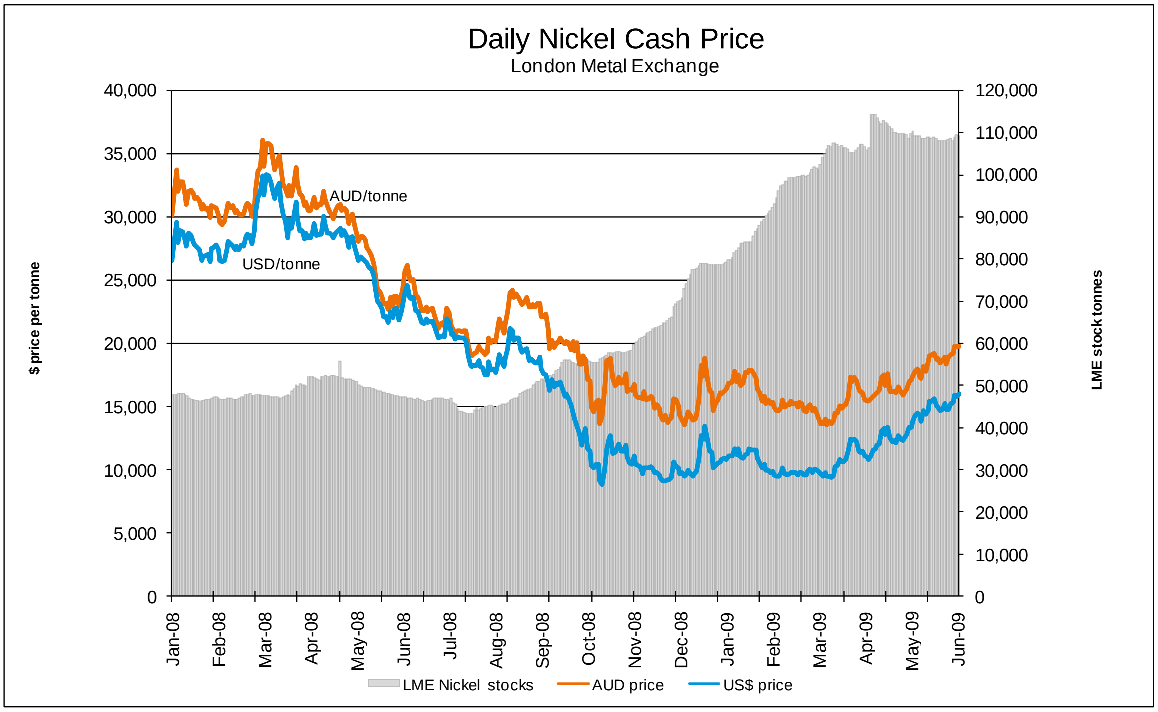
Minara withdrew from the Mt Rankin and Collurabbie projects during the half-year period.

