

COMPANY ANNOUNCEMENT

**Mintails Announce Agreement With Pamodzi Gold For Option
To Acquire The Grootvlei Tailings Materials**

Melbourne, 26 November 2007

In conjunction with the announcement issued today by Mintails Limited (“Mintails”) on the Ergo Mines JV, Mintails announces that Mintails and Pamodzi Gold Limited (“Pamodzi”) have signed a Memorandum of Agreement under which Mintails has procured an option to acquire additional tailings materials from the Grootvlei Proprietary Mines Limited, a 100% subsidiary of Pamodzi (the “Grootvlei Tailings Dumps”).

The Grootvlei Tailings Dumps are located on the eastern limb of the East Rand Goldfields of the Witwatersrand Basin in South Africa in close proximity to the Ergo Mines JV plant. The Grootvlei Tailings Dumps comprise three surface tailings dams with approximately 105 mt of tailings materials. Historical data indicates that the dumps are highly prospective for gold, uranium and sulphur. The Company’s due diligence process will involve a drilling program with a view to establishing a resource statement. Mintails will have a 12 month period to investigate the mineral content of the tailings.

Mintails has secured the option to acquire the Grootvlei Tailings Dumps in exchange for Mintails ceding to Pamodzi the rights to five rock dumps of approximately 7.4 mt of waste rock. In the event of Mintails electing to exercise the option it will pay for the acquisition through the allotment of shares in its subsidiary Mintails SA. The number of ordinary shares to be issued will be determined based on the amount of proven mineral reserves of uranium in the Grootvlei Tailings Dumps. In effect Mintails will pay ZAR 17.00 (approximately USD 2.50 at current exchange rates) for each pound of uranium in the dumps in excess of an initial 4 million pounds. The proven mineral reserves will be independently verified in a Competent Person’s Report in terms of the South African Code for the reporting of exploration results, mineral resources and mineral reserves (the “SAMREC Code”). The value of the transaction will be dependent on the amount of uranium established through the independent report. The Mintails SA Shares are to be valued by reference to the trading value of Mintails Shares on the ASX at the relevant time. Provision has also been made for Mintails to exchange at a later date Mintails SA shares issued to Pamodzi under the agreement, for shares in Mintails. A subsequent share exchange would be subject to a number of regulatory approvals in South Africa and Australia.

The Grootvlei Tailings Dumps will form part of Mintails contribution to the joint venture with DRDGold Limited, the Ergo Mines JV.

The Transaction is subject to regulatory review, completion of definitive agreements, and corporate and other approvals.

INFORMATION ON MINTAILS

Mintails Limited is an Australian listed company (ASX:MLI) with management and operations in South Africa. Mintails processes and extracts gold from surface tailings materials that are present on the West and East Rand of South Africa's historical Witswatersrand Basin and is planning to extend it's operations to include recovery of uranium and sulphuric acid.

The company is unhedged, has a large resource base, extensive plant, equipment and infrastructure and owns one of the largest fleets of trucks, cranes, bulldozers, construction and earthmoving equipment in Africa.

In addition to the ERGO Mines J.V., Mintails plans to commission the WERGO gold and uranium plant on the West Rand by October 2008 to process and extract gold and uranium from in excess of 300mt of gold and uranium bearing tailings on the West Rand.

This announcement is published for information purposes, given its importance to the operations of Mintails.

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