HALF YEAR REPORT
30 June 2011

MINARA RESOURCES LIMITED
ABN 23 060 370 783

The Directors of Minara Resources Limited announce a profit before tax of $39.0 million and a profit after tax attributable to members of $27.3 million for the half year period ended 30 June 2011.

A press release covering the results will be released separately.

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

ASX CODE: MRE

CONTENTS | **PAGE**

MINARA RESOURCES LIMITED
ACN 060 370 783

APPENDIX 4D

RESULTS FOR ANNOUNCEMENT TO THE MARKET

FOR THE HALF-YEAR ENDED 30 JUNE 2011

Details of the reporting period and the previous corresponding period

The current reporting period is 1 January 2011 to 30 June 2011.

The previous corresponding comparative period is 1 January 2010 to 30 June 2010.

Revenue from ordinary activities	Down 2.3%	to	$228.3m
Profit from ordinary activities after tax attributable to members	Down 31.3%	to	$27.3m
Net Profit for the period attributable to members	Down 31.3%	to	$27.3m

Dividends

No dividend was declared in respect of the current or previous corresponding reporting period.

		Amount per security (cents)	**Franked amount per security (cents)**
Interim dividend declared in respect of the period	Current period	0.0	0.0
	Previous period	0.0	0.0
Final dividend paid during the period	Current period	5.0	5.0
	Previous period	0.0	0.0

Record date for determining entitlements to the interim dividend	N/A

Net Tangible Assets per Security	**30 June 2011**	**30 June 2010**
Net tangible asset backing per ordinary share (cents)	0.67	0.78

Interests in entities which are not controlled entities

Jointly Controlled Entities	**30 June 2011 %**	**30 June 2010 %**
Murrin Murrin Nickel/Cobalt Project Joint Venture	60	60

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 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 (**Minara** or the **company**) present their report, together with the financial report of the Consolidated Entity (**Group)**, being the company and its controlled entities, for the six month period ended 30 June 2011, 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:

Malcolm Macpherson	Non-executive Director Chairman from 1 July 2011 Acting Chairman from 11 April 2011 until 30 June 2011
Peter Johnston	Managing Director and Chief Executive Officer
John Morrison	Non-executive Director
Ivan Glasenberg	Non-executive Director
Markus Ocskay	Non-executive Director since 8 June 2011 Alternate Non-executive Director until 8 June 2011,
Peter Coates AO	Non-executive Director and Chairman until 11 April 2011
Willy Strothotte	Non-executive Director until 8 June 2011

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 **Joint Venture** or **Murrin Murrin**), involving the mining and processing of laterite ore to produce nickel and cobalt and 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. Glencore International plc (**Glencore**) through its 100% subsidiary, 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 2011. A fully franked final dividend of 5 cents per share for the financial year ended 31 December 2010 was paid on 22 March 2011.

REVIEW OF OPERATIONS AND RESULTS

Financial Results

	Units	6 Months Ended 30 June 2011	6 Months Ended 30 June 2010
Nickel production (packaged)	tonnes	8,775	8,707
Cobalt production (packaged)	tonnes	567	605
Revenue from operations	$ million	228.3	233.7
Gross profit	$ million	36.0	55.1
Profit before tax	$ million	39.0	56.0
Profit after tax attributable to members	$ million	27.3	39.7
Net cash flow	$ million	(21.2)	115.4

The company recorded a half-year consolidated gross profit of $36.0 million and a profit after tax attributable to members of $27.3 million for the financial period ended 30 June 2011. 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 2011 (3,983 tonnes nickel) have been valued for revenue recognition purposes at US$23,395 per tonne. At finalisation, if the nickel price varies from the price used for revenue recognition purposes at 30 June 2011, then the variance in revenue relating to those sales will be recognised in that following period.

Health & Safety

The company's safety performance is measured by Lost Time Injury Frequency Rate (**LTIFR**) and Disabling Injury Frequency Rate (**DIFR**).

The combined LTI/DIFR 12 month rolling average to 30 June 2011 was 8.54 (June 2010: 8.02).

The LTIFR 12 month rolling average to 30 June 2011 was 3.66 (June 2010: 3.49).

The DIFR 12 month rolling average to 30 June 2011 was 4.88 (June 2010: 4.54).

Environment

During the half-year to 30 June 2011, the company reported one environmental incident to regulatory authorities. Immediate corrective action was taken and no fines or penalties were issued.

