

QUARTERLY REPORT

30 June 2009



ABOUT MINARA

Minara Resources Limited is a leading Australian resources company based in Perth, Western Australia.

Minara Resources owns and operates the Murrin Murrin nickel cobalt joint venture project (60% Minara, 40% Glencore International AG).

The Murrin Murrin operation is located near Leonora in Western Australia's historic northern goldfields region.

Murrin Murrin is a world-class nickel/cobalt hydrometallurgical project which offers significant environmental benefits compared to traditional smelting processes.

ASX CODE: MRE



SIGNIFICANT EVENTS

- Consistent production profile
- Continued reduction in C1 costs achieved
- Nickel market improved but remains volatile

MURRIN MURRIN OPERATIONS

	Quarter Ended 30 June 2009	Prior Quarter Ended 31 March 2009	Quarter Ended 30 June 2008
Nickel Production (tonnes)	7,842	7,762	7,268
Cobalt Production (tonnes)	634	450	505
Minara's Equity (60%)			
Nickel (tonnes)	4,705	4,657	4,361
Cobalt (tonnes)	380	270	303

Total production of 7,842 tonnes of packaged nickel and 634 tonnes of packaged cobalt was achieved at Murrin Murrin for the three months to 30 June 2009. The company's share is 60%. The previous corresponding three month period saw 7,268 tonnes of packaged nickel and 505 tonnes of packaged cobalt produced.

Mine production remained steady for the quarter and achieved the targets set in the mining schedule. Autoclave feed for the quarter was 697,798 tonnes of ore grading 1.37% nickel.

Minara's production forecast guidance for Murrin Murrin for the year remains unchanged at 30,000 to 34,000 tonnes.

Minara's sales position remains unhedged in both currency and price.

CORPORATE / FINANCIAL

Minara has achieved a consistent production profile for the first two quarters of 2009 and the continued focus on cost reductions is now delivering real benefits. The C1 costs for the six months ended 30 June 2009 have reduced to US\$4.99/lb.

C1 costs for six months ended June 30 2009	US\$4.99/lb
C1 costs for six months ended December 31 2008	US\$5.55/lb
C1 costs for six months ended June 30 2008	US\$5.24/lb
C1 costs for 12 months ended December 31 2008	US\$5.39/lb

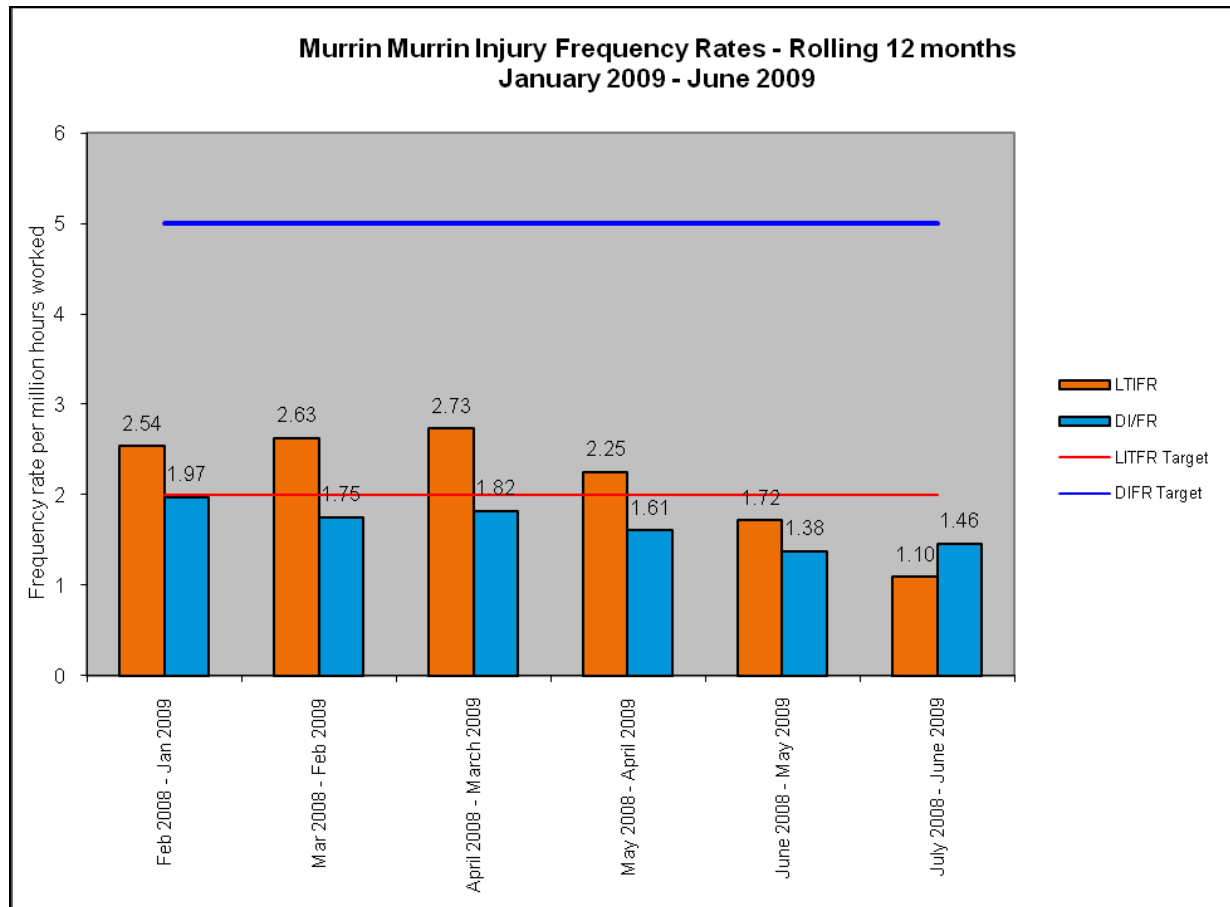
On an operational basis Minara was cash flow positive for the six months ended 30 June 2009. There was a marginal decrease in cash reserves due to the impact of nickel provisional pricing in the first three months of the year and increased sulphur stocks purchased to take advantage of current low prices. Cash on hand at 30 June 2009 was A\$127.2 million (31 December 2008: A\$142.5 million).

