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QUARTERLY ACTIVITIES REPORT

DECEMBER QUARTER 2011

During the quarter Mincor Resources N.L. (Mincor) continued exploration work of the Group's exploration licences at May River and Bolobip.

The exploration work at Kubuna is being reviewed.

The Mining Leases held by the group at Edie Creek have been converted to Mining Leases under the Papua New Guinea Mining Act 1992 thus fulfilling one of the Conditions Precedent under the Edie Creek Joint Venture Agreement.

A number of Conditions precedent have still to be finalised however Mincor has commenced exploration at Edie Creek.

Mincor's quarterly activities report concerning Papua New Guinea exploration work during the December quarter has been incorporated in this report and is set out in its entirety as follows.

Extract from Mincor Resources N.L. December Quarterly Report

During the quarter Mincor successfully completed a major airborne survey at May River – a complex logistical task that has generated an outstanding data set that will guide and drive exploration over the coming months. In addition, field work commenced at the Edie Creek gold project, and preliminary steps were taken at Bolobip.

During the Quarter the conversion of Mining Leases at Edie Creek were completed. Mincor's joint ventures with Niuminco Ltd (Edie Creek, May River, Bolobip and Kubuna) remain subject to a number of statutory approvals.

FIGURE 1: Location of Mincor's Joint Venture Tenements in PNG



May River (Mincor earning up to 72%)

The May River tenement covers an area of exceptional prospectivity. Mincor is targeting high-grade VMS-style copper-gold deposits in the north, and very large porphyry style copper-gold mineralisation in the south, where the tenement shares the same geology as the adjacent Frieda River porphyry and epithermal deposits.

Extensive airborne geophysical surveys commenced in September 2011 and were completed during the quarter. Based on preliminary data, 22 primary and 16 secondary targets have been identified for follow-up (Figures 2 to 6).

The VTEM (Versatile Time Domain Electromagnetic) survey comprised 3,074 line-kilometres – 1,977 line-kilometres over the northern part of the tenement, targeting volcanogenic massive sulphide deposits and 1,097 line-kilometres in the southern part, to the west of Frieda River, targeting Nena-style ore bodies.

The new ZTEM system (Z-Axis Tipper Electromagnetic) was also used over the southern area, in conjunction with the VTEM to better define the geology and structural setting of the area and to help define potential porphyry-type systems.

At present only preliminary results are available from the mass of data collected, with extensive and sophisticated processing still underway. Initial and provisional interpretations are given below.