Capital Program

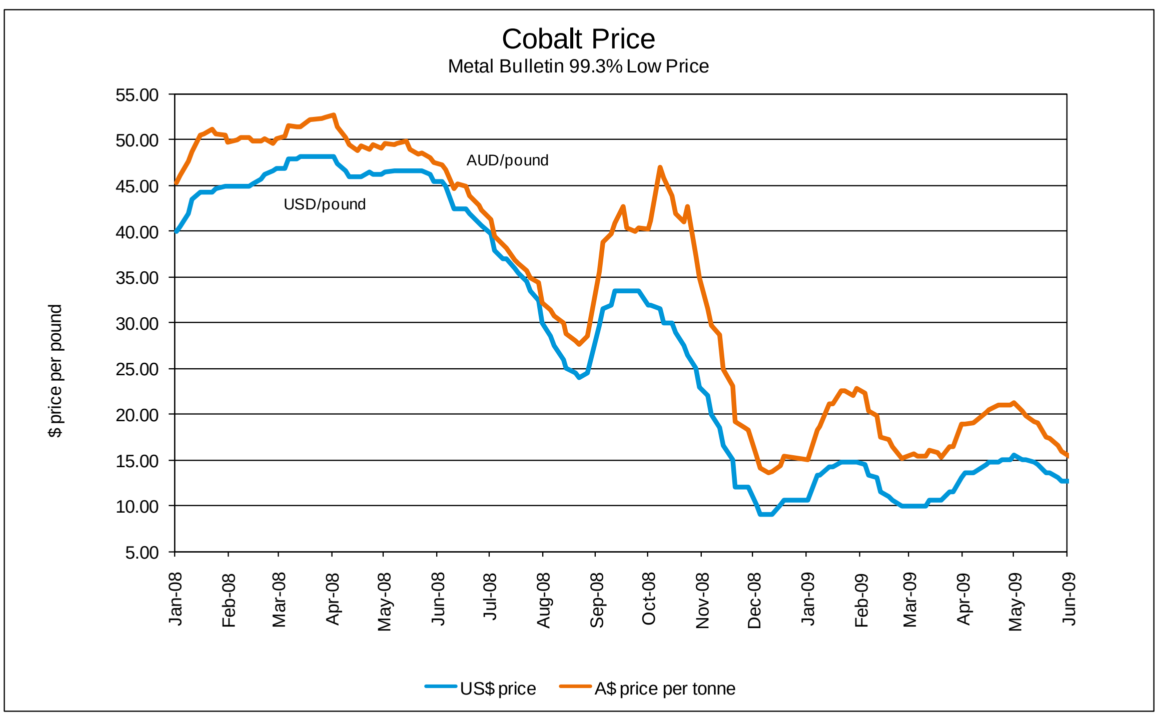
During the period, the Company incurred capital expenditure of $2.23m on sustaining capital projects. This represents 60% of the capital expenditure incurred by the MMJV.

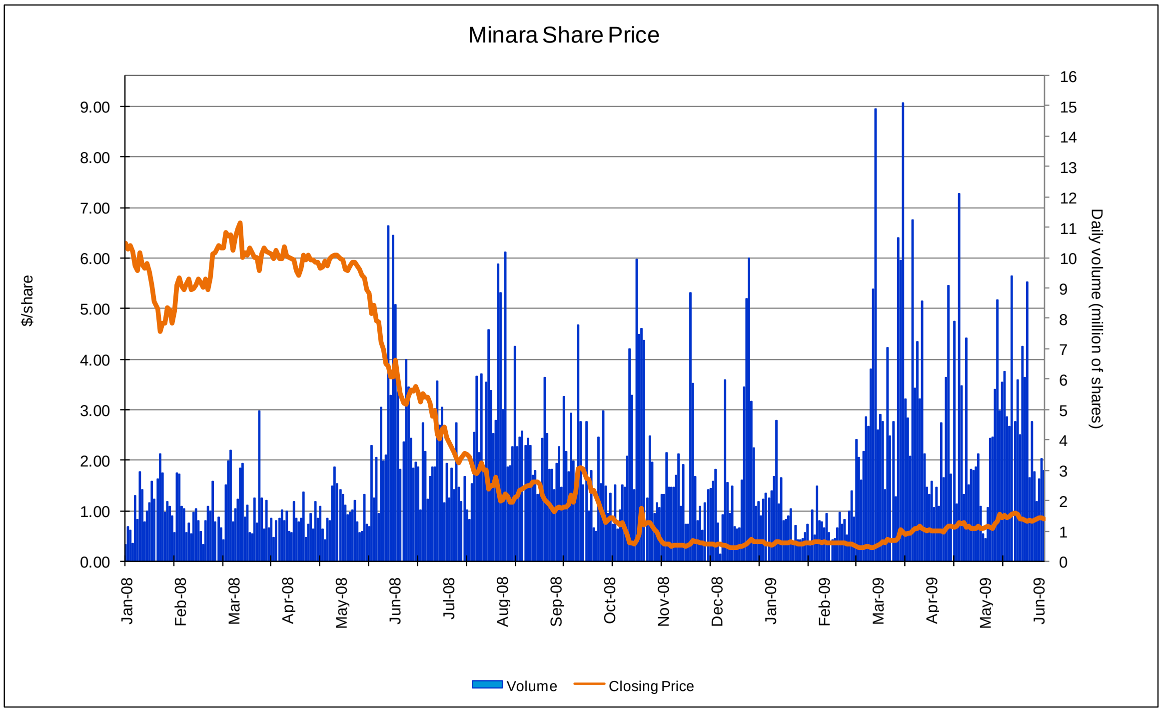
Metal Markets

The nickel market remains volatile. The nickel LME cash settlement price on 2 January 2009 was US$12,710 per tonne. During the reporting period it ranged from a low of US$9,405 per tonne and a high of US$16,010 per tonne .