Operations

Production at Murrin Murrin for the six months to 30 June 2011 was 14,625 tonnes of nickel packaged, and 945 tonnes of cobalt packaged. The company's share is 60%. During the previous corresponding six month period to 30 June 2010, production was 14,512 tonnes of nickel packaged, and 1,008 tonnes of cobalt packaged.

Production during the half-year was impacted by a series of extreme weather conditions and flooding in February, several maintenance issues in the second quarter and failure of a heat exchanger within the acid plant in late June.

During the half-year to 30 June 2011 several planned maintenance projects were completed. These included mill re-lines, annual autoclave maintenance activities and an overhaul of a steam turbine.

Exploration

- The Murrin Murrin Exploration (Joint Venture 100%) program continued in 2011. Targeted drilling has intercepted zones of higher-grade ore within the existing mine environs and provides the opportunity to add higher-grade near term production at relatively low cost. Further infill drilling is planned and further targets are to be tested on existing tenure and recently acquired adjacent ground.

- The Marshall Pool (Joint Venture 100%) project is a large low-grade nickel laterite deposit which is highly siliceous and amenable to upgrading by simple beneficiation. The project is located 70 kilometres north of Leonora and is 140 kilometres from Murrin Murrin by sealed road. The pre-feasibility study into beneficiation of the ore which commenced during 2010 continued into the 2011 half-year.

- The Mt Lucky (Joint Venture 100%) project contains a low grade manganese deposit which can supply Murrin Murrin with an additive to the high-pressure acid leach process. Since acquisition in the second half of 2010, archaeological, heritage, flora and fauna surveys have been completed as have infill and extensional drill planning. A program of works was approved for the drilling program in order to increase mineralisation definition and testing of deeper targets below the near surface mineralisation.

Capital Program

During the half-year to 30 June 2011, the company incurred capital expenditure of $11 million. This represents 60% of the capital expenditure incurred by the MMJV.

Major Murrin Murrin capital expenditure items included:

HDS

The HDS project is designed to debottleneck the neutralisation circuit, enabling an increase in ore-leach autoclave throughput. The project is in advanced stages of commissioning, with some operational issues to be resolved. The company's share of the expenditure on this project was $1.3 million for the half-year to 30 June 2011.

In-Pit Tailings Deposition

This project delivers operating flexibility via discharging of tailings into completed mining pits to complement the existing tails cells' operation, allowing for improvements in environmental performance, a reduction in cost of tailings disposal along with flexibility provided for the tails cell lift requirements. The upgraded tails pumping system was commissioned during the half-year. It is expected that the project will be completed by the end of the third quarter of 2011. The company's share of the expenditure on this project was $0.5 million for the half-year to 30 June 2011.

