



MINDORO RESOURCES LTD

Mindoro's JV Partner Reports on Test Work Results for the Agata Nickel Laterite Project

Initial Results Confirm Excellent Leachability of the Agata Nickel Laterite

CALGARY, ALBERTA, October 17, 2013 - Mindoro Resources Ltd. (TSXV: MIO; ASX: MDO; Frankfurt: WKN 906167) ("Mindoro", or "the Company") advises that its joint venture partner, TVI Pacific Inc. (TSX:TVI) (OTCQX:TVIPF), has provided the following update on the test work results for the Agata Nickel Laterite Project. The positive results of Beijing General Research Institute of Mining & Metallurgy (BGRIMM) pilot plant marks another key step forward for the Agata North project, located in the mining district of Agusan in northern Mindanao.

Mindoro currently has a 75% interest in the Agata Project and an option to acquire an additional 25% interest (see press release dated September 23, 2013). TVI is operator of the project and may earn 60% interest in the processing joint venture by producing a bankable feasibility study.

Highlights:

- **Pilot scale testing of Agata laterite by BGRIMM is complete.**
- **Results confirm excellent leachability obtained during bench-scale testing.**
- **93.5 – 94.5% Ni extraction obtained over the 2-stage leaching process.**
- **Favourable acid consumption in the range of 48-50 t acid/t Ni leached.**
- **Vendor testwork completed and all design parameters obtained for pre-leach thickener, Counter-Current Decantation and residue filtration design.**
- **8,000 L Pregnant Leach Solution produced from BGRIMM leaching campaign and shipped to producer for offtaker evaluation.**
- **TVI's Philippine pilot plant commissioned and production of NHP to commence in 2nd half of October 2013.**

On June 5, 2013, Mindoro and TVI announced the positive results of the bench scale tests indicating that the Agata laterite is highly amenable to acid leaching. The next step was to then run a continuously operated pilot plant at BGRIMM's research facility in China, in order to test and obtain design data for feed screening/classification/thickening, primary and secondary leaching, counter-current decantation (CCDs), residue neutralization and residue filtration.

The BGRIMM pilot plant operation was conducted from May to July 2013 and the results are encouraging and in line with expectations as obtained from positive bench-scale test work.

Approximately 8,000L of the nickel-rich liquor from the BGRIMM pilot leaching plant was shipped to the Philippines for use as the feed stock to the joint venture purification and recovery pilot plant, established to produce a Nickel Hydroxide Product (NHP, containing about 50-53% Ni).

Some of this liquor was also tested at BGRIMM in a continuous pilot plant campaign configured to produce a Mixed Hydroxide Product (MHP) containing at least 36% Ni. This will allow the Agata JV to evaluate the process option of producing MHP compared to NHP.

Key outcomes:

- An overall nickel extraction of 93.5 – 94.5% may be consistently achieved at an acid consumption of 48-50 t acid/t Ni leached. This has been shown as a result of an extensive BGRIMM pilot plant campaign, in which 4,300 kg of feed material was leached.
- Leaching performance achieved is near identical to that obtained during the bench-scale test campaigns conducted at BGRIMM and the in-house facility in Manila.
- The 2-stage leaching process proposed is robust and yielded similar results for the variety of laterite types tested.
- The leaching pilot plant operation allowed determination of other circuit design data such as residence time, operating temperature, feed slurry density, etc.
- Vendor settling tests confirmed fast settling nature of the feed ore, and leach residue. Acceptable underflow density obtained means that the leach circuit can be operated at 35-40% solids and the Counter-Current Decantation (CCD) circuit can be designed to achieve 98-99% recovery of soluble Ni over 7 CCD stages. All design data for pre-leach and CCD thickener design has been obtained.
- Limestone and lime consumption were determined from the continuously operating pilot plant for the neutralization of the washed leach residue. Additionally, residence time and other design parameters were obtained.
- Vendor settling tests have confirmed the expectation that the filtration rate of the washed and neutralized leach residue is slow, but feasible to incorporate this unit operation in the full scale plant flowsheet. All data to allow the design of the residue filtration have been obtained.
- A Mixed Hydroxide Product (MHP) containing an average of 36% nickel was produced by treating the pregnant leach solution (PLS) with soda ash/caustic soda. It was shown that it is possible to produce an MHP containing >40% Ni, if a 2-stage precipitation circuit is used.
- 8,000L of the BGRIMM pilot plant PLS has been shipped to Philippines for processing at TVI's downstream metal purification and recovery pilot plant. A higher value Nickel Hydroxide Product (NHP) will be produced at this facility.



Details of the BGRIMM Pilot Plant Campaign

The pilot plant test commenced in May 2013 and was based on the results of the comprehensive program of laboratory bench-scale testing, which were previously carried out at BGRIMM in China and at Agata JV's Metallurgical Laboratory in the Philippines.

Approximately 30 t of laterite was mined from a variety of test pits that cover the Agata body. Test pits were carefully selected from the available drill-hole data to accurately reflect the laterite that is expected to feed the process plant. Limonite and saprolite material was separately mined, blended and loaded into sealed drums to preserve moisture.

Approximately 12 t of laterite was sent to BGRIMM in order to continuously operate the pilot plant. The laterite was blended, crushed, screened and milled. Leaching commenced on 13 May 2013 to test high grade (1.5% Ni) and a medium grade (1.3% Ni) laterite.