The cobalt price also remains volatile, ranging between approximately US$10.00/lb and US$15.00/lb (99.3% LMB) during the reporting period.





CORPORATE

At the date of this report, the major shareholder of the Company was Glencore International AG with a 70.63% shareholding. Glencore International AG also owns 40% of the Murrin Murrin Nickel/Cobalt Joint Venture Project.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than as reported there were no significant changes in the state of affairs of the Company during the period.

EVENTS SUBSEQUENT TO BALANCE DATE

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity, in future financial years.

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

The lead auditor's independence declaration as required under section 307C of the *Corporations Act* 2001 (Cth) is set out on page 8 and forms part of the Director's report for the six months ended 30 June 2009.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that class order, amounts in the financial report have been rounded off to the nearest one thousand dollars, unless otherwise indicated.

Signed in accordance with a resolution of the Directors.

PR COATES AO
Chairman

PB Johnston
Managing Director and
Chief Executive Officer

Perth, 27 August 2009

Minara Resources Limited
ABN 23 060 370 783

Level 4, 30 The Esplanade PERTH WA 6000
PO Box Z5523, St Georges Terrace
PERTH WA 6831 AUSTRALIA
www.minara.com.au

Contact:
David Pile – 61 8 9212 8400 or
David Griffiths – 0419 912 496
www.gryphon.net.au

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Woodside Plaza
Level 14
240 St Georges Terrace
Perth WA 6000
GPO Box A46
Perth WA 6837 Australia

DX 206
Tel: +61 (0) 8 9365 7000
Fax: +61 (0) 8 9365 7001
www.deloitte.com.au

The Board of Directors
Minara Resources Limited
Level 4, 30 The Esplanade
PERTH WA 6000

27 August 2009

Dear Board Members

Minara Resources Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Minara Resources Limited.

As lead audit partner for the review of the financial statements of Minara Resources Limited for the half-year ended 30 June 2009, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Ross Jerrard
Partner
Chartered Accountants

Member of
Deloitte Touche Tohmatsu

MINARA RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
ACN 060 370 783
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 30 JUNE 2009

	Note	Consolidated Jun 2009 $'000	Consolidated Jun 2008 $'000
Revenue from operations	2(a)	190,112	289,411
Cost of production		(185,401)	(202,474)
Gross profit from the sale of product		4,711	86,937
Other revenue	2(b)	2,855	4,264
Finance expenses	2(b)	(1,823)	(1,533)
Other expenses	2(b)	(13,556)	(15,387)
Allowances and writedowns	2(b)	(2,474)	(5,058)
(Loss) / Profit before tax		(10,287)	69,223
Income tax income / (expense)	2(c)	7,236	(18,279)
(Loss) / Profit for the period		(3,051)	50,944
Other comprehensive income			
Other comprehensive income for the period (net of tax)		-	-
Total comprehensive (loss) / income for the period		(3,051)	50,944
(Loss) / Profit attributable to:			
Owners of the parent		(3,076)	49,244
Non-controlling interests		25	1,700
		(3,051)	50,944
Total comprehensive (loss) / income attributable to:			
Owners of the parent		(3,076)	49,244
Non-controlling interests		25	1,700
		(3,051)	50,944
Earnings per share:			
Basic (cents per share)		(0.26)	10.56
Diluted (cents per share)		(0.26)	10.54

Notes to the condensed consolidated financial statements are included on pages 13 to 20.

