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**MANTLE MOVES FORWARD WITH NEW DIRECTOR AND FUNDING**

Mantle Mining Corporation Limited (ASX: MNM) ('Mantle' or the 'Company') is pleased to provide the following update.

**Highlights**

- **Appointment of experienced gold company executive as new Executive Director**
- **Company streamlined to focus on key project delivery**
- **Funding of \$1.5 million from private placement to progress its key projects**

**Appointment of Mr Richard Valenta, Executive Director**

Mantle is pleased to announce the appointment of experienced gold mining executive, Mr Richard Valenta, as Executive Director of the Company to further strengthen its Board as it moves toward restarting production at its Norton and Morningstar gold projects.

Mr Valenta is a former managing director of Chesser Resources Limited with over 30 years' experience in Australia and internationally, including the successful discovery, advancement and sale of the Kestanelik project in Turkey. Over the past 15 years, Mr Valenta has played a key role in the discovery and advancement toward production of a number of significant gold projects and has directed exploration expenditure in excess of US\$100 million, resulting in the discovery and advancement of resources with a total in-ground value of US\$10 billion. Amongst a number of other achievements, Mr Valenta has a PhD from Monash University.

**Company streamlined to focus on key project delivery**

The Board has embarked on a review of key people, functions, tasks and processes to improve efficiency and generate cost savings from non-essential projects and functions. This includes a winding back of commitments to non-core projects and the consolidation of back office administration functions in Brisbane. This review is consistent with the Board's philosophy of prioritising the deployment of shareholders' funds to the development of its key projects.

**Funding in place to progress Norton and Morningstar Projects**

Mantle has also agreed terms and received signed commitments for a placement of 100 million shares at an issue price of \$0.015 (1.5 cents) per share to raise \$1.5 million from a number of institutional and sophisticated investors, which further strengthens Mantle's balance sheet and broadens its share register.

The placement has been made to investors qualifying under Section 708 of the Corporations Act and the Company intends to use its existing capacity under Listing Rules 7.1 and 7.1A for the issue, with the exception of \$150,000 of the total funds raised which will be issued following shareholder approval at a general meeting of shareholders to be convened shortly.

The funds raised will provide further working capital to advance its key projects to production.

Mantle's Chairman Bob Barraket said: "We welcome the appointment of Rick and the wealth of gold project development experience that he brings to the Board. We look forward to his positive contribution as the Company moves forward with its plans to restart production at its Norton and Morningstar gold projects."

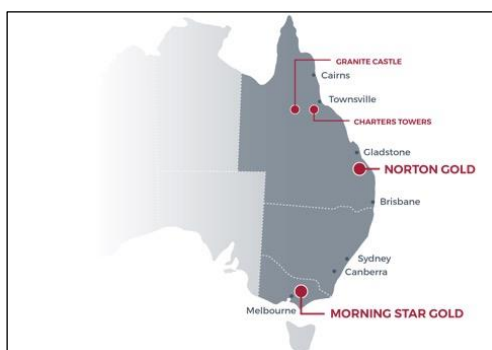
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**About Mantle Mining:**

Mantle's strategic vision is to become the next mid-tier Australian Gold producer. The company is focussed on the acquisition and return to production of low cost gold mines at a time of strong gold prices. The strategy involves a portfolio approach, with two near term production gold mines already acquired in two of Australia's major gold fields.



Mantle's Gold Projects



Mantle's Morning Star Gold Mine

The Norton Gold Mine is one of two flagship projects for Mantle and is projected to provide a strong foundation cash flow upon which to base substantial future growth.

The Morning Star Gold Mine has, by historical production, displayed potential to deliver low cost, high grade gold production upon which to found major corporate expansion.