Sixth Reduction Autoclave

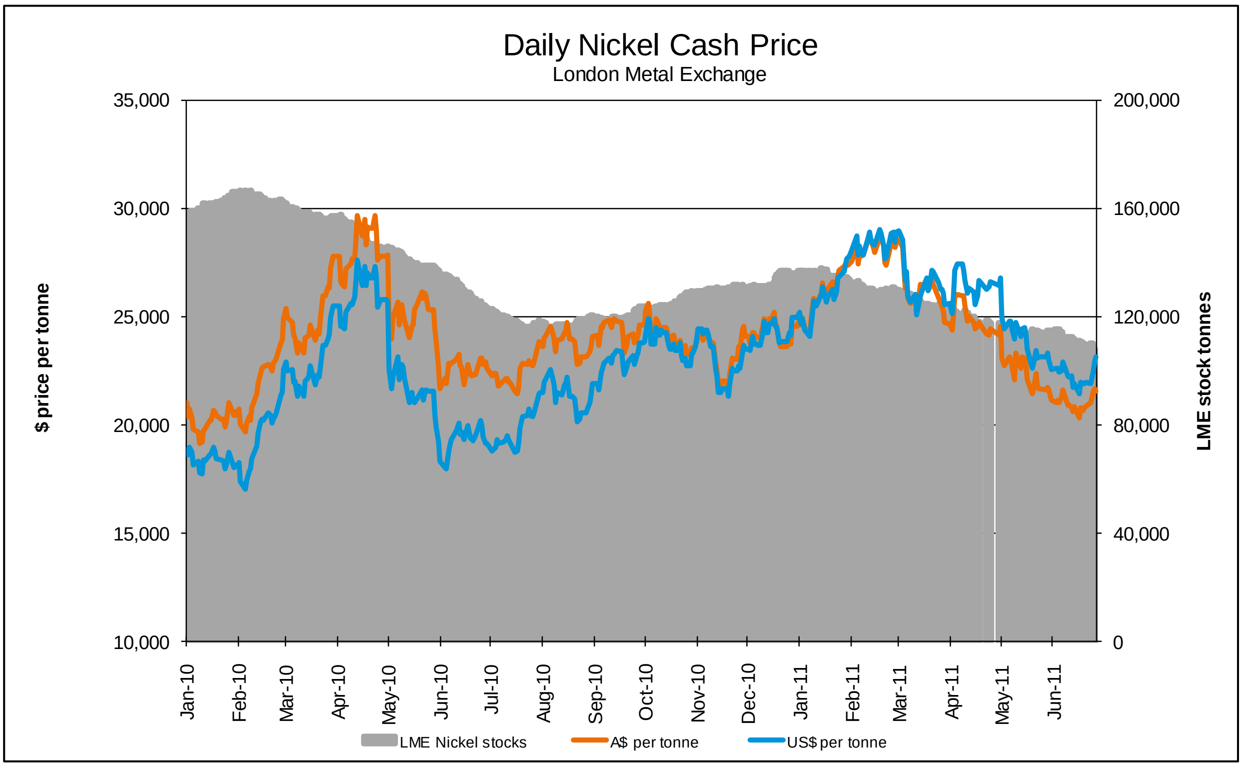
This project has delivered a sixth reduction autoclave unit which will operate in parallel to the existing five reduction vessels in the refinery's nickel circuit. The project is expected to be completed in the third quarter of 2011 with the commissioning of the flash vessel. The company's share of the expenditure on this project was $1.2 million for the half-year to 30 June 2011.

Murrin Murrin East

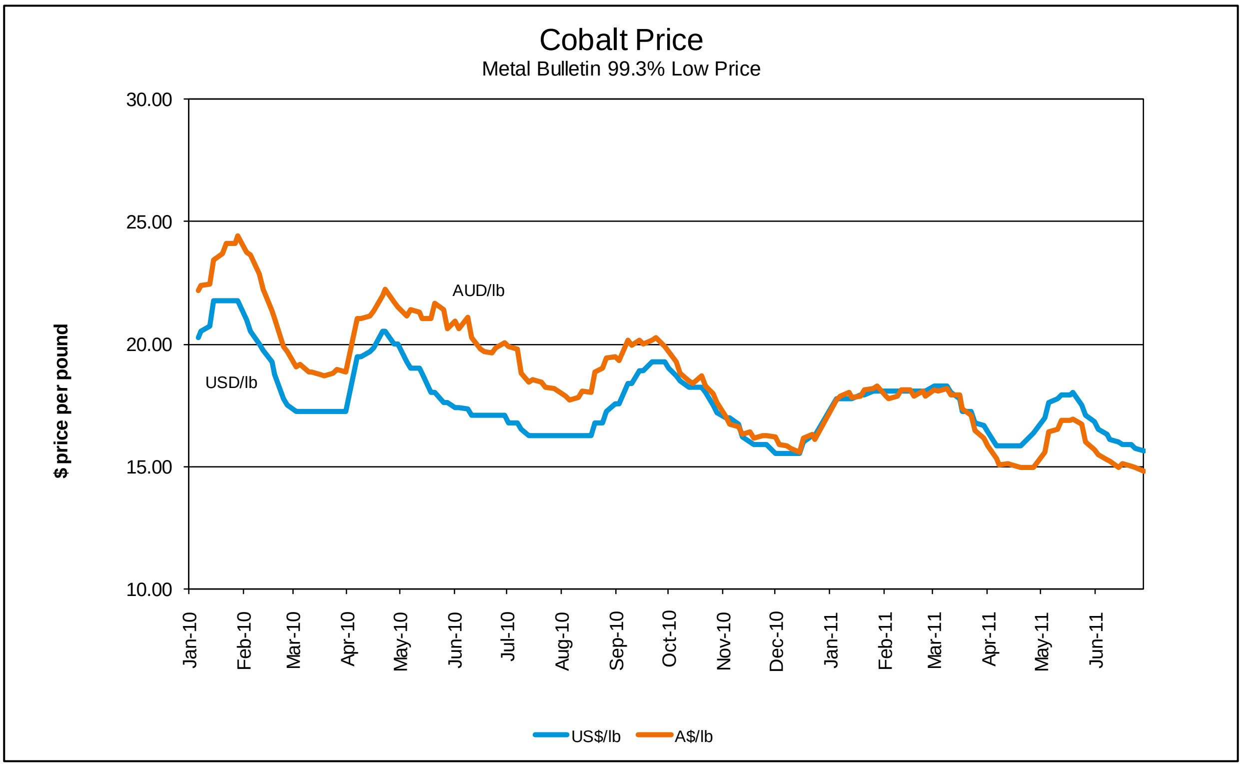
The Murrin Murrin East ore-body is expected to improve the delivered grade of nickel to the plant over the next five to eight years. During the half-year the Murrin Murrin East ore body haul road was completed ahead of schedule and the blending of Murrin Murrin East ore with existing ore sources into ROM stockpiles commenced. The company's share of the expenditure on this project was $2 million for the half-year to 30 June 2011.

