

QUARTERLY ACTIVITIES REPORT

FOR THE QUARTER ENDING 31 DECEMBER 2014

Highlights:

- Option secured over highly prospective Riwaka Project, New Zealand
- Geotech Airborne completes VTEM program at Riwaka
- Non-renounceable Rights Issue and Placement raise total of \$871,449

RIWAKA NI-CU-PGE PROJECT

During the quarter, Minerals Corporation Limited (**MSC** or the **Company**) announced that it had entered into an option agreement with NZA Commodities Pty Ltd (**NZA**) which grants MSC the option to acquire 100% of the highly prospective Riwaka Ni-Cu-PGE project near Nelson, New Zealand (**Riwaka**). Riwaka comprises three leases (two granted, one application) covering ~95km² of the mineralised Riwaka Complex, an elongate mafic-ultramafic intrusive body.



Figure 1 – Riwaka Project Location

The Riwaka Ni-Cu-PGE Project comprises 3 leases (PP 55350, EP55544 and PPA 57025) targeting massive sulphide Nickel-Copper-PGE mineralisation in New Zealand. The project is well serviced by proximity to power, port and a residential local workforce. New Zealand has also recently (2013) amended its Mining Legislation to become more “mining friendly”, resulting in the 2013 Fraser Institute Mining Survey ranking of 14th in the world (above Queensland, NSW, British Columbia and Ontario, as well as a number of other established mining jurisdictions).

The Riwaka Project provides an opportunity to explore a large mineralised layered intrusion which was last drilled in the mid-1970s and has never had modern techniques applied in the exploration for massive Nickel-Copper-PGE mineralisation.

Heli-Borne Electro Magnetic Survey

Due to the presence of massive sulphides in the mineralisation discovered previously, together with the limited and shallow nature of existing drilling, a Heliborne Versatile Time Domain Electro Magnetic (**VTEM**) survey (596 line km) was undertaken during the quarter to test the most prospective units at the Project for electrical conductors (possible massive sulphides) (see Figure 3 below).

Geotech Airborne (**Geotech**) commenced the VTEM Survey at Riwaka on 2 December 2014. Geotech has recently been engaged extensively throughout the Western Australian Fraser Range belt with VTEM assisting in the identification of Ni-Cu sulphide bodies. Geotech's proprietary VTEM is the leading time-domain electromagnetic system and has flown over 2 million line kilometres worldwide.



Figure 2 – Geotech Airborne VTEM system on site at Riwaka, New Zealand

The VTEM survey was completed on 12 December 2014. The data collected from the VTEM survey is being delivered to the Company's geophysical consultants, Newexco, who will then review the data and highlight features associated with potential massive sulphide accumulations. Newexco have an enviable record of being the consultants of choice for numerous companies with Nickel-Copper exploration projects, with active involvement in the following discoveries:

- **Silver Swan Deeps** (Kalgoorlie, WA) for Outokumpu-MPI JV
- **Savannah Deeps** (East Kimberley, WA) for Panoramic Resources
- **Deakin – Lanfranchi** (Yilgarn, WA) for Panoramic Resources

- **Nova Massive Nickel Sulphide deposit** (Fraser Range, WA) for Segue Resources
- **Spotted Quoll Nickel Deposit** (Forrestania), for Western Areas NL
- **Flying Fox T-0 to T-7 Deposits** (Forrestania), for Western Areas NL