MINARA RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
ACN 060 370 783
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2009

	Note	Consolidated Jun 2009 $'000	Consolidated Dec 2008 $'000
Current assets			
Cash and cash equivalents		127,218	142,540
Trade and other receivables	3	67,274	28,964
Inventories	4	106,952	108,008
Current tax asset		4,214	19,385
Other		3,034	593
Total current assets		308,692	299,490
Non-current assets			
Trade and other receivables	3	1,110	4,925
Inventories	4	118,778	114,776
Property, plant and equipment		477,236	496,214
Mine assets		70,727	71,389
Deferred tax assets		29,867	26,252
Other		1,119	1,124
Total non-current assets		698,837	714,680
Total assets		1,007,529	1,014,170
Current liabilities			
Trade and other payables	5	51,646	54,183
Provisions	6	4,918	4,685
Total current liabilities		56,564	58,868
Non-current liabilities			
Trade and other payables	5	34,100	37,616
Provisions	6	45,149	43,601
Deferred tax liabilities		59,742	59,060
Total non-current liabilities		138,991	140,277
Total liabilities		195,555	199,145
Net assets		811,974	815,025
Equity			
Issued capital		980,212	980,212
Reserves		182	182
Accumulated losses		(163,712)	(160,636)
Equity attributable to owners of the parent		816,682	819,758
Non-controlling interests		(4,708)	(4,733)
Total equity		811,974	815,025

Notes to the condensed consolidated financial statements are included on pages 13 to 20.

MINARA RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
ACN 060 370 783
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE HALF-YEAR ENDED 30 JUNE 2009

2009	Consolidated					
	Issued capital $'000	Employee benefit reserve $'000	Accum. Losses $'000	Attributable to owners of the parent $'000	Non-controlling interests $'000	Total $'000
Balance at 1 January 2009	**980,212**	**182**	**(160,636)**	**819,758**	**(4,733)**	**815,025**
(Loss) / profit for the period	-	-	(3,076)	(3,076)	25	(3,051)
Total comprehensive income for the period	**-**	**-**	**(3,076)**	**(3,076)**	**25**	**(3,051)**
Balance at 30 June 2009	**980,212**	**182**	**(163,712)**	**816,682**	**(4,708)**	**811,974**

2008	Consolidated					
	Issued capital $'000	Employee benefit reserve $'000	Accum. Losses $'000	Attributable to owners of the parent $'000	Non-controlling interests $'000	Total $'000
Balance at 1 January 2008	**773,467**	**4,156**	**(69,658)**	**707,965**	**(5,930)**	**702,035**
(Loss) / profit for the period	-	-	49,244	49,244	1,700	50,944
Total comprehensive income for the period	**-**	**-**	**49,244**	**49,244**	**1,700**	**50,944**
Transfer to share capital	3,354	(3,354)	-	-	-	-
Dividends Paid	-	-	(69,994)	(69,994)	-	(69,994)
Balance at 30 June 2008	**776,821**	**802**	**(90,408)**	**687,215**	**(4,230)**	**682,985**

Notes to the condensed consolidated financial statements are included on pages 13 to 20.

MINARA RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
ACN 060 370 783
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF-YEAR ENDED 30 JUNE 2009

		Consolidated	
	Note	Jun 2009 $'000	Jun 2008 $'000
Cash flows from operating activities			
Receipts from customers		148,009	321,011
Payments to suppliers and employees		(180,875)	(230,190)
Interest received		2,095	3,412
Interest and other costs of finance paid		-	(33)
Income taxes received / (paid)		19,474	(69,184)
Net cash (used in) / provided by operating activities	12	(11,297)	25,016
Cash flows from investing activities			
Payments for exploration and evaluation costs		(11)	(136)
Payments for property, plant and equipment		(2,342)	(32,018)
Proceeds / (Purchases) from term deposits & bonds		2,866	(13,226)
Net cash provided by / (used in) investing activities		513	(45,380)
Cash flows from financing activities			
Reduction of payable due to Amshell Pty Ltd	5(i)	(4,048)	-
Dividends paid:			
- members of the parent		-	(69,994)
Net cash used in financing activities		(4,048)	(69,994)
Net decrease in cash and cash equivalents		(14,832)	(90,358)
Cash and cash equivalents at the beginning of the financial period		142,540	156,680
Effects of exchange rate changes on the balance of cash held in foreign currencies (i)		(490)	(303)
Cash and cash equivalents at the end of the financial period	12	127,218	66,019

Notes to the condensed consolidated financial statements are included on pages 13 to 20.

