Nuinsco Announces Positive Scoping Study on Minago Nickel Project

23.1% IRR, $334 million NPV, optimized feasibility and pure-play nickel company are next steps

Toronto, November 20, 2006 – Nuinsco Resources Limited ("Nuinsco")(TSX:NWI, www.nuinsco.ca) today announced that it has received a positive scoping study on its 100%-owned Minago sulphide nickel project on Manitoba's Thompson Nickel Belt. Highlights of the study, prepared by Wardrop Engineering Inc., include:

- An IRR of 23.1% using the three-year trailing average nickel price of US$7.43/ lb;
- Net present value of $334 million calculated using an 8% discount rate;
- Total cash flow of $953 million;
- Average life-of-mine operating costs, net of by-product credits, of $3.82/lb nickel (US$3.09/lb);
- Excellent potential to add significantly to the current resource, to expand the higher grade zones, and to reduce operating and capital costs prior to the commencement of production;
- Of the 44.6 million tonnes produced, 31 million tonnes come from the measured and indicated resource category, with only 13.6 million tonnes coming from the inferred category;
- Potential for an increased mine production rate;
- Conventional mining and processing combining a 10,000 tonne per day open pit and 3,000 tonne per day underground operation;
- Initial capital of $286 million and sustaining capital of $155 million for total capital costs of $441 million, including a $41 million contingency and $9 million for the frac sand processing facility;
- 16-year mine life producing approximately 314 million pounds of nickel, 15 million pounds of copper, 4 million pounds of cobalt, 4 million tonnes of frac sand along with platinum, palladium, rhodium, gold and silver;
- Conventional milling produces an extremely high-grade concentrate containing in excess of 27% nickel;
- Potential to improve smelter terms due to the extremely high nickel content of the concentrate; and,
- Potential for optimizing recoveries and concentrate grade and quality through further Metallurgical testing at SGS Mineral Services (Lakefield) ("SGS").

"This scoping study confirms that Minago is a robust nickel project which is currently undervalued by the market," said Chief Executive Officer René Galipeau. "Minago has excellent infrastructure, is located in one of the world's most favourable mining regions, and we see considerable potential to optimize value through increased revenues and reduced operating and capital costs. Our next step is to immediately plan for production by completing a bankable feasibility study starting with a $3 million drill program this fall and winter. In addition, we intend to move ahead with our plan to create Canada's newest pure-play nickel company which will be built around three solid sulphide nickel assets – Minago and Mel in Manitoba and Lac Rocher in Quebec."

Economic Summary

Minago Sulphide Nickel Project - Economic Summary

	Base Case			Base Case Metal Prices -10%			Engineering Design Case			Current Metal Prices/Exchange Rate		
Discount Rate	**6%**	**8%**	**10%**	6%	8%	10%	6%	8%	10%	6%	8%	10%
NPV(C$millions)	**$437**	**$334**	**$253**	$295	$215	$151	$210	$143	$90	$1,539	$1,265	$1,045
IRR	**23.1%**	**23.1%**	**23.1%**	18.3%	18.3%	18.3%	15.1%	15.1%	15.1%	51.5%	51.5%	51.5%

(Cash flows are pre-tax)

Minago Sulphide Nickel Project - Metal Price and Exchange Rate Assumptions

	Base Case[1]	Engineering Design Case	Current Metal Prices/ Exchange Rate[2]
Nickel/lb	**US$7.43**	US$6.40	US$14.88
Copper/lb	**US$1.86**	US$1.23	US$3.36
Palladium/oz	**US245.15**	US$220.00	US$322.70
Platinum/oz	**US$939.73**	US$865.00	US$1086.50
Gold/oz	**US$471.60**	US$475.00	US$604.10
Silver/oz	**US$8.03**	US$7.90	US$12.21
Cobalt/lb	**US$19.81**	US$19.82	US$18.50
Rhodium/oz	**US$2,254.72**	US$2,240.00	US$4,880.00
$CAN/$US	**1.23**	1.20	1.12

[1] Three-year trailing average metal prices and exchange rate as of market close October 31, 2006.
[2]As of market close October 31, 2006.