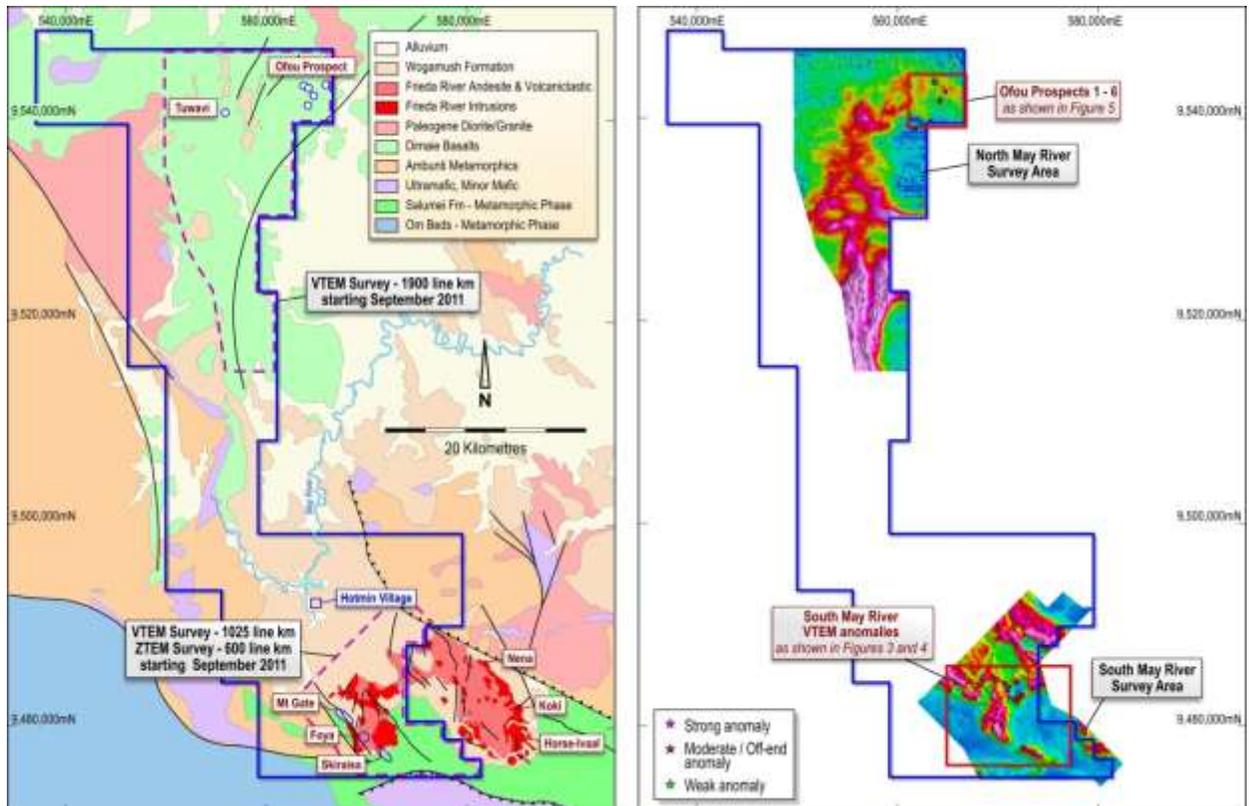


FIGURE 2: Location of airborne survey areas at May River. VTEM was flown over both areas and ZTEM over the southern area only. The left hand diagram shows underlying geology

South May River

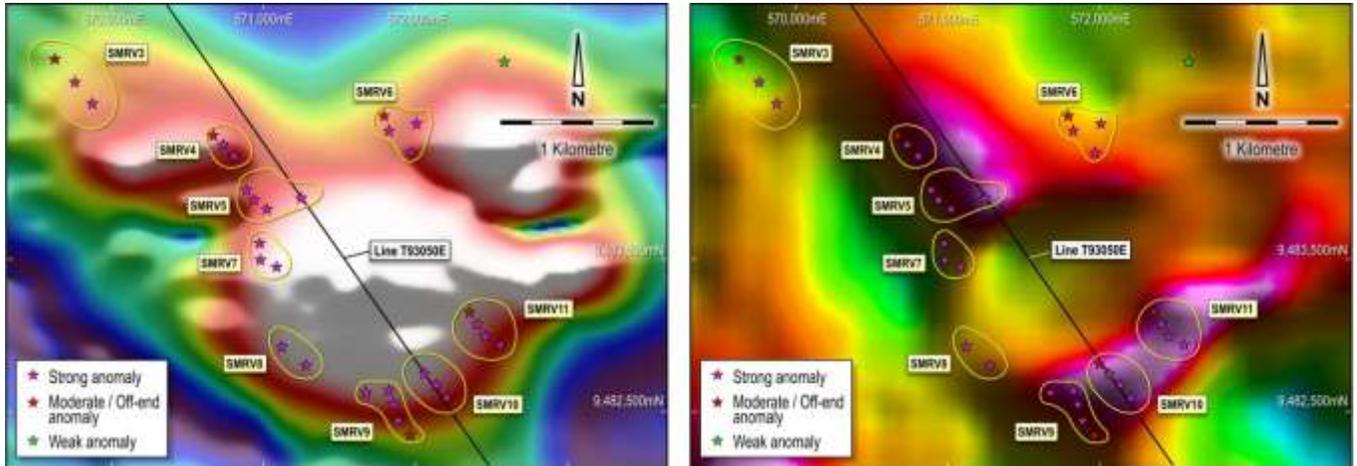
Of great interest is a cluster of VTEM anomalies surrounding a central magnetic high (SMRV4 to SMRV11, see Figure 3). These anomalies (apart from SMRV6) also fall within anomalous ZTEM zones (SMRZ3, SMRZ6 and SMRZ7) that are present as coincident areas of low resistivity surrounding a central area of high resistivity. Additional anomalous ZTEM zones which may form part of the same system are also outlined by SMRZ4 and SMRZ5.

The initial ZTEM processing shows a highly resistive and highly magnetic core zone, which is also a topographic high, flanked by zones of high conductivity and low resistivity. Geological information shows that this central area may be underlain by intrusive diorite porphyry.