(i) The translation rate for the A$:US$ exchange rate was 0.8114 at 30 June 2009 (0.9562 at 30 June 2008).

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2009

1. Significant Accounting Policies

(a) Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

(b) Basis of preparation

The condensed consolidated financial statements have been prepared under the historical cost basis. The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2008 annual financial report for the financial year ended 31 December 2008.

The Company is a company of the kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that class order, amounts in the directors' report and half-year financial report have been rounded off to the nearest one thousand dollars, unless otherwise indicated.

(c) Adoption of new and revised Accounting Standards

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current reporting period. Initial application of these Standards and Interpretations did not have a material impact on the Group's accounting policies and amounts reported for the current or prior periods.

The same accounting policies, presentation and methods of computation have been followed in these condensed financial statements as were applied in the preparation of the Company's financial statements for the year ended 31 December 2008, except for the impact of the adoption of the Standards and Interpretations described below:

AASB 101 (revised 2007) Presentation of Financial Statements (effective for annual periods beginning on or after 1 January 2009). The revised Standard has introduced a number of terminology changes and has resulted in a number of changes in presentation and disclosure. However, the revised Standard has had no impact on the reported results or financial position of the Company.

At the date of the financial report, a number of Standards and Interpretations were in issue but not yet effective.

Initial application of the following Standards is not expected to have any material impact on the financial report of the Group and the Company

Standard	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 3 Business Combinations (2008)	1 July 2009	31 December 2010
AASB 127 Consolidated and Separate Financial Statements	1 July 2009	31 December 2010
AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127	1 July 2009	31 December 2010
AASB 2008-6 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Process	1 July 2009	31 December 2010
AASB 2008-8 Amendments to Australian Accounting Standards – Eligible Hedged Items	1 July 2009	31 December 2010
AASB 2009-4 Amendments to Australian Accounting Standards arising from the Annual Improvements Process	1 July 2009	31 December 2010
AASB 2009-5 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Process	1 January 2010	31 December 2010
AASB 2009-7 Amendments to Australian Accounting Standards	1 July 2009	31 December 2010
AASB Interpretation 17 Distributions of Non-Cash Assets to Owners	1 July 2009	31 December 2010
AASB 2008-13 Amendments to Australian Accounting Standards arising from AASB Interpretation 17 Distributions of Non-Cash Assets to Owners	1 July 2009	31 December 2010

		Consolidated	
		Jun 2009 $'000	Jun 2008 $'000
2 Profit from operations			
(a) Revenue			
Revenue from operations consisted of the following items:			
Sales revenue			
Revenue from sale of product	- Nickel (i)	170,170	240,687
	- Cobalt	28,197	62,237
	- Other	564	883
Sales discounts, commission and freight charges		(8,819)	(14,396)
		190,112	289,411

(i) As at 30 June 2009, 4,676 metric tonnes (MT) (2008: 3,100MT) nickel sales for the second quarter were provisionally priced for revenue recognition purposes at US$15,291/MT (2008: US$21,793/MT), with final pricing to occur in the third quarter of 2009.

(b) Profit before tax

(Loss)/profit for the period has been arrived at after crediting/(charging) the following items;

	Jun 2009 $'000	Jun 2008 $'000
Other income		
Interest revenue	2,095	3,412
Ore royalty (ii)	581	700
Other	179	152
	2,855	4,264

(ii) Ore royalty represents royalties received in respect of ore processed from the Abednego tenements that do not eliminate on consolidation.