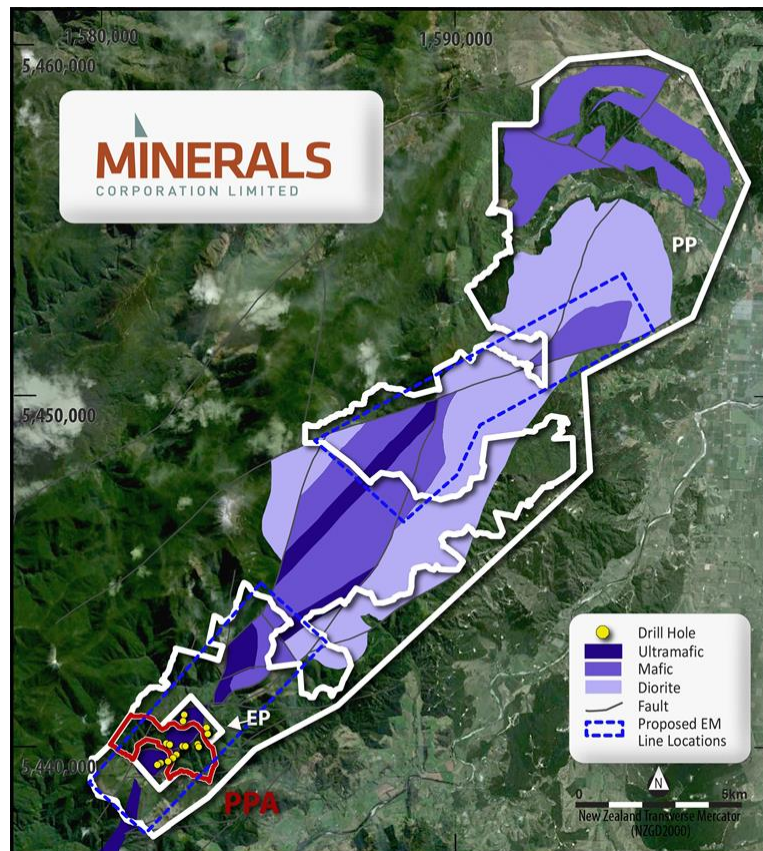


Figure 3 –VTEM survey over simplified geology

Commercial Terms

The material terms and conditions of the Riwaka option are as follows:

1. MSC has an option over 100% of the issued capital of NZA;
2. As part of a technical due diligence, MSC agrees to fund up to \$250,000 towards an airborne geophysical survey over the prospective areas;
3. Within 60 days of completion of the survey, MSC must elect to exercise the option or not;
4. If MSC elects to exercise the option it will issue 4.5M MSC shares to the vendors; and
5. If MSC incurs more than \$2,000,000 at the Riwaka Project it will issue the vendors an additional 1.5M MSC shares.

Appointment of Peter Smith as Consultant

Peter is a geophysicist with 25 years' experience in mineral exploration, and was the Managing Director of Pilbara Commodities which was acquired by Volta in January 2014. Peter has previously worked for Normandy, Pasminco, BHP Billiton, and Cliffs Natural Resources as well as being a founder of Intierra. Peter has held exploration management positions in MM Mining, NGM Resources and Cliffs Natural Resources.

CORPORATE AND FINANCIAL

Board Changes

Subsequent to the quarter, MSC announced the appointment of Mr Matthew Foy as a Non-executive Director of the Company. Mr Foy is an active member of the WA State Governance Council of the Governance Institute of Australia (GIA) and spent four years at the ASX facilitating the listing and compliance of companies. Mr Foy is currently Non-executive Director of Auroch Minerals NL and SWW Energy Ltd.

The Company further advised that Mr Samuel Edis replaces Mr Nicholas Ong as the Company Secretary of MSC. Mr Edis trained at the College of Law in Bloomsbury, London and is currently Company Secretary of Taruga Gold Limited and Fraser Range Metals Group Limited.

The Company also advised of the resignation of Mr Daniel Smith as a Director and Executive of the Company due to an increasing number of other commitments. The Board thanks Mr Smith for his contribution to the Company and wishes him well in his current and future endeavours.

Rights Issue

During the quarter, MSC raised approximately \$580,966 (before costs) via a 1 for 1 non-renounceable entitlement issue at \$0.04 with a free attaching 10c option (**Rights Issue**), to coincide with the Riwaka transaction, and to continue to fund exploration activities at the Skardon Kaolin Project and to fund the geophysical survey at Riwaka (capped at \$250,000).

The Rights Issue was partially underwritten in the amount of \$250,000, however holders of shares who exercised their rights could also apply for additional securities in the Rights Issue if and to the extent that other shareholders did not exercise their rights. Applications from existing shareholders for the Rights Issue Shortfall were oversubscribed.

Placement

During the quarter, the Company completed a placement of 7,262,073 shares at a price of \$0.04 per share to nominees of the underwriter of the Rights Issue and a number of other sophisticated and professional investors to raise approximately \$290,483.

Claims

Subsequent to the quarter, the Company advised that lawyers acting for the Company's former Managing Director, Murray Ward, had filed proceedings in the Magistrates Court of Western Australia in relation to certain alleged entitlements under his contract of employment that are disputed by MSC. The total amount claimed is \$75,915.60.

Ends.

Samuel Edis
Company Secretary

Competent Person Statement

The information in this Announcement that relates to exploration results at Riwaka is based on information compiled by Peter Smith, who is a Member of The Australian Institute of Geoscientists (AIG). Mr Smith is a consultant to Minerals Corporation. Mr Smith has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Smith consents to the inclusion in the Announcement of matters based on his information in the form and context it appears

Schedule 1

Mining Tenements held as at 31 December 2014

	% Interest	Tenement	Location
Held at end of quarter	20% 5% 5% 5%	EPM 4068 EPM 18 242 MDL 423 MDL 425	Skardon River, QLD
Acquired during the quarter	-	-	-
Disposed during the quarter	-	-	-

Interests in Farm-in or Farm-out Agreements as at 31 December 2014

	Farm-in / Farm-out	% Change in Interest	Project
Held at end of quarter	-	-	-
Acquired during the quarter	-	-	-
Disposed during the quarter	-	-	-