Minara's nickel and cobalt revenue is priced in US dollars, with the majority of input costs denominated in Australian dollars (with the exception of sulphur and some maintenance parts). Consequently, the positive impact on revenue from the increases to nickel prices seen during the quarter has been partially offset by a strengthening Australian dollar.

HEALTH AND SAFETY

The LTI/FR 12 month rolling average is 1.10, below the target of 2.

The DI/FR 12 month rolling average is 1.46, below the target of 5.



ENVIRONMENT

There were no reportable environmental incidents for the quarter.

COMMUNITY

In May the Minara Community Foundation under the trusteeship of Western Australian Community Foundation announced the support of five community projects in the Northern Goldfields of Western Australia. The initial set of successful applicants will receive \$88,000 in grants.

The 2009 grants follow on from last year's fund distribution of approximately \$250,000 to nine successful local applicants.

EXPLORATION

Irwin Hills - Cogleia Well JV (Murrin Murrin JV 60%)

No exploration was conducted this quarter.

Bardoc Nickel Project (Minara Resources 100%)

Review of nickel sulphide target rankings commenced this quarter. This review is expected to continue into the September quarter to identify future drilling targets.

Mt Margaret (Murrin Murrin JV)

No exploration was conducted this quarter.

Weld Range JV (Minara Resources 75%)

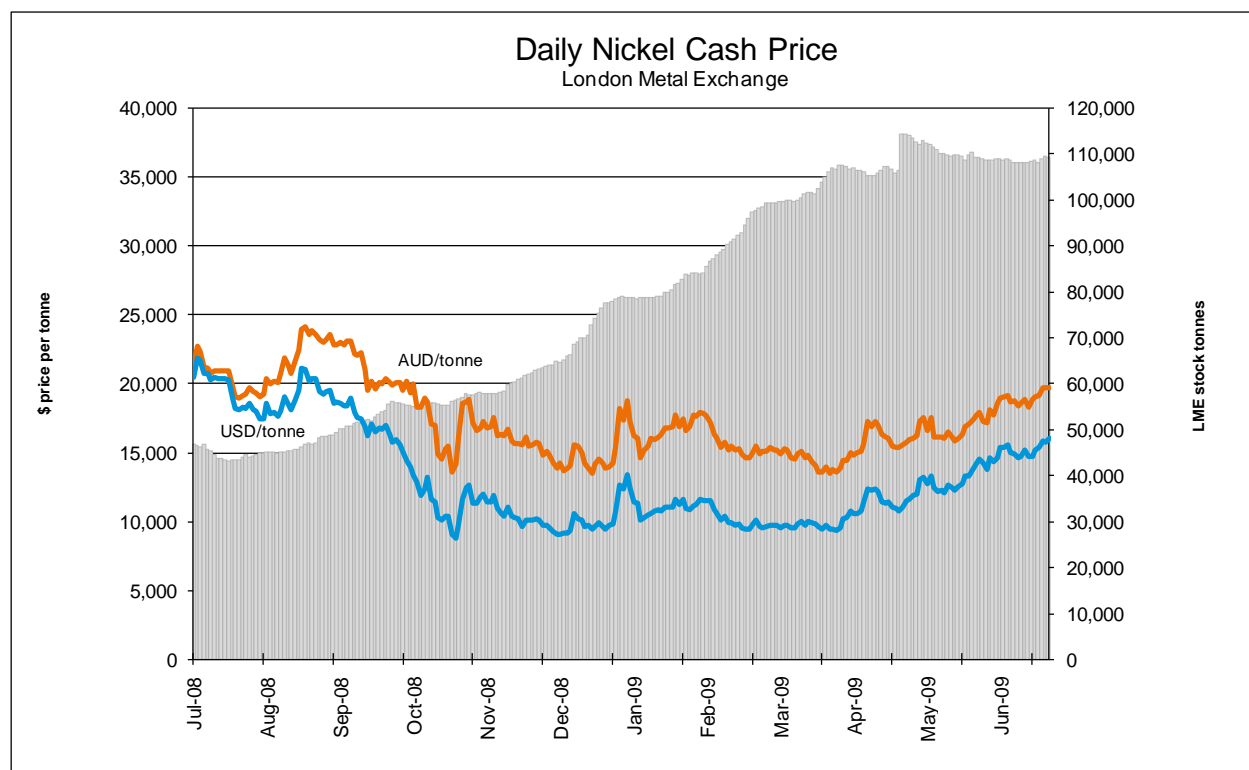
No exploration was conducted this quarter.

