VOTORANTIM CONTRACT UPDATE

Perth, AUSTRALIA – 18 October 2013: Mirabela Nickel Limited (**Mirabela** or the **Company**) (ASX: MBN) wishes to provide the following update.

In the Company and Operational Update announcement to the ASX dated 26 September 2013, Mirabela advised that it had received notification from one of its two customers, Votorantim Metais S.A. (**Votorantim**), that Votorantim considered the concentrate sales agreement (**Sales Agreement**) with Mirabela would terminate at the end of November 2013. The contract was expected to run until the end of 2014.

The Company has taken legal advice in respect of the purported termination of the Sales Agreement by Votorantim. Following receipt of this advice, discussions were held with Votorantim and Votorantim has confirmed to the Company in writing that its purported termination of the Sales Agreement was invalid, that the Sales Agreement remains on foot, and that it intends to comply with its obligations under the Sales Agreement until the end of 2014. The Company has provided Banco Bradesco S.A. with a copy of this notice in relation to Mirabela's US$50 million facility with Bradesco, which is secured by the Sales Agreement.

Mirabela notes that Votorantim still intends to close its smelting facilities from November 2013 and may only procure a minimal amount of nickel concentrate from the Company in 2014. As such, Mirabela is continuing to explore opportunities for new strategic, financing and off-take alternatives and is in ongoing discussions with its financiers.

The Company is working towards making an announcement to the market in relation to the Company and an operational update by the end of October 2013.

CONTACT DETAILS

Mirabela Nickel Limited

+61 8 9324 1177

info@mirabela.com.au