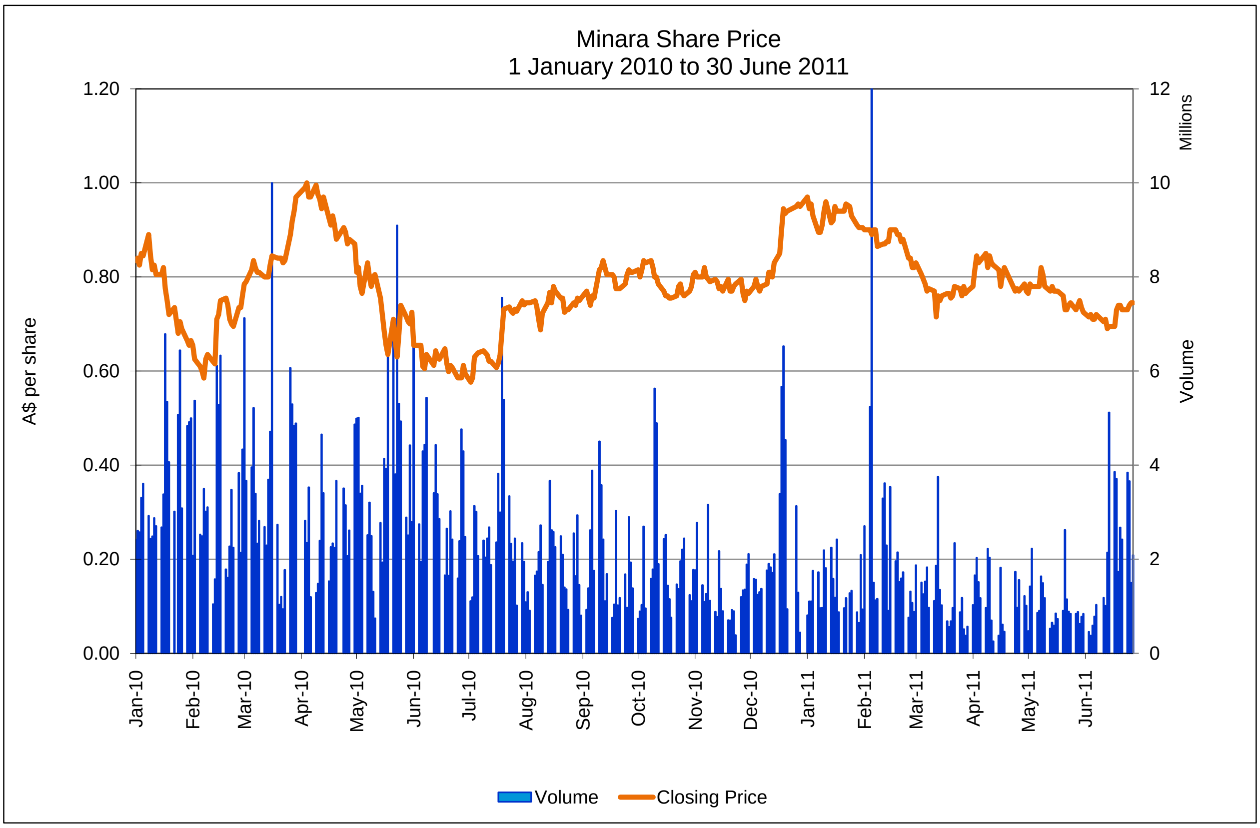
Metal Markets

The nickel market remains volatile. During the half-year period the nickel LME cash settlement price ranged from a low of US$21,410 per tonne to a high of US$29,030 per tonne.