The magnitude and extent of the VTEM anomalies, and their coincidence with resistivity lows mapped by the ZTEM data, together with their location around what appears to be a late stage and highly magnetic intrusion, is most interesting. This could be the kind of signature that a large and complex multi-phase porphyry system could generate.

In addition to the above, a north west trending line of VTEM anomalies (SMRV12 and SMRV13) within an elevated ZTEM response (SMRZ9 and SMRZ12) occurs to the west/southwest of the Skirasia – Foya – Mountain Gate line of prospects (Figure 4). These prospects themselves are subtly defined in the ZTEM data. Elsewhere, a further three primary VTEM anomalies were also identified (SMRV1, SMRV2 and SMRV3).

FIGURE 3: The image on the left shows the position of preliminary VTEM anomalies superimposed on a regional magnetic image. The anomalies are marginal to a central magnetic high (intrusive). The right hand image shows ZTEM data with the hot colours representing areas of low resistivity (implying high conductivity), and these tend to correlate closely with the electromagnetic anomalies identified in the VTEM data.



North May River

North May River is prospective for high-grade VMS-style copper-gold deposits. A number of such deposits are known to be present on the Licence area.

Very importantly, the VTEM survey clearly identified the known mineralisation at the prospects named Ufou 1, 2 and 4. Equally significantly it did not identify anomalies at two named but undrilled prospects, being Ufou 3 and 5 – suggesting these do not require further consideration.

Finally, the survey identified a strong new anomaly, which has been named Ufou 6.

These results suggest that the VTEM survey has effectively screened the chosen area. Of the existing prospects, three have been confirmed and two downgraded, while a strong new prospect has been added.

FIGURE 4: Additional preliminary VTEM anomaly locations within the south May River survey area superimposed on regional magnetic image. Warm colours indicate elevated magnetic zones, white being most magnetic

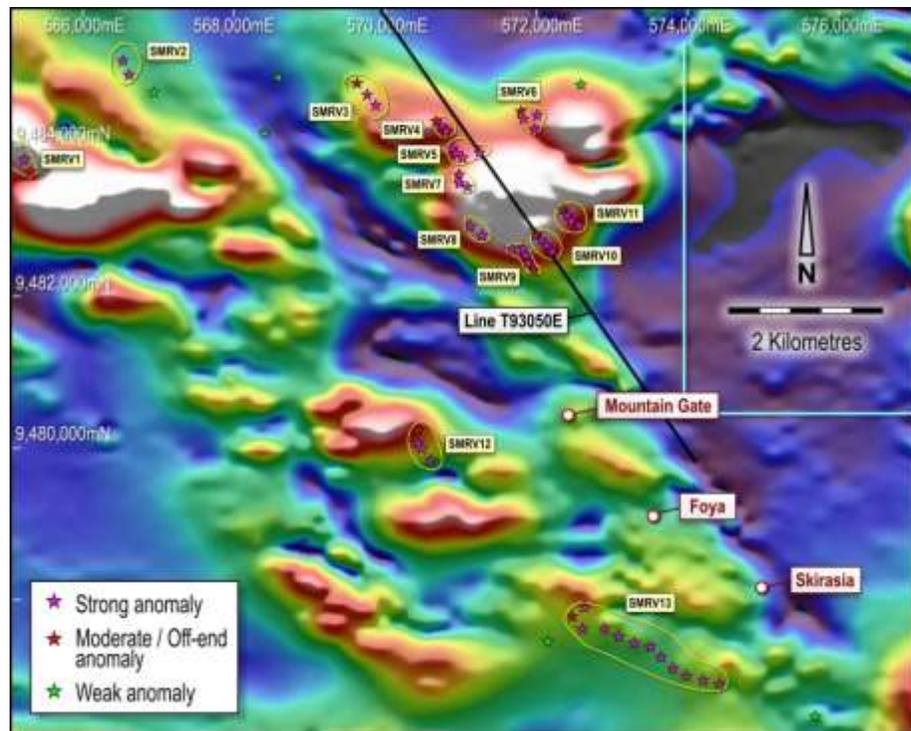


FIGURE 5: Discrete VTEM anomalies (channel 35 image shown) clearly associated with known sulphide occurrences at Ofou including a new anomaly at Ofou 6.

