

8 March 2016

APPOINTMENT OF DR ANDREW STEWART TO THE BOARD

Xanadu Mines Ltd is pleased to announce the appointment of Dr Andrew Stewart as an Executive Director of the Company, in addition to his role as Chief Executive Officer (CEO).

Dr Andrew Stewart (BSc, PhD, MAIG & MSEG) is an exploration geologist with over 15 years' experience with porphyry copper-gold and epithermal gold systems around the world and has primarily been involved with front end exploration, project generation and business development strategies. Andrew holds a BSc (Hons) from Macquarie University and a PhD from the Centre of Ore Deposits and Exploration Studies at the University of Tasmania. During his time Ivanhoe Mines and Vale Andrew held various technical and management positions and has been involved with numerous international green fields' discoveries and mining projects. During his time with Ivanhoe Mines he was instrumental in the recognition of the porphyry mineralisation systems in the under-explored South Gobi region of Mongolia including the Oyu Tolgoi and Kharmagtai Cu-Au porphyry deposits.

In welcoming Dr Stewart to the Board, Chairman, Mr Wheatley, commented, *"The Board congratulates Andrew on his progress as CEO and appointment to the Board and we look forward to working with him as we continue to explore and develop our exciting copper-gold projects in the South Gobi, Mongolia."*

The key terms of Dr Stewart's Executive Contract as previously announced on 18 March 2015 remains unchanged.

An Appendix 3X is attached.

For further information, please contact:

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**ASX
XAM**

Xanadu Mines Ltd (ASX: XAM) is an exploration company that has assembled a significant exploration portfolio across Mongolia's porphyry belts. These belts are part of the larger Central Asian Orogenic Belt – one of the last great exploration frontiers known to host large copper porphyry deposits – and Mongolia is emerging as a globally significant copper province.

Appendix 3X

Initial Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity	Xanadu Mines Ltd
ABN	92 114 249 026

We (the entity) give ASX the following information under listing rule 3.19A.1 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Andrew Stewart
Date of appointment	8 March 2016

Part 1 - Director's relevant interests in securities of which the director is the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Number & class of securities

Fully paid ordinary shares

2,736,743 fully paid ordinary shares

Options

1,000,000 Options expiring 30/06/2016 exercisable at \$0.60

1,000,000 Options expiring 30/06/2016 exercisable at \$1.20

1,000,000 Options expiring 30/06/2016 exercisable at \$1.80

Share Rights

600,000 Share Rights

Appendix 3X

Initial Director's Interest Notice

Part 2 – Director's relevant interests in securities of which the director is not the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Name of holder & nature of interest <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small>	Number & class of Securities
Nil	

Part 3 – Director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	N/A
Nature of interest	N/A
Name of registered holder (if issued securities)	N/A
No. and class of securities to which interest relates	N/A

+ See chapter 19 for defined terms.