The cobalt price (99.3% LMB) also remains volatile. During the half-year period it ranged from a low of US$15.65 per pound to a high of US$18.30 per pound.





CORPORATE

At the date of this report, the major shareholder of the company is Glencore International AG, a wholly owned subsidiary of Glencore International plc, with a 73.44% shareholding.

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

Other than as reported 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 CORPORATION ACT 2001

The lead auditor's independence declaration as required under section 307C of the Corporation Act 2001 (Cth) is set out on page 8 and forms part of the Director's Report for the six months ended 30 June 2011.

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, unless otherwise indicated.

Signed in accordance with a resolution of the directors.

M Macpherson
Chairman

P. B. Johnston.

PB Johnston
Managing Director and
Chief Executive Officer

Perth, 24th August 2011

Minara Resources Limited ABN 23 060 370 783
Level 4, 30 The Esplanade PERTH WA 6000
PO Box Z5523, St George's Terrace
PERTH WA 6831 AUSTRALIA
www.minara.com.au

Contact:

Andrew Bantock, Chief Financial Officer
+61 8 9212 8400

or

David Griffiths, Gryphon Management Australia
0419 912 496

The information in this report relating to Exploration Results is based on information compiled by Mr David Selfe. Mr Selfe is a member of the Australasian Institute of Mining and Metallurgy and is a full time employee of Minara Resources Limited. Mr Selfe has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking in order to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Selfe consents to the inclusion in this report of the matters based on the information he has provided in the form and context in which it appears.

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 Ltd
Level 4, 30 the Esplanade
PERTH WA 6000

24 August 2011

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 2011, 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

AT Richards

AT Richards
Partner
Chartered Accountants
Perth, 24 August 2011

Consolidated Statement of Comprehensive Income
For the half-year ended 30 June 2011

	Half-year ended 30 June 2011 $'000	Half-year ended 30 June 2010 $'000
Revenue from operations	228,348	233,740
Cost of production	(192,377)	(178,680)
Gross profit from the sale of product	35,971	55,060
Other revenue	17,282	7,116
Finance expenses	(1,250)	(1,256)
Other expenses	(10,212)	(2,768)
Allowances and writedowns	(2,748)	(2,146)
Profit before income tax	39,043	56,006
Income tax expense	(11,683)	(16,690)
Profit for the period	27,360	39,316
Total comprehensive income for the period	27,360	39,316
Profit and total comprehensive income for the period is attributable to:		
Owners of the parent	27,274	39,685
Non-controlling interest	86	(369)
	27,360	39,316
	Cents	Cents
Earnings per share for profit attributable to the ordinary equity holders of the company:		
Basic earnings per share	2.33	3.30
Diluted earnings per share	2.31	3.28

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes

Consolidated Statement of Financial Position
As at 30 June 2011

	Note	30 June 2011 $'000	31 December 2010 $'000
ASSETS			
Current assets			
Cash and cash equivalents		202,787	224,253
Trade and other receivables		39,422	55,096
Inventories		102,527	91,418
Other		2,519	5,766
Total current assets		347,255	376,533
Non-current assets			
Trade and other receivables		2,119	2,185
Inventories		138,040	133,036
Property, plant and equipment		419,438	429,768
Mine assets		62,095	62,390
Other		1,613	1,599
Total non-current assets		623,305	628,978
Total assets		970,560	1,005,511
LIABILITIES			
Current liabilities			
Trade and other payables		59,079	64,513
Borrowings		36	36
Provisions		10,762	10,465
Current tax liabilities		5,811	12,949
Total current liabilities		75,688	87,963
Non-current liabilities			
Trade and other payables		29,580	31,792
Borrowings		87	108
Provisions		32,800	32,352
Deferred tax liabilities		45,360	36,313
Total non-current liabilities		107,827	100,565
Total liabilities		183,515	188,528
Net assets		787,045	816,983
EQUITY			
Contributed equity	3	872,726	871,505
Reserves	4	3,889	3,937
Accumulated losses	5	(84,300)	(53,103)
Capital and reserves attributable to the owners		792,315	822,339
Non-controlling interests	9	(5,270)	(5,356)
Total equity		787,045	816,983

