
COMPANY UPDATE

Perth, AUSTRALIA – 4 November 2013: Mirabela Nickel Limited (**Mirabela** or the **Company**) (ASX: MBN) wishes to provide the following update.

Mirabela previously announced that one of its two customers, Votorantim Metais Niquel S.A. (**Votorantim**), had provided notice to Mirabela advising that its concentrate sales agreement with Mirabela (**Sales Agreement**) would terminate at the end of November 2013. Mirabela subsequently announced that following the receipt of legal advice and discussions with Votorantim, Votorantim confirmed to the Company in writing that: its purported termination of the Sales Agreement was invalid; the Sales Agreement remained on foot; it was committed to a minimum level of concentrate deliveries for the months of October and November; and that it intended to comply with its obligations under the Sales Agreement until the end of 2014.

Mirabela has now received notice from Votorantim that the main transformer at its Fortaleza smelter has malfunctioned and as such the electric furnace is not able to operate. Votorantim has claimed that these circumstances are an event of force majeure and that as a result it is not currently obligated to purchase nickel concentrate pursuant to the Sales Agreement.

The Company is taking legal advice on its position regarding a claimed force majeure and in particular the status of a force majeure when Votorantim closes their smelter at the end of November 2013 and cease trying to remedy the cause of the claimed force majeure.

Mirabela is also currently assessing the impact of this situation on its short term cash flow position and the status of the Company's US\$50 million facility with Banco Bradesco S.A., which is secured by the Sales Agreement.

CONTACT DETAILS

Mirabela Nickel Limited

Telephone: +61 8 9324 1177

info@mirabela.com.au