	Jun 2009 $'000	Jun 2008 $'000
Finance Expenses		
Unwinding of discount relating to the provision for rehabilitation	(1,823)	(1,500)
Interest on secured Loan	-	(33)
Total finance expenses	(1,823)	(1,533)

	Consolidated	
	Jun 2009 $'000	Jun 2008 $'000
2 Profit from operations (cont'd)		
(b) Profit before tax (cont'd)		
Other expenses		
Corporate	(3,895)	(5,248)
Murrin Murrin administration and other	(3,247)	(4,684)
Net foreign exchange losses (i)	(6,018)	(5,082)
Accrual for native title payable	(396)	(373)
	(13,556)	(15,387)
Allowances and write downs		
Inventory price adjustments	(2,462)	(4,839)
Feasibility studies expensed	-	(75)
Exploration expenses	(12)	(144)
	(2,474)	(5,058)

(i) Foreign exchange (losses) / gains are generated on the receipt of sales revenue when booking the receipt against the debtor and on retranslation of monetary balances denominated in foreign currencies.

(c) Taxation

Income tax income for the period of $7,235,935 includes a benefit of $4,302,685 relating to an amendment to the 2007 Research and development return which was lodged in the first half of 2009.

	Consolidated	
	Jun 2009 $'000	Dec 2008 $'000
3 Trade and other receivables		
Current		
Trade debtors (i)	53,049	11,762
Term deposits	6,463	9,329
Other receivables	7,107	4,984
Receivables from controlled entities	655	2,889
	67,274	28,964
Non-Current		
Other receivables	1,110	4,925
	1,110	4,925

(i) Trade receivables represent amounts owed to the consolidated entity from the sale of finished product to Glencore under nickel and cobalt off take agreements of $53,049,380 (2008: $11,762,131). All sales under the off-take agreements are on normal commercial terms and conditions.

	Consolidated	
	Jun 2009 $'000	Dec 2008 $'000
4 Inventories		
Current		
Raw materials - at cost	74,737	76,452
Raw materials written down	(8,426)	(8,233)
	66,311	68,219
Ore stocks – at cost	13,289	18,314
Work in progress - at cost	18,257	19,534
Finished goods - at cost	9,096	1,941
Total current inventories	106,952	108,008
Non-Current		
Ore stocks	118,978	114,891
Ore stocks written down	(200)	(115)
Total non-current inventories (i)	118,778	114,776
Total Inventory	225,730	222,784
(i) Reconciliation of non-current ore stocks		
Ore stocks - at cost	117,923	111,240
Ore stocks - net realisable value	855	3,536
	118,778	114,776

	Consolidated	
	Jun 2009 $'000	Dec 2008 $'000
5 Trade and other payables		
Current		
Trade payables & accruals	50,729	49,817
Other payables	917	4,366
	51,646	54,183

	Consolidated	
	Jun 2009 $'000	Dec 2008 $'000
Non-Current		
Other payables (i)	34,100	37,616
	34,100	37,616

(i) Includes an amount of $22,049,145 (2008: $26,096,921) payable to Amshell Pty Limited, a subsidiary of Glencore, and relates to the acquisition of Abednego Nickel Pty Limited in 1999. This is payable over the life of the Abednego tenements (currently planned at approximately 10 years) in line with ore delivered to the Joint Venture.

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2009

	Consolidated	
	Jun 2009 $'000	**Dec 2008 $'000**
6 Provisions		
Current		
Employee benefits	4,918	4,685
	4,918	4,685
Non-Current		
Employee benefits	3,049	2,865
Provision for rehabilitation	42,100	40,736
	45,149	43,601

7 Dividends

Fully paid ordinary shares	**Cents per Share**	**Jun 2009 $'000**	**Jun 2008 $'000**
Final dividend:			
Fully franked (paid 25 March 2008)	15	-	(69,994)
		-	(69,994)
Adjusted franking account balance		6,470	43,188

8 Commitments for expenditure

The consolidated entity continues to evaluate its capital structure and has various financing alternatives available. The possible funding alternatives for financing the commitments detailed in this note are continually assessed in line with both market conditions and expectations of the entity.