Assuming 100% equity financing and using three-year trailing average metal prices for nickel and all metal by-products, the study estimates that the Minago project will have a payback of 3.6 years from commencement of production and will generate pre-tax cash flow of $953 million over a 16-year mine life. Net present value is $334 million using an 8% discount rate, with an internal rate of return (IRR) of 23.1%. At current metal prices, the project has a net present value of $1.3 billion using an 8% discount rate, with an IRR of 51.5%.

Minago is projected to produce approximately 314 million pounds of nickel, 15 million pounds of copper, 4 million pounds of cobalt, 9,000 ounces of rhodium, 149,000 ounces of palladium, 102,000 ounces of silver, 62,000 ounces of platinum and 5,900 ounces of gold before smelter deductions.

In addition, Wardrop has determined that the cap rock over the projected open pit includes fracturing or hydraulic "frac" sand to be mined primarily during the first two years and sold over 15 years. Frac sand is comprised of rounded, spherical, high-purity quartz grains that exhibit compressive strengths greater than 4,000 PSI. It is used in conjunction with fluids pumped under high-pressure into oil and gas wells to enlarge or scour out openings in oil- or gas-bearing rock or to create new fractures from which oil or gas can be recovered.

The scoping study incorporates mining frac sand which forms part of the overburden waste. In total, 4 million tonnes of frac sand are projected to be marketed in Canada and the United States, generating revenue of $511.5 million, or an average of $126.38 per tonne. Frac sand typically sells for between $100 and $300 per tonne to a third-party supplier to the oil and gas industry. Related costs total $422.6 million

and include the following: mining - $20.1 million; processing - $19.9 million; and transportation - $382.6 million, resulting in a net cash operating profit from the frac sand operation of $88.9 million with an NPV of $32.0 million at an 8% discount rate.

Resource Estimate

An update of the Mining Innovation, Rehabilitation and Applied Research Corporation (Mirarco), resource calculation included in the scoping study estimates that Minago has 49.1 million tonnes of NI 43-101-compliant measured and indicated resources grading 0.516% nickel for 558 million pounds of in-situ nickel, and a further 44.1 million tonnes of NI 43-101-compliant inferred resources at 0.528% nickel hosting 513 million pounds of in-situ nickel. The updated Minago resource estimate is categorized as follows:

Minago Sulphide Nickel Project - Resource Estimate

Classification At 0.25% Nickel Cut-off Grade	Tonnes (millions)	Grade (% Ni)	In-Situ Nickel (millions of pounds)
Measured Resource	10.3	0.593	
Indicated Resource	38.8	0.496	
Total Measured and Indicated	**49.1**	**0.516**	**558**
Inferred Resource	**44.1**	**0.528**	**513**

Upside Potential - Additional Mineralization

"As it stands, Minago is one of Canada's largest undeveloped sulphide nickel deposits," said Paul Jones, Vice-President, Exploration. "Our current model indicates that there is excellent potential to add significantly to the overall resources both in the main deposit and the under-explored North Limb, and to expand the higher grade zones of the deposit at depth."

The scoping study identifies further drilling to define potential lenses of higher grade mineralization at depth as one opportunity to enhance the overall economics of the deposit. Recent drilling confirmed the strength and continuity of nickel mineralization as well as higher grades at depth, returning 551 metres grading 0.55% nickel, including 80.95 metres of 1.12% nickel and 197.6 metres averaging 0.82% nickel, and ending at 829.85 metres in 3.93 metres of 1.91% nickel.

The entire current Minago nickel resource quoted in the table above is contained in the Nose (main) Deposit. Drilling has identified additional mineralization in the North Limb which extends at least 1.5 kilometres to the north of the existing resource. In 2005, Nuinsco drilled a single 455.4 metre deep hole in the North Limb, intersecting 337.9 metres grading 0.33% nickel, including 52.5 metres grading 0.64% nickel and 9.71 metres grading 1.03% nickel in rock similar to that hosting the Minago resource.

