

# Mundo Minerals Limited

Stock Exchange Announcement – 12 February 2007

## Appointment of Company Secretary

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Mundo Minerals Limited advises that Mr Joe Mobilia has today commenced employment with the Company as joint company secretary and chief financial officer.

Prior to joining Mundo Minerals Mr Mobilia was employed with Barrick Gold Corporation and has extensive experience in the resources sector.

Mr Mobilia will be responsible for the financial management functions of the Company.

**John Langford**  
**Chief Executive Officer**

### Background Information

Mundo Minerals Limited is a newly established Australian gold company focused on the exploration and development of a portfolio of advanced, high-quality gold assets in South America with the potential to position the Company as a substantial new mid-tier Australian-domiciled gold production house.

Mundo is aiming to commence initial production at its flagship asset, the **Engenho Gold Project** in Brazil, within 18 months, laying the foundations for its growth strategy as a mid-tier Australian-domiciled producer focused on small-to-medium sized high-grade ore bodies in South America.

Mundo intends to establish a CIP treatment facility near the Engenho ore body, with estimates from Brazilian manufacturers and contractors indicating that the capital cost of a plant with a 150,000tpa treatment capacity would be approximately US\$7.5 million.

A total of approximately \$7.6 million of the IPO funds will be allocated towards exploration and acquisition costs associated with Mundo's other two assets, the **Torrecillas Gold Project** in Peru and the **Tocantins Gold Project** in Brazil. These projects have the potential to yield multiple resources to underpin the Company's long-term growth.

At Torrecillas, Mundo has negotiated an option to explore some 9,000ha of tenements with a history of high-grade gold production in south-eastern Peru, a region which hosts a number of small-to-medium sized gold mines, including the Area, Capitana, Arirahua, Alcapay and Laytaruma operations – each of which have a production range of 25,000 – 80,000oz per annum. Under the option agreement, Mundo has a period of 14 months from 1 February 2006 to prove a minimum resource of 150,000 ounces of gold at 12 g/t. It can exercise the option and acquire a 100% interest in the tenements by paying a maximum of US\$2.25 million.

The Tocantins Project is a joint venture where the Company has agreed to spend US\$1.3M to earn a 51% interest in tenements controlled by Gamaleira Prospecção E Geologia Ltda (a Brazilian joint venture between AngloGold Ashanti and IAMGOLD Corporation). Mundo can increase this equity to 80% by taking any gold resource to a bankable feasibility study. The Tocantins tenements are located in a highly prospective region which includes three greenstone belts with the potential to contain multiple mid-size gold deposits.

Mundo's IPO brings to the Australian market one of the most accomplished and high profile senior management teams assembled in the resource sector in recent times. Mr Langford, who headed up the corporate finance division for Deloitte in Western Australia for 10 years, has extensive experience in the Australian resource sector and is well-known as a Director of Palace Securities Pty Ltd, the company that owns the Diggers & Dealers Mining Forum.

Joining him on the Mundo Minerals Board is a high-profile group of resource industry leaders including non-executive Chairman, Mr George Jones, Brazilian-based Executive Director, Mr Michael Schmulian, Australian mining executives, Mr Brian Hurley and Mr Barry Eldridge, and well-known Perth lawyer, Mr Rob McKenzie.