	Consolidated	
	Jun 2009	Dec 2008
(a) Capital expenditure commitments	$'000	$'000
Capital expenditure requisitioned but not provided and payable at balance date is:		
Plant and equipment		
Not longer than 1 year	266	3,217
Longer than 1 year but not longer than 5 years	-	-
Longer than 5 years	-	-
	266	3,217

(b) Exploration Expenditure Commitments

In order to maintain current rights of tenure to exploration tenements, the Company and the consolidated entity are required to perform minimum exploration work to meet the minimum expenditure requirements specified by the State Government of Western Australia. These obligations are subject to renegotiation when application for a mining lease is made out and at other times. The commitments not provided and payable at balance date are:

	Consolidated	
	Jun 2009	Dec 2008
	$'000	$'000
Not longer than 1 year	4,895	4,918
Longer than 1 year but not longer than 5 years	20,649	20,697
Longer than 5 years	126,354	126,654
	151,898	152,269

	Consolidated	
	Jun 2009	Dec 2008
(c) Other Commitments	$'000	$'000
Other commitments relating to native title claimants and other property and access agreements not provided and payable at balance date are:		
Not longer than 1 year	796	796
Longer than 1 year but not longer than 5 years	9,966	9,966
Longer than 5 years	39,985	39,985
	50,747	50,747

The Joint Venture has commitments relating to camp facilities, handling facilities, grade control drilling and calcrete mining and processing, maintenance contracts and industrial gas supply which predominantly relate to the earnings of revenue in the ordinary course of business.

9 Contingent liabilities and contingent assets

There have been no material changes in contingent liabilities or contingent assets since the last annual reporting date.

10 Segment information

The consolidated entity operates in Western Australia in the nickel mining industry.

11 Subsequent events

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in future financial years.

12 Notes to the cash flow statement

	Consolidated Jun 2009 $'000	Consolidated Jun 2008 $'000
(a) Reconciliation of cash and cash equivalents		
Cash and cash equivalents	127,218	66,019

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments.

	Jun 2009 $'000	Jun 2008 $'000
(b) Reconciliation of (loss) / profit for the period to net cash flows from operating activities		
(Loss) / Profit for the period	(3,051)	50,944
adjusted for the following items:		
Exploration costs expensed	11	144
Feasibility studies expensed	-	75
Non-cash interest and other cost of finance paid	1,823	1,500
Depreciation and amortisation	21,401	22,429
Amortisation of rehabilitation asset	458	252
Unrealised foreign exchange (gains)/losses	489	304
Inventory price adjustments	2,462	4,839
Accrual for native title	396	373
Ore royalty accrual	(581)	(700)
(Decrease) / Increase in current tax liability	-	(43,351)
Movement in deferred tax balances	12,238	(7,553)
Changes in net assets and liabilities:		
(Increases) / decreases in assets:		
Receivables	(36,780)	36,227
Inventory	(5,382)	(29,809)
Other assets	(2,340)	(2,424)
Increases / (decreases) in liabilities:		
Trade creditors	913	(7,364)
Related parties	(3,217)	-
Provisions	(137)	(870)
Net cash (used in) / provided from operating activities	(11,297)	25,016

(c) Non Cash Financing and Investment Activities

There were no non-cash financing and investing activities undertaken by the consolidated entity during the financial period.

MINARA RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
ACN 060 370 783

DIRECTORS' DECLARATION
FOR THE HALF YEAR ENDED 30 JUNE 2009

In the opinion of the Directors of Minara Resources Limited:

(a) there are reasonable grounds to believe that Minara Resources Limited will be able to pay its debts as and when they become due and payable; and

(b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the Directors made pursuant to s.303(5) of the *Corporations Act 2001* .

On behalf of the Directors

P Coates AO	**PB Johnston**
Chairman	**Chief Executive Officer and Managing Director**

Perth, 27 August 2009

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Woodside Plaza
Level 14
240 St Georges Terrace
Perth WA 6000
GPO Box A46
Perth WA 6837 Australia

DX 206
Tel: +61 (0) 8 9365 7000
Fax: +61 (0) 8 9365 7001
www.deloitte.com.au

Independent Auditor's Review Report to the members of Minara Resources Limited

We have reviewed the accompanying half-year financial report of Minara Resources Limited, which comprises the statement of financial position as at 30 June 2009, and the statement of comprehensive income, cash flow statement and statement of changes in equity for the half-year ended on that date, selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 9 to 21.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2009 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Minara Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

Deloitte.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Minara Resources Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2009 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Ross Jerrard
Partner
Chartered Accountants
Perth, 27 August 2009