

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

MIRABELA NICKEL LIMITED

ABN

23 108 161 593

Quarter ended ("current quarter")

31 MARCH 2010

	Current quarter \$A'000	Financial Year to date \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	20,778	20,778
1.2 Payments for	-	-
(a) exploration and evaluation	-	-
(b) development	-	-
(c) production	(35,106)	(35,106)
(d) administration	(2,300)	(2,300)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	158	158
1.5 Interest and other costs of finance paid	(5,837)	(5,837)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(22,307)	(22,307)
Cash flows related to investing activities		
1.8 Payment for purchases of:	-	-
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(27,187)	(27,187)
1.9 Proceeds from sale of:	-	-
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Cash acquired in subsidiary	-	-
Net investing cash flows	(27,187)	(27,187)
1.13 Total operating and investing cash flows (carried forward)	(49,494)	(49,494)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares, options, etc.	27,825	27,825
1.15 Costs of the issue	(674)	(674)
1.16 Proceeds from borrowings	20,500	20,500
1.17 Repayment of borrowings	(1,046)	(1,046)
1.18 Dividends paid	-	-
1.19 Other (Settlement of foreign exchange forward contracts)	-	-
Net financing cash flows	46,605	46,605

+ See chapter 19 for defined terms.

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Net increase (decrease) in cash held	(2,889)	(2,889)
1.20 Cash at beginning of quarter/year to date	59,123	59,123
1.21 Exchange rate adjustments to item 1.20	(1,036)	(1,036)
1.22 Cash at end of quarter	55,198	55,198

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	(461)
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

The aggregate amount of payments in 1.23 includes directors fees, salaries and services.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

The Company did not enter into any FX or commodity contracts during the quarter.

Mining equipment with a value of US\$4.24 million acquired during the quarter was financed to US\$3.81 million by drawdown under the US\$55 million Caterpillar Finance Facility.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	369,567	354,090
3.2 Credit standby arrangements	0	0

Unused loan facility consists of a balance of US\$14 million (A\$16 million) available under the US\$55 million Caterpillar Finance Facility.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	-
4.2 Development	-
Total	-

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

		Current quarter	Previous quarter
		\$A'000	\$A'000
5.1	Cash on hand and at bank	44,293	31,331
5.2	Deposits at call	10,905	27,792
5.3	Bank overdraft	0	0
Total: cash at end of quarter (item 1.22)		55,198	59,123

Deposits at call include a balance of US\$10 million held in a contingency account in accordance with the undertakings given by the Company as guarantor of the Senior Loan facility for the Santa Rita Project. The undertakings include a prescribed minimum account balance to be held at certain dates until the Santa Rita Project achieves completion under the facility arrangement. This account may only be drawn down with the consent of the Senior Lenders.

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased	-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid per security (see note 3) (cents)
7.1	Performance + securities <i>Convert to ordinary securities on development of a commercial mining project</i>			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs.			
7.3	+Ordinary securities	366,835,825	366,835,825	
7.4	Changes during quarter (a) Increases through issues	4,467,450	\$2.30	\$2.30
		12,000	\$0.95	\$0.95
		5,500,000	\$2.30	\$2.30
		50,000	\$0.95	\$0.95
		12,000	\$0.95	\$0.95
		2,100,000	\$2.30	\$2.30
	(b) Decreases through returns of capital, buy-backs			

+ See chapter 19 for defined terms.

7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	13,626,900 Convert on a 1:1 basis	Nil	Exercise price \$0.95 (0.3269m) \$5.60 (1.8m) \$6.20 (1.4m) \$6.20 (0.3m) \$6.20 (0.35m) \$6.20 (0.3m) US\$8.00 (5.0m) \$3.00 (3.0m) \$3.00 (0.75m) \$3.00 (0.4m)	Expiry date 30 Apr 2010 23 Feb 2011 30 Jun 2011 07 Sep 2011 31 Dec 2011 11 Sep 2012 Final repayment of Norilsk loan (scheduled expiry 31 Dec 2012) 07 Jul 2013 07 Jul 2013 30 Jun 2014
7.8 Issued during quarter				
7.9 Exercised during quarter	74,000		\$0.95	30 Apr 2010
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>	0	0		
7.12 Unsecured notes <i>(totals only)</i>	0	0		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Chris Els
Company Secretary

Date: 30 April 2010

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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