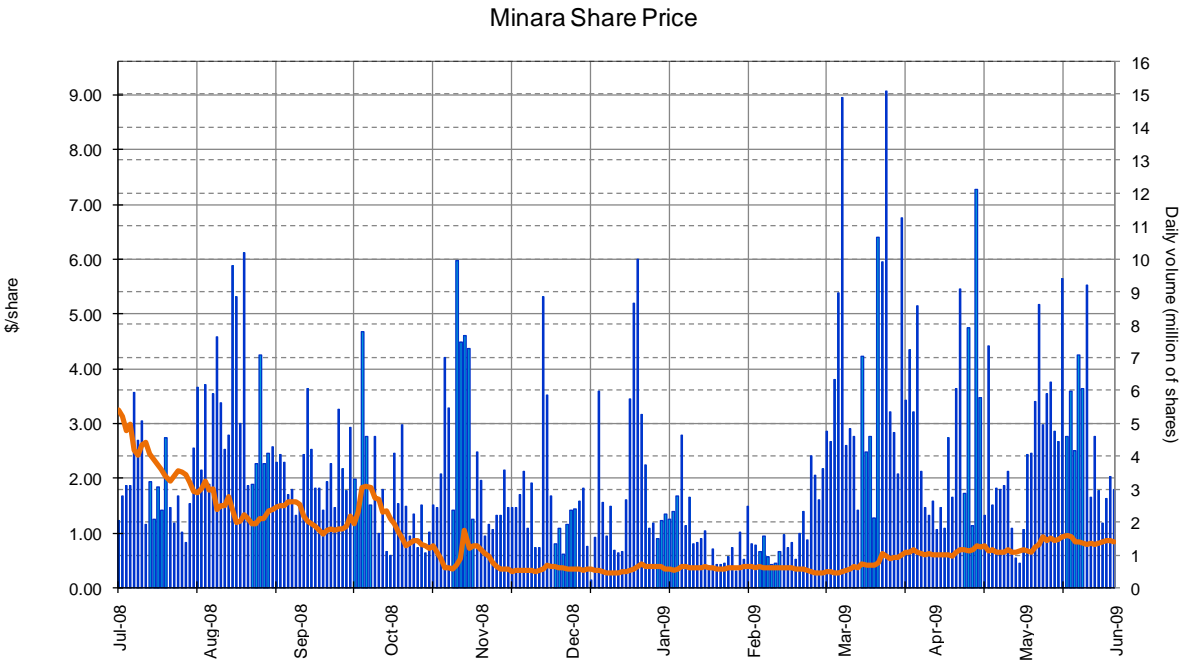
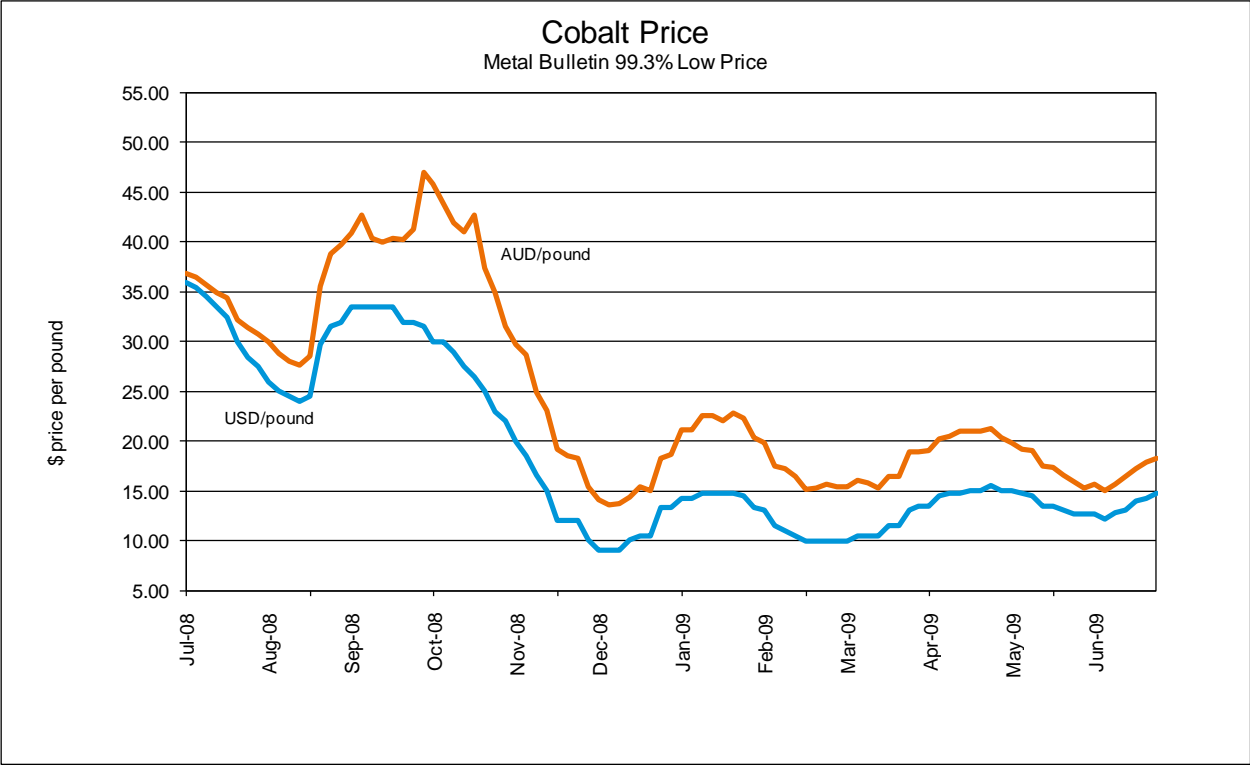
METAL MARKETS

