

# Mundo Minerals Limited

Securities Exchange Announcement – 13 June 2008

## Mundo Minerals Announces Key Board Transition

### **Mundo Minerals Limited**

A.C.N 117 790 897

#### **Head Office:**

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#### **Australian Securities Exchange:**

Code: MUN

#### **Board of Directors**

*Non-executive Chairman:*

Barry Eldridge

*Chief Executive Officer:*

John Langford

*Managing Director – South  
America:*

Mike Schmulian

*Non-executive Directors:*

Brian Hurley

Rob McKenzie

#### **Senior Management:**

*Chief Financial*

*Officer/Company Secretary:*

Joe Mobilia

*Joint Company Secretary:*

Paul Mason

*Mining Manager – South  
America:*

José Antonio Kurcewicz

*Plant Operations Manager-  
Engenho:*

Cesar Sanz

*Exploration Manager – South  
America:*

Jean-Marc Lopez

*Country Manager –Peru*

Sergio Zuniga

#### **Capital Structure**

Fully-Paid Shares on Issue:

146.39million

Unlisted Options on Issue:

2.92 million

Following its recent successful transition to gold production, Mundo Minerals Limited (ASX: **MUN** – “Mundo Minerals”) today announced a key Board transition with the retirement of its non-executive Chairman, **Mr George Jones**, and appointment of non-executive Director, **Mr Barry Eldridge**, to take up the role effective immediately.

After almost three years as founding Chairman of Mundo Minerals, Mr Jones has announced his decision to step down from the Mundo Board to enable him to spend more time focusing on his personal business interests and his family. He has indicated his intention to remain a supportive shareholder in the Company.

“George has made an outstanding contribution to the Company since its establishment, providing strong Board leadership as well as making available his considerable business acumen, contact network, vision and insight during this critical formative period in our history,” said Mundo Minerals’ Managing Director, Mr John Langford.

“On behalf of the Board, senior management team and shareholders, I would like to thank George for his valued contribution, which has helped us set Mundo Minerals on a strong long-term growth path, with a quality asset base, the Engenho Project in Brazil now in production and generating cash flow, and an outstanding pipeline of exploration and development opportunities in front of us,” he added.

“I would also like to take this opportunity to congratulate Barry Eldridge on his appointment as Chairman,” Mr Langford added. “Having also been involved with the Company from its inception, Barry’s appointment provides for a completely seamless transition and ensures continued strong leadership and vision to carry the Company forward into its next phase of growth. The current board structure continues to provide a strong balance of commercial and technical experience for the Company and at this stage it is not proposed to seek to add another director to the board.”

Mr Eldridge, who previously worked closely with Mr Jones as Managing Director of successful iron ore producer Portman Limited, has over 30 years experience in senior management and operational positions in the resources sector.

A Mining Engineer and Geologist, he was previously held senior executive roles with Griffin Coal Limited, North Limited and Forresteria Gold Limited. Mr Eldridge is currently a director of Cleveland-Cliffs Inc, the largest producer of iron ore pellets in North America, Chairman of Vulcan Resources Limited, a base metals and gold exploration company with a portfolio of projects in Finland, and

Millennium Minerals Limited, an exploration company exploring for Molybdenum in Western Australia.

Mundo Minerals recently joined the ranks of international gold producers with the successful commissioning of its 100%-owned Engenho Gold Project in Brazil on schedule and some 21% under its original capital cost budget.

"I would like to congratulate the team at Mundo Minerals for their efforts in achieving this significant milestone," commented Mr Jones. "The Company has established a strong reputation in the market for delivering on its core objectives, and I believe it has established a high-quality portfolio of assets in South America with the potential to deliver a significant gold production profile.

"I wish everyone at Mundo well for the future and look forward to continuing to follow the Company's progress as it adds value to the Engenho asset and moves towards development of its Torrecillas and Tocantins assets and other new opportunities such as the recently announced new project opportunities in Brazil," he added.

The successful commissioning of the Engenho Project marks the first major milestone towards achieving the Company's medium term strategy of establishing a +250,000 ounce per annum sustainable production base in South America.

-ENDS-

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## **Background Information**

Mundo Minerals Limited is an Australian-domiciled international gold company focused on the exploration and development of a portfolio of advanced, high-quality gold assets in South America.

Mundo commenced initial production at its flagship asset, the **Engenho Gold Project** in Brazil, in May 2008, 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.

The A\$13 million Engenho Project, which is located in the State of Minas Gerais in Brazil, was previously operated by AngloGold Ashanti Limited which closed it in 2004 after treating some 171,257 tonnes of ore from an open pit through a conventional Carbon-in-Pulp (CIP) treatment facility.

Mundo's other assets in South America include the 100%-owned **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.

The Torrecillas Project comprises 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. An exploration decline is currently being developed to assess the high-grade, narrow vein gold mineralization at Torrecillas.

The Tocantins Project is a joint venture between Mundo (51% interest) and Gamaleira Prospeccao E Geologia Ltda (a Brazilian joint venture between AngloGold Ashanti and IAMGOLD Corporation) (49%). 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.

Exploration to date has identified significant zones of gold mineralization at Conceição, within the Tocantins Joint Venture. Mundo Minerals has also secured a strategic new gold exploration project at Nova Prata as part of the Tocantins Joint Venture, and is assessing an advanced gold production opportunity at the Jaqueira Project in Bahia State, Brazil.