Capital Costs

The Minago Project is superbly located with respect to infrastructure: paved Provincial Highway 6 traverses the eastern part of the property as does a high capacity power line, while the rail line to the Port of Churchill is located nearby. Wardrop has estimated capital costs as follows:

Minago Sulphide Nickel Project – Capital Cost Estimate			
($ Millions)	**Initial**	**Sustaining**	**Total**
Open Pit Waste Prestripping	$79.7	$ -	$79.7
Open Pit Equipment	79.4	18.5	97.9
Infrastructure	29.3	-	29.3
Mill: Nickel Ore	54.2	-	54.2
Underground Development	-	69.4	69.4
Underground Construction	-	9.6	9.6
Underground Mobile Equipment	-	19.6	19.6
Concentrate Transportation Equipment	0.5	0.5	1.0
Frac Sand Process Plant and Transportation Equipment	5.8	2.8	8.6
Environmental (Reclamation Costs)	-	14.7	14.7
Environmental (Bonding Costs)	-	1.5	1.5
Indirects (EPCM)	10.5	3.7	14.2
Contingency	26.8	14.5	41.3
Total Capital Costs	**$286.2**	**$154.8**	**$441.0**

Mining

For the purpose of the scoping study, the following "mined resource" was calculated based on a 0.25% cut off grade (pit designed at US$6.40/lb nickel, 8.9:1 strip ratio):

Minago Sulphide Nickel Project – Mined Resource		
	Tonnes	**In-Situ Grade**
Open Pit		
Measured	7.5 million	0.621%
Indicated	22.2 million	0.501%
Inferred	6.0 million	0.455%
Total	**35.7 million**	**0.519%**
Underground		
Measured	0.2 million	0.830%
Indicated	1.1 million	0.855%
Inferred	7.6 million	0.847%
Total	**8.9 million**	**0.848%**

The scoping study proposes to initially develop the Minago deposit by conventional open pit mining methods. A total of 36 million tonnes will be mined from the open pit over the first 13 years. Underground mining will produce nine million tonnes beginning in year eight and continue through year 16. The plant is rated at 10,000 tonnes per day.

Conventional open pit mining was selected for mining the upper 366 metres of the deposit, employing an electric 35 cubic metre shovel for 70% of the waste material and 10% of the ore. Two 20 cubic metre loaders will provide support and flexibility required for the remaining 30% of waste material and 90% of the ore material. The hauling fleet will consist of 12 - 180 tonne trucks. Mined waste tonnage over the life

of the mine is 318 million tonnes, including 16.2 million tonnes of in-situ sand (25% recovered as frac sand).

Drilling has outlined the resource to the 870 metre elevation. An underground mining design using blast hole stoping methods was developed to extract the resource below the proposed pit bottom. Conventional blast hole stoping with ramp access will be used to mine the underground portion of the resource.

As previously announced, the Minago deposit is expected to produce an extremely high-grade nickel concentrate. The concentrate produced in testing by SGS Mineral Services (Lakefield) ("SGS") graded 27% nickel with a 57% recovery. Higher grades can be produced with a lower recovery. Optimization of recovery and concentrate quality will occur during the bankable feasibility study.

The high concentrate grade is due to the low sulphide content of the deposit, composed predominantly of pentlandite and enhanced by the presence of millerite which contains a very high percentage of nickel (64.7%). In addition to the 27% nickel grade, the concentrate contained 1.30% copper, 8.77 g/t palladium, 3.67 g/t platinum, 0.35 g/t gold, 6.0 g/t silver, 0.38% cobalt and 0.55% rhodium. Magnesium oxide (MgO) content was 9.5%.

Operating Costs

The mining operating costs for the open pit operation are estimated at $1.31 per tonne of material mined. The underground operating costs have been estimated at $25.67 per tonne of ore mined, including labour costs of $14.63 per tonne. Average life-of-mine operating costs per pound of nickel, net of by-product credits, is estimated at $3.82 (US$3.09).

The following table summarizes the average life-of-mine projected operating costs:

Minago Sulphide Nickel Project – Projected Operating Costs		
	Per Pound of Nickel	**Per Tonne of Ore**
Mining	$1.98	$13.97
Milling	1.40	9.87
Infrastructure	0.04	0.27
General and Administrative	0.13	0.87
Concentrate Transportation, Smelting and Refining	0.99	6.95
Cost Before By-product Credits*	4.54	31.93
By-product Credits	0.72	5.05
Costs Net of By-product Credits	**$3.82 (US$3.09)**	**$26.88**

*Includes metals and frac sand.