The nickel market remains volatile with nickel spot prices during the quarter ranging from US\$9,555 per tonne on 1 April 2009 to US\$16,010 per tonne on 30 June 2009. Demand for stainless steel has increased in China but the markets in Europe and the USA remain soft. Official London Metal Exchange stocks have remained relatively static in recent weeks at approximately 110,000 tonnes.

The cobalt price also remains volatile. During the quarter the price has ranged between approximately US\$12.00/lb and US\$15.00/lb.

Commodity Prices	Prices as at 30 June 2009	Average for quarter ending 30 June 2009	Average for quarter ending 31 March 2009	Average for quarter ending 30 June 2008
LME Nickel				
Cash Seller & Settlement				
US\$ per tonne	16,010	12,992	10,459	25,730
US\$ per lb	7.26	5.89	4.74	11.67
AUD\$ per tonne	19,731	17,099	15,751	27,268
Cobalt				
US\$ per lb	14.70	13.90	12.09	45.39
Exchange Rates AUD:USD	0.8114	0.7598	0.6640	0.9436





CEO'S COMMENTS

"Minara's cost management program implemented in the second half of 2008 has delivered real results, with our C1 costs decreasing to \$4.99. The C1 cost reduction has been achieved despite a strengthening Australian dollar and the impact of a decline in cobalt markets. The focus for the remainder of 2009 is to maintain the current consistent production profile at the reduced cost base so we can take full advantage of any improvement in the nickel market."



Peter Johnston
Managing Director and CEO

10 July 2009

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The information in this report that relates to Exploration Results is based on information compiled by Mr David Selfe and the information in this report that relates to Metallurgical Results is based on information compiled by Mr John O'Callaghan. Each of Mr Selfe and Mr O'Callaghan is a Member of the Australasian Institute of Mining and Metallurgy. Mr Selfe and Mr O'Callaghan are full time employees of Minara Resources Ltd. Mr Selfe and Mr O'Callaghan have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Selfe and Mr O'Callaghan consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.