

COMPANY ANNOUNCEMENT

MINTAILS UNAFFECTED BY ESKOM DIRECTIVE

29 January 2008: Mintails Limited (ASX: MLI) today confirmed that it was not affected by the request of Eskom (South Africa's electricity utility) to its major industrial clients to cut production in an effort for Eskom to cope with current nationwide power shortages. Eskom requested on 24 January that 138 major industrial customers cut electricity use for the next 4 to 6 weeks which will have a significant impact upon South Africa's large underground mining operations.

Mintails CEO Dick van der Walt commented "the production facilities at HVH Gold and Mogale Gold continue unaffected in their respective operations. As Mintails is processing tailings which have already been mined and milled the company utilises significantly less power than comparable underground operations and does not consume sufficient power to fall within the category of "Key Industrial Consumer".

Eskom stated in a media release that prolonged adverse weather conditions have continued to affect Eskom's production capability.

The envisaged short term position of Eskom will not affect the ongoing construction activities at WERGO on the West Rand or the refurbishment activities underway at the ERGO Mines Joint Venture on the East Rand. As Mintails' operations do not require large electricity consuming mining and milling activities the company and its joint venture partners believe that future power requirements may be addressed through self generation options mitigating reliance on the government utility supplier.

Mintails Limited (ASX Code : MLI) is an Australian listed company with management and operations in South Africa. Mintails processes and recovers gold and uranium from surface tailings resources which are present on the West Rand and East Rand of South Africa's historic Witwatersrand Basin. Mintails has a joint venture with DRDGold on the East Rand 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.

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