Upside Potential – Mining and Processing

"From a mining and processing perspective, Minago will be a straightforward operation," said President Brian Robertson. "Costs will be comparable to other mines of similar grade, and we have identified numerous areas where we feel we can lower costs used in the scoping study through optimization that will take place as part of the bankable feasibility study."

The scoping study identifies the following additional opportunities to improve the overall economics:

- Evaluate the use of high tonnage electric cable shovels and 240-360 tonne trucks to lower stripping costs and benefit from Manitoba's low electricity costs (3⅛ cents per kilowatt hour);
- Mining at a rate higher than 10,000 tonnes per day;
- Conduct a geotechnical analysis to potentially steepen the conservative 45° pit slope angle used in the current pit design, thereby reducing stripping costs;
- Negotiate improved smelter terms due to the concentrate's high nickel content; and,
- Complete further metallurgical test work to better define and enhance metallurgical recovery and improve concentrate quality.

Outlook and next steps

Given the positive results from the scoping study, Nuinsco will move directly to completing a bankable feasibility study to plan for production. This will incorporate 11,000 metres of additional diamond drilling scheduled to be completed this winter, along with further metallurgical testing, environmental studies and project permitting. The bankable feasibility study is expected to be completed before the end of 2007.

As previously announced, Nuinsco intends to restructure its assets with the objective of unlocking unrecognized values, including the value of its significant sulphide nickel projects. In order to achieve this objective, Nuinsco intends to complete a plan of arrangement (the "Arrangement"), which will be subject to regulatory, court and shareholder approval. Under the proposed terms of the Arrangement, Nuinsco's Lac Rocher, Mel and Minago nickel projects will be transferred to a new company ("NickelCo") and holders of shares of Nuinsco will be entitled to receive new common shares of Nuinsco and common shares of NickelCo in exchange for the common shares of Nuinsco held by its shareholders on the record date of the Arrangement. Upon completion of the Arrangement, and prior to any equity financing undertaken by NickelCo, Nuinsco's shareholders will hold a 100% interest, through their combined shareholdings in Nuinsco and NickelCo, in the transferred properties. Nuinsco will continue to hold its non-nickel property interests, which include the Diabase Peninsula, Prairie Lake, Berta, Elmalaan, Cameron Lake and Corner Bay projects, and will retain an approximate 25% equity interest in NickelCo.

Nuinsco expects to mail an information circular detailing the Arrangement to shareholders in early December so that shareholders will be asked to vote on the Arrangement in early January. Assuming receipt of required approvals, it is expected that NickelCo shares will begin trading on the TSX shortly thereafter.

Proximate Statement and Qualified Persons

The scoping study includes the use of inferred mineral resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that any value from such resources will be realized in whole or in part. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation or other relevant issues.

The Minago project is being supervised by P.L. Jones, Vice-President Exploration for Nuinsco, who acts as a Qualified Person under National Instrument 43-101.
Independent Qualified Persons involved in the scoping study are:

- Eric Harkonen, P.Eng, MBA, Wardrop Engineering;
- Gordon R. Zurowski, P.Eng, Wardrop Engineering; and,
- P.J. Chornoby, P.Geo., Mineral Resource Geologist.

A complete National Instrument 43-101-compliant technical report will be filed at www.sedar.com on or before Friday November 24, 2006.

Conference Call

Nuinsco will host a conference call to discuss the Minago scoping study today, **Monday, November 20, 2006,** at **2:00 p.m. Toronto time**. To access the conference call by telephone, **dial 416-695-9753 or 1-877-888-4210** approximately fifteen minutes prior to the beginning of the call. A webcast and slides are available on the Internet at **www.ccnmatthews.com/NuinscoResourcesNov20.** The conference call will be archived until December 4, 2006. To access the archived broadcast, dial 416-695-5275 or 1-888-509-0081 and enter the passcode 635598.

About Nuinsco Resources

Nuinsco is a growth-oriented, multi-commodity mineral exploration and development company that is prepared for production and focused on growth through nickel, copper, zinc, uranium and gold exploration and development in world-class mineralized belts in Canada and Turkey. Shares of Nuinsco trade on the Toronto Stock Exchange under the symbol NWI.

For further information, please visit our website at www.nuinsco.ca, or contact:
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