

ASX RELEASE

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Market Update

Minara Resources Limited (**Minara**) advises that the Murrin Murrin Nickel/Cobalt project has recovered from the flooding which severely disrupted water supply from the plant's borefields as reported to the market on 22 February 2011.

Flood waters have receded and the availability of process water into the plant has been restored. Consequently normal production has been re-established through the process plant.

"The unusually severe weather that we have been experiencing in the Northern Goldfields has impacted our February production. We estimate that the lack of access to sufficient process water has impacted Murrin Murrin production by approximately 900 tonnes of nickel (Minara share 540 tonnes). We will attempt to recover the lost production over the coming months", Peter Johnston, Minara Managing Director and Chief Executive Officer said.

Minara's 2011 production guidance for Murrin Murrin remains unchanged at 33,000 – 37,000 tonnes of nickel (Minara's share 60%).

A handwritten signature in black ink that reads "P. B. Johnston .".

Peter Johnston
Managing Director & CEO

8 March 2011

Contact

Andrew Bantock, Chief Financial Officer
Minara Resources Limited
+ 61 8 9212 8400
www.minara.com.au

David Griffiths, Gryphon Management Australia
+61 8 9382 8300

Minara Resources Limited

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