

COMPANY ANNOUNCEMENT

Media Speculation On Potential Board Challenge

18 July 2008 : As reported in certain media publications yesterday, Mintails Executive Directors Bryan Frost and Richard Revelins (currently in South Africa) have been advised by resident board members that a yet to be identified group of antagonists led by a local investor Pat Smyth, who purports to be a substantial shareholder of the company, has been waging a campaign to destabilise the company and the existing board.

Mr Smyth, who claims to represent shareholding interests of up to 40% of the issued capital of the company, has proposed that members of the current board should stand down in favour of potential appointments to be made by his group. Mr Smyth is unknown to the board and despite conducting searches of the company register the board has been unable to identify the alleged interest he purports to represent. The company has not received any recent notification of changes in substantial shareholdings nor has it identified any substantial shareholders associated with South Africa other than the shareholdings which arose from the acquisition of Skeat Gold Mining of which the majority are held by offshore nominee companies.

Mr Skeat has been quoted as saying he believes that the company has not gone forward as aggressively as it could have under the current leadership. In response the company believes that over a very short time frame it has successfully assembled a very significant and valuable resource base, achieved the refurbishment of the largest tailings treatment facility in the world and is well positioned to bring the new West Rand Production plant into operation before the close of the current financial year and the ERGO joint venture by October this year.

The directors believe that the recent destabilising tactics may be motivated by a covert attempt to grab board control over Mintails extremely valuable asset base of gold, uranium and sulphur tailings at a time of general market weakness and as commissioning of the East Rand operations is due to commence in October this year.

The board of Mintails is on record as stating that it will continue to act in the best interests of all shareholders and will give consideration to any proposal that is designed to add value to the company. However unfounded rumour and innuendo designed to destabilise the company, its proposals and its share price spread by yet to be identified persons will be vigorously resisted.

On Behalf of The Board

Bryan J. Frost
Chairman

About Mintails Limited

Mintails Limited (ASX Code : MLI) is an Australian listed company with management and operations in South Africa. Mintails processes and recovers gold and proposes to recover 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. To find out more, visit Mintails at: www.mintails.com

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