

Mundo Minerals Limited

Securities Exchange Announcement – 31 July 2008

Significant Gold Results from Crista, Engenho Tenements

Mundo Minerals Limited

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Australian Stock 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 – :

José Antonio

Kurcewicz

Metallurgist:

Cesar Sanex

Exploration Manager – South America:

Jean-Marc Lopez

Country Manager –Peru

Sergio Zuniga

Capital Structure

Fully-Paid Shares on Issue:

146.39 million

Unlisted Options on Issue:

2.22 million

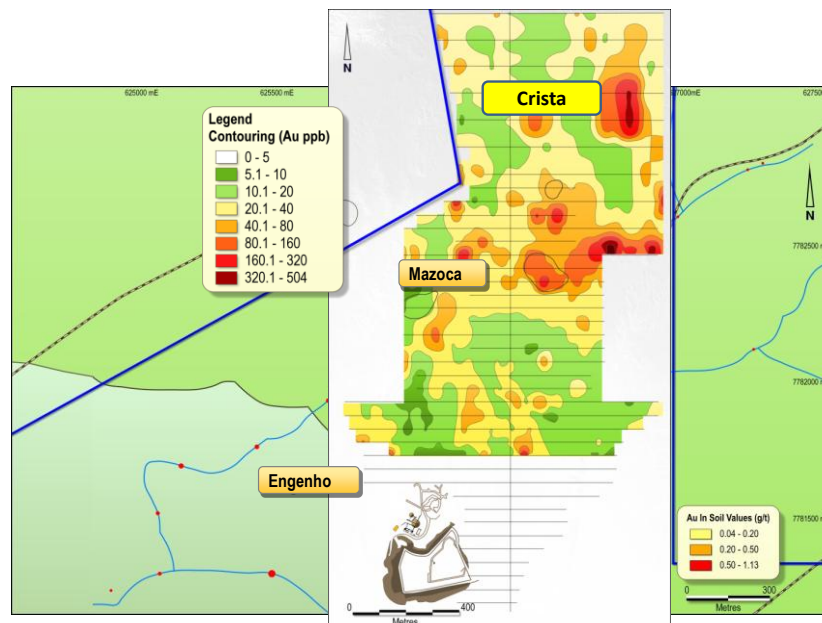
HIGHLIGHTS

- Significant rock chip and channel samples including assays up to 24g/t Au received from the Crista anomaly, NW of Engenho Mine.
- Further enhances prospectivity of Engenho tenements.

Mundo Minerals Limited (ASX: MUN) is pleased to report on further exploration success at its 100%-owned **Engenho Gold Project** in Brazil, with encouraging rock chip and channel sampling results received from the newly identified **Crista anomaly**, located north-west of the mine as well as near the previously announced Mazoca anomaly.

Mundo has previously released results of soil sampling conducted north of the Engenho mine site which has yielded encouraging anomalous gold assays and identified a number of high-level exploration targets.

In previous announcements, the Company stated that a gossan (an outcrop of oxidised sulphides) had been identified within a strong anomaly located north-west of the previously identified Mazoca anomaly which had yielded assays from chip samples of 2.6g/t, 4.3g/t, 2.6 g/t and 18.5g/t For the purposes of future identification, this gossan has been named Crista (see the diagram below):



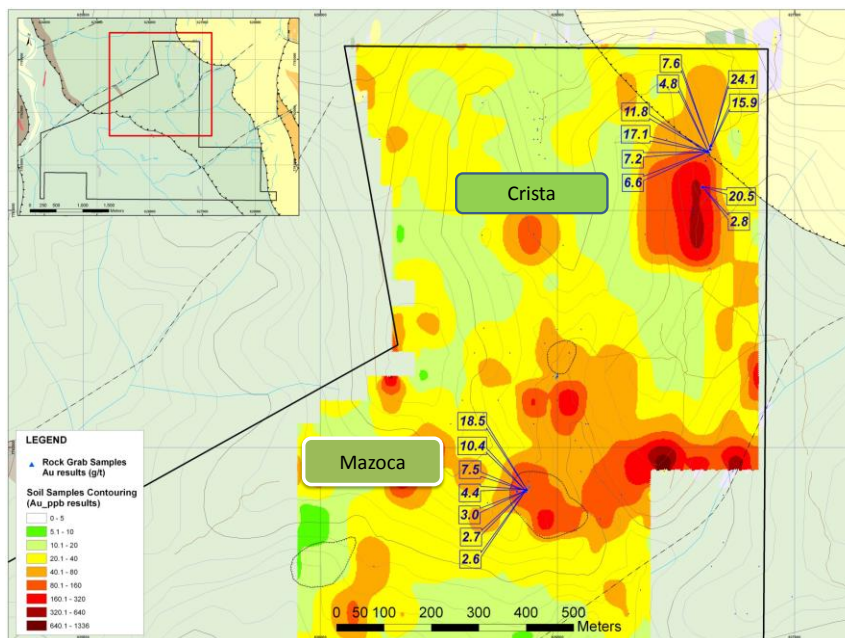
Follow-up rock chip samples and channel samples have been taken from the Crista and Mazoca anomalies and have provided additional significantly encouraging assay results.

Significant assays from rock chip samples include:

Reference sample	Au g/t
RGB-10222	24.123
RGB-10223	15.877
RGB-10224	7.577
RGB-10225	17.067
RGB-10226	11.801
RGB-10227	6.595
RGB-10228	4.812
RGB-10229	7.243
RGB-10230	1.282
RGB-10231	0.583
RGB-10232	2.000
RGB-1022-1	24.043
RGB-1032-1	2.049

Significant assays from channel samples include **3.14 g/t; 9.78g/t, 2.35 g/t; 4.77g/t; 3.63 g/t and 2.5 g/t.**

The location of the more significant samples are shown in the map below.



These results provide further encouragement for the prospectivity of the broader Engenho tenements to yield additional ore sources and confirm the region as a major exploration asset of Mundo Minerals as well as a production asset. Ongoing exploration will be conducted on a focused and systematic basis.

John Langford
Chief Executive Officer

Competent Person's Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Jean-Marc Lopez who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Lopez is employed by Mundo Minerals Limited and is the Company Exploration Manager. Mr Lopez has sufficient experience which is relevant to the style of mineralisation and the type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Lopez consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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 is aiming to commence initial production at its flagship asset, the **Engenho Gold Project** in Brazil, by April 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.

The Engenho Project is forecast to produce at an initial annualised rate of 34,000 ounces at a forecast cash operating cost of A\$325/ounce. This will generate forecast earnings before interest, tax, depreciation and amortisation (EBITDA) of A\$17 million per annum, based on a US750/ounce gold price.

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.