Bolobip (Mincor earning up to 72%)

Compilation of historical data is nearing completion. Limited trenching completed by CRA in the late 1980's identified significant gold occurrences at surface. The old trenches have been re-established and detailed mapping and re-sampling, as well as additional trenching, is planned. The Bolobip prospect comprises a diorite – monzonite stock similar in age and geological setting to the Ok Tedi mine, which is located approximately 60 kilometres to the west.

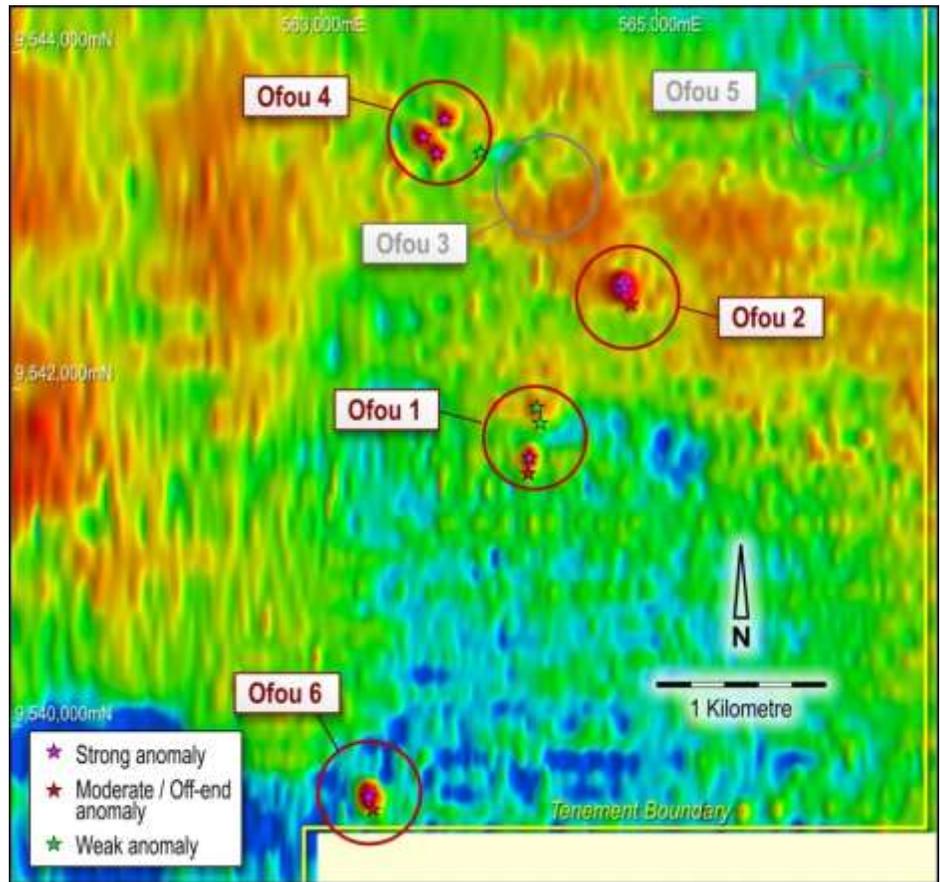


FIGURE 6: Regional location of the Edie Creek Gold Project

Edie Creek (Mincor earning up to 51%)

The Edie Creek project lies within the Morobe Goldfields, some 5 kilometres north of the large Hidden Valley gold mine (Figure 6). Despite this outstanding location and the well-established presence of epithermal gold mineralisation on the tenements, as well as an 80 year history of small-scale gold mining, the Edie Creek tenements have never been subjected to systematic modern exploration.

Structurally controlled epithermal gold-silver mineralisation is widespread on the tenements. At present a number of mineralised structures are recognised,



and each of these is thought to represent a substantial target for economic gold-silver mineralisation.

Mincor has now commenced exploration at Edie Creek. A field programme of detailed structural mapping and sampling is underway. This will be used in combination with historical data to systematically define structural controls on gold mineralisation in order to identify drill targets. An IP survey and detailed ground magnetic survey are being considered.

A.A.Davis

Executive Chairman

The information in this report that relates to exploration results is based on Information reviewed by Ian Plimer (BSc [Hons], PhD) who is a Fellow of the Australasian Institute of Mining and Metallurgy. Professor Plimer is a director of Niuminco Group Limited and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking 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. He consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.