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Consolidated Statement of Changes in Equity
For the half-year ended 30 June 2011

2010	**Note**	**Attributable to owners of Minara Resources Limited** Contributed equity $'000	Reserves $'000	Accumulated losses $'000	Attributable to the owners $'000	Non-controlling interests $'000	Total equity $'000
Balance at 1 January 2010		**982,444**	**934**	**(112,003)**	**871,375**	**(4,831)**	**866,544**
Total comprehensive income/(loss) for the period		**-**	**-**	**39,685**	**39,685**	**(369)**	**39,316**
Transactions with owners in their capacity as owners:							
Share based payments		-	1,189	-	1,189	-	**1,189**
Balance at 30 June 2010		**982,444**	**2,123**	**(72,318)**	**912,249**	**(5,200)**	**907,049**

2011	**Note**	**Attributable to owners of Minara Resources Limited** Contributed equity $'000	Reserves $'000	Accumulated losses $'000	Attributable to the owners $'000	Non-controlling interests $'000	Total equity $'000
Balance at 1 January 2011		**871,505**	**3,937**	**(53,103)**	**822,339**	**(5,356)**	**816,983**
Total comprehensive income/(loss) for the period		**-**	**-**	**27,274**	**27,274**	**86**	**27,360**
Transactions with owners in their capacity as owners:							
Dividends paid	6			(58,471)	(58,471)	-	**(58,471)**
Shares issued from vesting of performance rights	3	1,221	(1,221)		**-**	-	-
Share based payments	4	-	1,173	-	1,173	**-**	**1,173**
Balance at 30 June 2011		**872,726**	**3,889**	**(84,300)**	**792,315**	**(5,270)**	**787,045**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Consolidated Statement of Cash Flows
For the half-year ended 30 June 2011

	Note	Half-year ended 30 June 2011 $'000	30 June 2010 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		251,289	289,929
Payments to suppliers and employees (inclusive of GST)		(198,460)	(172,336)
Interest received		5,125	6,162
Income taxes paid		(9,774)	-
Net cash inflow from operating activities	10	48,180	123,755
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		90	-
Payments for property, plant and equipment		(10,905)	(8,984)
Payments for mine assets		-	(7)
(Payments)/proceeds of term deposits and bonds		(112)	664
Net cash (outflow) from investing activities		(10,927)	(8,327)
Cash flows from financing activities			
Repayment of lease liabilities		(21)	-
Dividends paid to shareholders		(58,471)	-
Net cash (outflow) from financing activities		(58,492)	-
Net (decrease) increase in cash and cash equivalents		(21,239)	115,428
Cash and cash equivalents at the beginning of the period		224,253	247,142
Effects of exchange rate changes on cash and cash equivalents		(227)	428
Cash and cash equivalents at the end of the period		202,787	362,998

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

1 Summary of significant accounting policies

This general purpose financial report for the interim half-year reporting period ended 30 June 2011 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001* .

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2010 and any public announcements made by Minara Resources Ltd during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* .

(a) Basis of preparation of half-year financial report

The principal accounting policies adopted in the preparation of the financial report are consistent with those of the previous financial year and corresponding interim reporting period.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial instruments.

Rounding of amounts

The company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

2 Segment information

The Group has one reportable segment, as described below. The Group's CEO reviews internal management reports on a monthly basis. The following summary describes the operations in the Group's reportable segments;

- Nickel mining: includes the mining, processing and refining of nickel lateritic ore to produce LME grade nickel briquettes.

Given the Group has one reporting segment, operating results and financial information are not separately disclosed in this note.

The Group operates in one geographical location, Western Australia.

3 Contributed equity

	Parent	
	30 June 2011 $'000	31 December 2010 $'000
1,169,424,487 fully paid ordinary shares (31 December 2010: 1,167,783,517)	872,726	871,505

(a) Movements in ordinary share capital

	Parent	
	No. '000	$'000
Fully paid ordinary shares		
1 July 2010 opening balance	1,167,783	982,444
Return of capital - 9.5c per share	-	(110,939)
31 December 2010 closing balance	1,167,783	871,505
1 January 2011 opening balance	1,167,783	871,505
Shares issued from vesting of performance rights	1,641	1,221
30 June 2011 closing balance	1,169,424	872,726

4 Reserves

	30 June 2011 $'000	31 December 2010 $'000
Employee equity-settled benefits	3,889	3,937
	3,889	3,937

(a) Nature and purpose of reserves

The equity-settled employee benefits reserve arises on the grant of performance rights to executives and employees under the employee share plan. Amounts are transferred out of the reserve and into issued capital when the rights have vested.

