

COMPANY ANNOUNCEMENT

Mintails Acquires Direct Interest in BEE Partner
Cancellation of 20 million B Class Performance Shares

25 October 2007 : Mintails Limited (ASX : MLI) is pleased to announce that it has reached agreement with Di Kgosi Gold (Pty) Ltd ("Di Kgosi") to acquire a 49% interest in Di Kgosi.

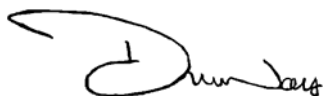
Di Kgosi is a broad based economic empowerment entity commonly referred to as a BEE entity. Mintails SA Pty Limited ("Mintails SA") and Di Kgosi hold 74% and 26% respectively of Durban Roodepoort Deep (Pty) Ltd which in turn holds the rights to exploit approximately 170 m tonnes of gold and uranium bearing tailings materials on the West Rand.

The transaction will enable Mintails to acquire a 49% interest in Di Kgosi (i.e. 49% of the 26% direct interest in the tailings) in exchange for ZAR 2,293,000 cash (approx. \$328,000) and the allotment of up to 15.6 million new shares in Mintails. The acquisition provides substantial value to the Company represented by the intrinsic value of the additional resources that accrue directly to Mintails through commercial exploitation. The Company will seek approval at its forthcoming Annual General Meeting for the allotment of shares required to complete this transaction. Full details of the terms on which those shares will be issued are contained in the explanatory memorandum accompanying the Company's Notice of Annual General Meeting.

Cancellation of B Class Performance Shares

The Company had on issue 20 million B Class Performance Shares which were to convert to fully paid ordinary shares on the achievement of certain pre-determined milestones. After consultation with the Company's auditors it was determined that one of the milestones was not achieved within the prescribed period and therefore these securities have been cancelled in accordance with their terms of issue. As a consequence there will be 20 million shares less on issue (on a fully diluted basis) than has previously been advised.

For And On behalf of the Board



Dick van der Walt
CEO

Mintails Limited (ASX Code : MLI) is an Australian listed company with management and operations in South Africa. Mintails' mission is to process and recover gold and uranium from tailings resources which are present on the West Rand and East Rand of South Africa's historic Witwatersrand Basin. Mintails owns, and is in the process of recommissioning, the former AngloGold Ashanti owned ERGO (East Rand Gold and Uranium Operations) and has commenced construction of WERGO on the West Rand of South Africa.

For Further Information Visit: www.mintails.com

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