

COMPANY ANNOUNCEMENT

Mintails Limited – Company update on operations

18 April 2011: Mintails Limited (ASX: MLI) (“the Company” or “Mintails”) is pleased to announce a steady increase of production at its Mogale Gold 1 Sand Operation (“Gold 1”) and is now achieving budget for the fourth consecutive month.

The Company’s recent focus on the processing of higher grade screened material from resources under its control resulted in increased gold production. A production rise from 35kg of gold in October 2010 to 60kg of gold in March 2011 is considered a major milestone for the Company.

Total gold production at the Mogale Complex increased 25% to 167.65kg (5,390 ounces) during the third quarter from the previous quarter. This was achieved due to various initiatives implemented by the team resulting in stabilized production results. The commissioning of another mining station and waste washing plant contributed to increased flexibility at the plant.

The treatment of tonnage from Central Rand Gold Limited (“CRG”) is on schedule and a pilot project has commenced during April 2011. This initiative, which will combine higher grade CRG material with Mintails’ existing surface resources, will provide the Company with an evaluation opportunity to prove that its production infrastructure is capable of benefiting from the various opportunities to process resources in its immediate operational area.

The Company is confident regarding the outcome of external and internal evaluation processes for establishing optimal processing requirements for Gold 2, as well as for the North Sand Dump upgrade. Shareholders will be informed about the timing of the re-commissioning of Gold 2 and the upgrade project once the Company has assessed its funding options.

Looking ahead, the positive production profile is expected to continue, with consequent good prospects for increased profitability.

On behalf of the Board



Dick van der Walt

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 and East Rand of South Africa’s historic Witwatersrand Basin. To find out more, visit Mintails at: www.mintails.com

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