(b) Movements

	30 June 2011 $'000	31 December 2010 $'000
Employee equity-settled benefits reserve		
Balance at beginning of financial period	3,937	934
Transfer to issued capital (performance rights exercised)	(1,221)	-
Share-based payment expense	1,173	3,003
Balance at end of financial period	3,889	3,937

5 Accumulated losses

	30 June 2011 $'000	31 December 2010 $'000
Movements in accumulated losses were as follows:		
Balance at beginning of financial period	(53,103)	(112,003)
Dividends paid	(58,471)	-
Net profit for the period	27,274	58,900
Balance at end of financial period	(84,300)	(53,103)

6 Dividends

	Half-year ended 30 June 2011 $'000	30 June 2010 $'000
(a) Ordinary shares		
Dividends provided for or paid during the half-year	58,471	-

(b) Dividends not recognised at end of half-year
The directors have not recommended the payment of an interim dividend for the half-year ended 30 June 2011. No dividend was recommended in the prior year.

7 Contingencies

The details and estimated maximum amounts of contingent liabilities that may become payable are set out below. The directors are not aware of any circumstances or information, which would lead them to believe that these liabilities will materialise and consequently no provisions are included in the financial statements in respect of these matters.

(a) Financing arrangements
(i) The Group has in place bank guarantee facilities of $61,489,786 (2010: $$40,065,900) of which $31,845,257 (2010: $4,642,246) was utilised at 30 June 2011. $29,895,240 are in favour of the Minister of Mines (2010: $3,470,280) and $1,950,017 to other third parties (2010: $1,171,966).

8 Subsequent events

No matter or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect:
(a) the Consolidated Entity's operations in future financial years, or
(b) the results of those operations in future financial years, or
(c) the Consolidated Entity's state of affairs in future financial years.

	30 June 2011 $'000	31 December 2010 $'000
9 Non-controlling interest		
Interests in:		
Accumulated losses	(5,270)	(5,356)
	(5,270)	(5,356)

10 Reconciliation of profit after income tax to net cash inflow from operating activities

	Half-year ended 30 June 2011 $'000	30 June 2010 $'000
Profit for the period	27,360	39,316
Non-cash interest and other cost of finance paid	1,249	1,256
Depreciation and amortisation	21,403	28,785
Net (gain)/loss on sale of assets	(90)	63
Unrealised foreign exchange (gains)/losses	227	(427)
Employee share based payments	1,173	1,190
Changes in operating assets and liabilities:		
Decrease in receivables	15,828	53,397
(Increase) in inventory	(16,113)	(18,675)
Decrease (increase) in other assets	3,247	(3,774)
(Decrease) increase in trade creditors	(7,635)	5,660
(Decrease) increase in provisions	(378)	273
(Decrease) increase in current tax payable	(7,138)	8,372
Increase in deferred tax balances	9,047	8,319
Net cash inflow from operating activities	48,180	123,755

The above changes in operating assets and liabilities include allowances and adjustments to individual operating asset and liability accounts, such as inventory price adjustments.

In the directors' opinion:

a. the financial statements and notes set out on pages 9 to 15 are in accordance with the Corporations Act 2001, including:

   i. complying with Accounting Standards, the Corporations Regulations 2001, and other mandatory professional reporting requirements, and

   ii. giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2011 and of its performance for the half-year ended on that date, and

b. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Note 1(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the directors.

M Macpherson Chairman	P.B. Johnston. **PB Johnston** Managing Director and Chief Executive Officer

Perth, West Australia
24 August 2011

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

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 condensed statement of financial position as at 30 June 2011, and the condensed statement of comprehensive income, the condensed statement of cash flows and the condensed 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 16.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

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 a 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 half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Minara Resources Limited's financial position as at 30 June 2011 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.

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*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Minara Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Deloitte.

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 2011 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

AT Richards

Partner

Chartered Accountants

Perth, 24 August 2011