

9 November 2011

Company Announcements Office
Australian Securities Exchange Limited
20 Bridge Street
Sydney NSW 2000



Crista Update – Engenho Gold Project Excluded from National Park and Licensing Recommended

Key Points:

- ***Mundo signs Termo de Compromisso (Term of Commitment) with the Minas Gerais State Environmental Department to permit Mundo to re-commence its final Crista licensing immediately***
 - ***All documents for the Crista open pit licensing are now being finalized and lodged with the relevant authorities***
 - ***Engenho concession including the new Crista open cut and Olhos drill target excluded from the proposed boundary for the planned Gandarela National Park, Minas Gerais, Brazil***
 - ***Commercial production now expected by the end of March 2012.***
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Further to its release of 23 September, Mundo Minerals Ltd (ASX code: MUN) is pleased to advise that it has now received formal approval from the Minas Gerais State Environmental Department to re-commence its final licensing process immediately.

Our environmental advisers have met with officers of SUPRAM(MG State Environment technical section) to confirm any revisions required for the documentation to be lodged to obtain the relevant final approvals that, on approval, will enable construction of the haul road and pre-strip of the new Crista open pit to commence as soon as possible. Mundo is now endeavouring to have the Crista license application included on the agenda for the next COPAM (MG State Environment Policy Council) meeting scheduled for 28 November, wherein the final license approval is determined.

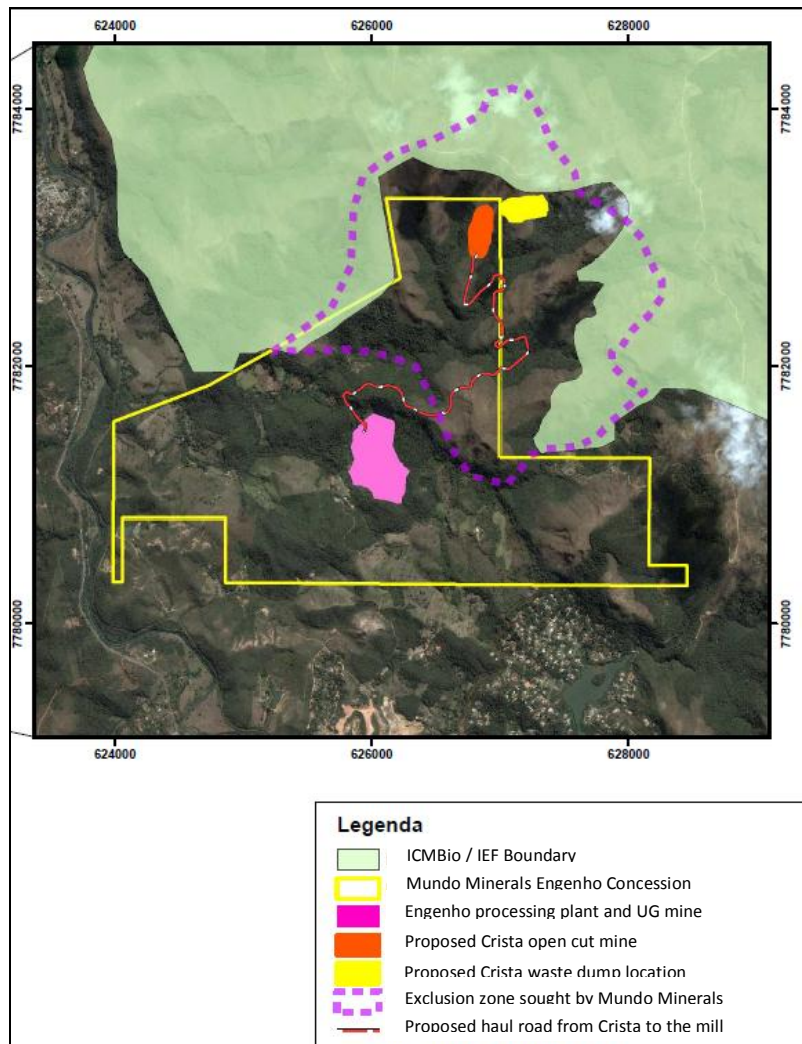
Subject to securing the requisite funding, production from Crista is now estimated to be mined over 11 months under the optimized pit design. This timetable allows for completion of permitting and the longer haul road construction period as a result of the Brazilian wet season. Mundo will now also have available its 6 wheel all-wheel drive haul truck fleet for the hauling of ore from the pit to the mill during the end of the wet season.

Cash costs are still forecast to be approximately US\$690 per ounce, which is an all up production cost as the pit will be mined in less than 12 months.

“This is hopefully the end of an extremely frustrating period for Mundo management and shareholders,” said Mundo Minerals Managing Director, Ashley Pattison. “Mundo can now get on with finalising its approvals in the coming weeks, commence construction of the haul road and pre-strip and begin delivering ore early in 2012.

“We now have a revised mine plan ready to implement which will see us complete the initial open pit quickly and efficiently within an 11-month period, maximizing the returns to the Company,” he added.

Importantly, a copy of the revised proposed boundy for the planned Gandarela National Park in Minas Gerais, Brazil indicates that its Engenho Gold Project concession now lies outside the proposed Park , as shown below:



“In parallel with developing Crista, we will be stepping up exploration at the nearby Olhos prospect and targeting the deeper portion of the Crista deposit given the proposed boundary of the National Park now excludes all of our concession. We expect this expanding northern area to rapidly emerge as the long term future of the Engenho Project with continued good exploration success.”

For and on behalf of the Board,

Ashley Pattison
Managing Director
9 November 2011

Forward Looking Statements

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