

Mundo Minerals Limited

Stock Exchange Announcement – 11 February 2008

Tocantins Joint Venture Update

Mundo Minerals Limited

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Australian Securities Exchange:

Code: MUN

Board of Directors

Non-executive Chairman:

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Chief Executive Officer:

John Langford

Managing Director – South

America:

Mike Schmulian

Non-executive Directors:

Brian Hurley

Barry Eldridge

Rob McKenzie

Senior Management:

*Chief Financial Officer/Company
Secretary:*

Joe Mobilia

Joint Company Secretary:

Paul Mason

*Mining Manager – South
America:*

José Antonio Kurcewicz

*Exploration Manager – South
America:*

Jean-Marc Lopez

Project Manager – Engenho

Lafayette Caporali

Country Manager – Peru

Sergio Zuniga

Capital Structure

Fully-Paid Shares on Issue:

146.39million

Unlisted Options on Issue:

2.22 million

HIGHLIGHTS

- **Mundo completes earn-in to initial 51% interest in Tocantins Joint Venture, central Brazil.**
- **Initial 60,000ha tenement package selected as part of first JV (including Conceição prospect).**
- **Second JV finalised on similar terms covering the remaining 120,000ha of the Tocantins greenstone belt.**
- **Mundo negotiates the rights to explore for base metals in addition to gold on all the Tocantins JV tenements.**
- **Tocantins exploration team to be further expanded.**

Mundo Minerals Limited (ASX: MUN – “Mundo”) is pleased to advise that it has completed its expenditure commitments under the **Tocantins Joint Venture** in Brazil to earn an **initial 51% interest** in tenements which include the recently discovered **Conceição gold prospect**.

The Company has now met its initial expenditure commitment of US\$1.3 million to earn a 51% interest in the tenement portfolio, which covers an area of approximately 180,000ha in a substantial greenstone belt. Mundo’s Joint Venture Partner is Gamaleira Ltda (a joint venture between IamGold and AngloGold Ashanti).

The joint venture requires Mundo to reduce the Joint Venture tenement area to 60,000ha on completion of this initial earn-in, and return the balance to Gamaleira Ltda. The Company has selected this initial joint venture area (including the Conceição tenements) and has the right to increase its equity in any resource that is identified to 80% equity by taking it through to bank feasibility stage.

Mundo is pleased to advise that it has also reached agreement with Gamaleira Ltda to enter into a **second joint venture** on the remaining 120,000ha of tenements not included in the initial joint venture.

This is a significant agreement for Mundo as it enables the Company to retain a strategic interest in a substantial portion of the prolific greenstone belt at Tocantins while maintaining its immediate focus on the first Joint Venture, including the systematic drill-out of the Conceição prospect which continues to emerge as a potentially significant discovery.

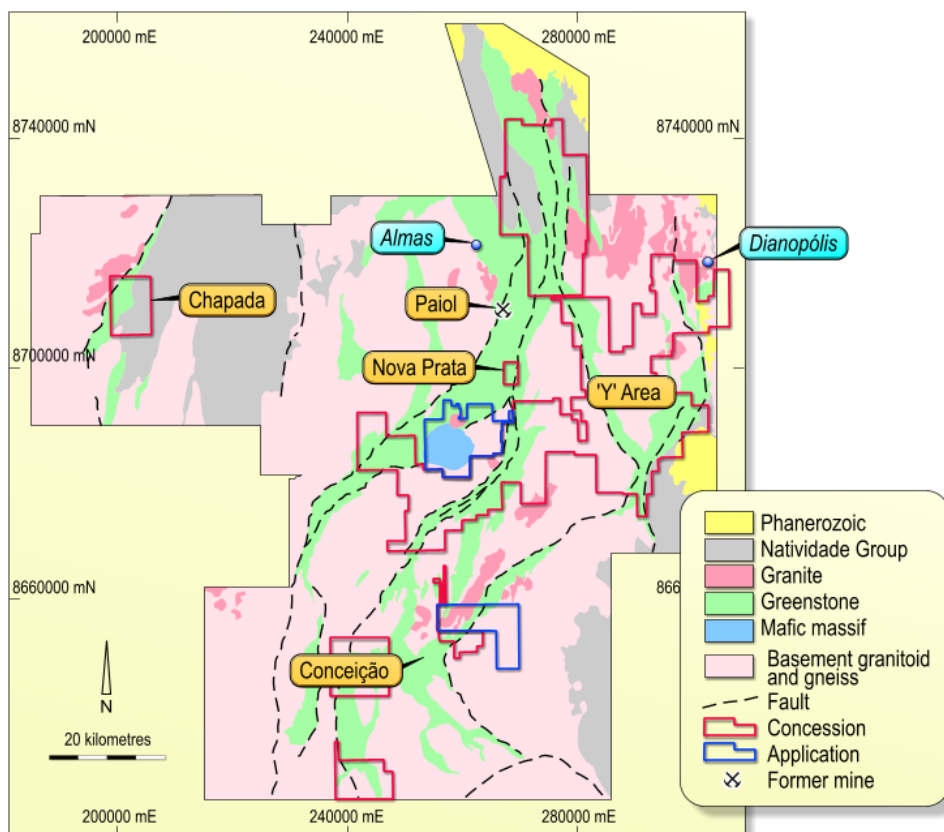
Under the terms of the second joint venture, Mundo Minerals:

- has agreed to spend US\$2 million over a three year period to earn an initial 51% interest in the tenements subject to this second joint venture;
- can increase its equity in any gold resource discovered on the joint venture tenements to 80% by taking the resource through bank feasibility stage;
- may explore for base metals in addition to gold on any of the tenements that are subject to any joint venture arrangement entered into between Mundo Minerals and Gamaleira Ltda (tenements covering the total 180,000 ha); and
- will earn a 51% interest in any base metals resource discovered, with Gamaleira Ltda retaining a 49% equity;

(Normal dilution clauses apply to the joint venture).

Mundo recently provided an update on exploration activities at Tocantins in its December Quarterly Report. The Company remains enthusiastic about the potential of the greenstone belt to yield a number of mid-sized gold deposits, and the expansion of the terms of the joint venture to incorporate base metals exploration further enhances the potential of the region.

This is a substantial greenstone belt covering a total strike length of approximately 200km, and the tenements that form part of these joint ventures cover a substantial portion of this belt as highlighted in the figure below:



Mundo will be dedicating a second geological team at Tocantins to focus on regional exploration opportunities, while the current focus of exploration continues to be at the Conceicao tenements in the southern portion of the tenements.

John Langford
Chief Executive Officer

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.

Background Information

Mundo Minerals Limited is an 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 mid-tier Australian-domiciled gold production house.

Mundo is aiming to commence initial production at its flagship asset, the **Engenho Gold Project** in Brazil, by March 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 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 two exploration assets in South America are 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.

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.

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