The leaching pilot plant comprised two stages, viz. primary leaching, conducted in a series of five atmospheric leaching reactors, and secondary leaching, conducted in a low pressure autoclave comprising five chambers and a flash tank. Acid was added to the primary leaching circuit, together with high Fe, low Mg content feed material. Primary leach residue and fresh material containing low Fe, high Mg was fed to the autoclave. No acid is added, since acid is generated from the Fe hydrolysis reaction occurring in the autoclave. The autoclave therefore allows greater acid efficiency to be obtained, as well as effectively reducing the Fe:Ni ratio in the final PLS.

Residue from the leaching stage was made available to two thickener vendors to conduct CCD thickener settling tests. Additionally, these vendors also conducted primary leach feed slurry thickening tests. These tests provide all the data required for the specification and design of the pre-leach and CCD thickener stages.

Washed leach residue was neutralized using a continuous pilot plant consisting of five neutralization reactors. Limestone was added to the first reactor and lime was added to the second reactor.

Washed and neutralized leach residue was made available to two filter vendors to conduct filtration tests that would allow the specification and design of the residue filtration stage. A bulk sample of the washed and neutralized residue filter cake has been sent to the Agata joint venture metallurgical testing facility in the Philippines for the purpose of conducting further environmental characterization and geo-technical stability tests that will allow the design of the leached laterite storage facility and specification of the mine backfill and rehabilitation program.

PLS recovered from the slurry after leaching was divided into two batches, including 8,000L for shipment to the TVI metallurgical testing facility in the Philippines for production of a Nickel Hydroxide Product (NHP) and 1,000L for production of an alternative Mixed Hydroxide Product (MHP). This will allow NHP and MHP processes and products to be compared and a final process route chosen as part of the Bankable Feasibility Study that is currently underway.

The MHP production pilot plant operation was completed by BGRIMM in July 2013. PLS was subjected to Fe removal, conducted using limestone as the neutralizing reagent, in a series of five continuously operating neutralization reactors. The Fe-free PLS was then fed to a series of 5 Ni precipitation reactors, where soda ash/caustic soda was added in order to precipitate the Ni, Co (and Mn) in solution to produce an MHP containing on average 36% Ni. When a 2-stage precipitation circuit is employed, the NHP Ni content is >40%.

Agata JV Pilot Plant (Philippines)

The Joint Venture has installed and commissioned a continuously operating pilot plant at its metallurgical laboratory in the Philippines. This pilot plant comprises Ni solution purification (using continuous counter-current ion exchange), Ni precipitation to produce NHP containing slurry (using magnesia as precipitating agent) and NHP washing and filtration to produce final NHP filter cake product (50-53% Ni). Additionally, raffinate from the ion exchange pilot plant will be treated to remove heavy metals so that the resultant brine may be appropriately disposed.

The 8,000L of PLS from BGRIMM has already been received at the pilot plant, and operation of the pilot plant is set to commence by mid-October 2013 and will run until end-November 2013. On completion of these pilot plant operations, the Joint Venture will have all the metallurgical data required to design the proposed full-scale pilot plant, as well as have all the consumption, recovery and other data in order to fully evaluate the operating costs and other important process economic factors.

The NHP filter cake produced by the pilot plant will be sent to interested product off-takers for further evaluation.

Mindoro and TVI Joint Ventures

Mindoro and TVI have signed four joint venture agreements, previously announced on October 1, 2012, relating to the Agata and Pan de Azucar mining projects located in the Philippines on the islands of Mindanao and Panay, respectively. The joint ventures present Mindoro with multiple growth opportunities for near-term and medium-term cash flow generating potential. Under the agreements, TVI has the ability to earn up to a 60% interest and will act as operator of the projects.

Mining Project Opportunities within the Agata Tenement

- near-term high iron (Fe) laterite direct shipping ore (DSO) operation
- near-term limestone DSO operation
- medium-term lime production facility
- medium-term nickel processing plant project

Prior extensive pre-feasibility and engineering works have been conducted on the Mindoro properties. These reports can be accessed on Mindoro's website at www.mindoro.com or on SEDAR at www.sedar.com.

An updated National Instrument 43-101 technical report on the Agata project was filed on April 10, 2013, and is available on SEDAR and on Mindoro's website.

On behalf of the Board of Directors,
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CEO

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About Mindoro

Mindoro is a Tier 1 Issuer trading on the TSX Venture Exchange (MIO), Australian Securities Exchange (MDO) and Frankfurt Stock Exchange (WKN 906167). Mindoro has a 75% interest and an option to acquire the remaining 25% in the Agata Nickel Project, Mindanao, and the Pan de Azucar Sulphur-Copper-Gold Project, Iloilo. TVI Pacific Inc. has the option to earn up to a 60% interest in these projects by meeting the earn-in requirements outlined in the June 24, 2013, release. Mindoro also holds a 20.8% stake in ASX listed Red Mountain Mining (ASX: RMX), which has a 100% direct and indirect interest in the Batangas gold and copper-gold projects.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Tony Climie P.Geol., is the CEO of Mindoro Resources Ltd and has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a qualified person as defined by National Instrument 43-101. Tony Climie consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

This release may contain forward-looking statements including management's assessments of future plans and operations, and expectations of future production. These statements are based on current expectations that involve a number of risks and uncertainties, which could cause actual results to differ materially from those anticipated. These risks include, but are not limited to, the risks associated with the mining and exploration industry (e.g. operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty with respect to results of exploration, the uncertainty of estimates and projections relating to production and the uncertainty of the availability of capital). The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The Company does not undertake to update forward-looking statements except where required to do so by law.