



MAYAN IRON CORPORATION LTD

ACN: 136 636 005

13 April 2011

ASX ANNOUNCEMENT

Company Announcements Office
Australian Securities Exchange Limited

PORVENIR CENTRAL ENVIRONMENTAL APPROVAL NOT GRANTED

The Company's subsidiary in Guatemala, Tikal Minerals S.A., lodged an Environmental Impact Assessment in December 2010 in respect of exploration works to be commenced at one of its Exploration Licences, Porvenir Central. Tikal has been advised by the Ministry of Environment and Natural Resources (MARN) that it has rejected Tikal's application for environmental approval to proceed with the exploration program in Porvenir Central.

MARN environmental approval was a condition of the approval granted by the Ministry of Energy and Mines for the Exploration Licence and must be gained prior to the commencement of a drilling program on Porvenir Central. As a result, Tikal is presently unable to commence the drilling program. Tikal is currently considering the grounds identified by MARN for its decision.

Tikal is allowed a period of five days in which to commence the appeal process. The Company intends to instruct its lawyers in Guatemala to prepare an appeal of the decision by MARN and will keep the market informed.

Tikal Minerals S.A. lodged ten Exploration Licence applications in July and August 2009. Three Exploration Licences were granted in October 2009, Paraiso Oeste, Porvenir Central and Progreso Este covering a total area of 292.5 km². The remaining seven Exploration Licence applications covering an area of 631.5 km² are still being processed by the Government of Guatemala.

In the December quarter, the Guatemala Ministry of Energy and Mines (MEM) advised the Company that it had accepted the Environmental Mitigation Studies for the Exploration Licence areas Progreso Este and Paraiso Oeste which had been submitted in August 2010. MEM requested that Environmental Impact Assessments (EIA) be submitted to MARN for its consideration. These EIAs been commenced but it was not management's intention to finalise them until a satisfactory outcome has been achieved in respect of the Porvenir Central environmental approval.

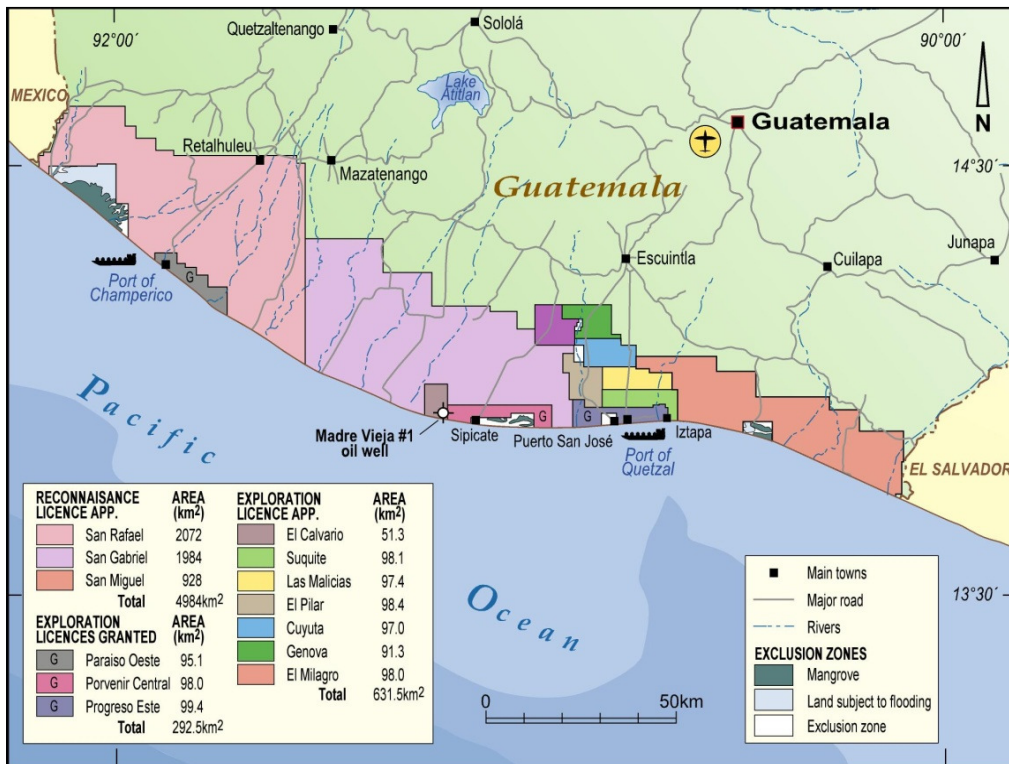
About the Guatemala Iron Sand Project

The Republic of Guatemala is one of the five countries located in Central America. Bordered by Belize, El Salvador, Honduras, Mexico and the Pacific Ocean, Guatemala has a land area of 108,889 km² with an estimated population of 13.3 million. The official language of Guatemala is Spanish.

Iron sand deposits occur in Guatemala along the Pacific coastal plain where they are present as beach deposits and raised beaches extending inland as platforms from the coast. The Pacific coastal plain in Guatemala extends for some 260 km along the coastline and is approximately 22 km to 50 km in width. Major rivers that drain the coastal plain are responsible for the transportation of the magnetite bearing material from the hinterland to the beach depositional environment.

In June 2009, Mayan acquired Tikal Minerals S.A., a company incorporated in the Republic of Guatemala. Tikal was the registered holder of Reconnaissance Licence applications covering an area of 5,912 km² onshore along the Pacific Ocean coastline of Guatemala.

Tikal Minerals S.A. lodged ten Exploration Licence applications in July and August 2009. At the time of lodging the applications for the ten Exploration Licences, the Company also lodged applications for three Reconnaissance Licences with an area of 4,984 km², maintaining its rights to the areas covered by the earlier Reconnaissance Licences applications lodged by Tikal Minerals S.A.



Map of the 3 reconnaissance licence applications, 3 granted exploration licences and 7 exploration licence applications

Three Exploration Licences were granted in October 2009, Paraiso Oeste, Porvenir Central and Progreso Este covering a total area of 292.5 km². The remaining seven exploration licence applications covering an area of 631.5 km² are still being processed by the Government of Guatemala.

All of the areas covered by the granted Exploration Licences and the Exploration and Reconnaissance Applications are on-shore. The iron sand deposits have been sourced from the erosion of inland Quaternary andesitic basalts which contain magnetite.