
Mindoro Resources increases estimate for Agata Nickel Project

Tuesday, 31 Aug, 2010

Mindoro Resources Limited announced an increased mineral resource estimate for the Agata Nickel Project. This includes a Measured and Indicated resource of 29.8 million tonnes at 1.03% nickel, an increase of 2.9 million tonnes compared to the December 2009 estimate with a slight decrease in grade due to a more robust estimation methodology and more detailed information. In addition an Inferred resource of 1.46 million tonnes at 1.01% nickel has been estimated.

The mineral resource estimate is tabulated below.

Measured

Horizon	Volume	Ni %	Co %	Fe %	Ni	Co	Fe
Limonite	248	1.01%	0.11%	48%	2.5	0.27	119
Sa pro lite	522	1.12%	0.03%	11%	5.9	0.16	57
Subtotal	771	1.08%	0.06%	23%	8.4	0.43	176

Volume in '000 tonnes

Indicated

Horizon	Volume	Ni %	Co %	Fe %	Ni	Co	Fe
Limonite	9,972	0.94%	0.11%	46%	94	11.0	4,587
Sa pro lite	19,052	1.07%	0.03%	11%	204	5.7	2,096
Subtotal	29,024	1.03%	0.06%	23%	298	16.7	6,683

Volume in '000 tonnes

Measured & Indicated

Horizon	Volume	Ni %	Co %	Fe %	Ni	Co	Fe
Limonite	10,220	0.94%	0.11%	46%	96	11	4,706
Sa pro lite	19,574	1.07%	0.03%	11%	210	6	2,153
Subtotal	29,794	1.03%	0.06%	23%	306	17	6,859

Volume in '000 tonnes

Inferred

Horizon	Volume	Ni %	Co %	Fe %	Ni	Co	Fe
Limonite	258	1.00%	0.11%	44%	2.6	0.3	114
Sa pro lite	1,206	1.01%	0.03%	11%	12.2	0.4	133
Subtotal	1,464	1.01%	0.04%	17%	14.8	0.7	246

Volume in '000 tonnes

The new resource estimate was carried out by Mr Mark Gifford, an independent qualified person as defined by NI 43-101, in conjunction with Quantitative Group in Perth. A total of 593 drill core holes for 10,851m of diamond drill core were used for the estimate. The resource estimation method applied was Ordinary Kriging, a very robust and proven methodology with

regards to lateritic nickel deposits. All previous resource estimates were completed by a length weighted inverse distance squared method to provide an indicative resource appropriate to the drilling density at the time of reporting. Cut off grades applied to the resource were 0.5% within the Limonite zone and 0.8% within the Saprolite zone.

Mr Gifford has indicated that the density of drilling and continuity of mineralization is sufficient to classify the estimated resource and has verified and authorized the technical information detailed in this release.

Detailed open pit mine design is now in progress based on the new mineral resource model. The objective of this work is to produce a mineral inventory and preliminary production schedule based on the requirements of nickel pig iron producing off-takers for 0.9% to 1.1% Nickel and greater than 48% Iron Limonitic material and Chinese Electric Arc Furnace and other acid leach or ferronickel processors that require material grading greater than 1.45% nickel at varying iron content.

In addition a scoping study has been initiated through Hatch engineering group in Perth into low-capital cost, thermal upgrading technologies, such as sintering, to produce much higher value iron and iron nickel products from the Limonitic ores. These have the potential to quickly phase out the shipping of raw DSO product, and to form an intermediate development stage prior to a major acid leach processing operation. The major acid-leach project scoping studies, including additional metallurgical testing, are due for completion late September 2010.

Mindoro has also now commenced drilling the regional nickel laterite exploration target in order to convert a significant proportion of the 50 million to 70 million DMT @ 0.9% to 1.2% nickel Exploration Target to NI 43-101 compliant Mineral Resource. A total of 7,000m to 10,000m are planned to complete this program, over the next 4 to 6 months.

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