

Securities Exchange Announcement – 13 July 2009

Crista Update: Resource Drilling Commences Following Further Positive Results

HIGHLIGHTS

- Further encouraging results received from recently completed programme of initial diamond drilling at Crista, north of Engenho Gold Mine (Brazil)
- Latest assays confirm the encouraging results announced from the initial two drill holes
- Programme of in-fill diamond drilling approved and underway to allow an initial JORC resource estimate to be calculated
- Ongoing drilling to allow appropriate planning to be undertaken with respect to initiating production from Crista in 2010
- Structural geological assessment links Olhos and Mazoca anomalies

Mundo Minerals Limited (ASX code: **MUN**) is pleased to advise that the initial diamond drilling programme at the **Crista** anomaly, located approximately 1.6km north of its 100%-owned Engenho Gold Mine in Brazil, has been completed with results confirming the potential to delineate a **significant high-grade satellite resource** at Crista.

The high-grade zone of mineralisation at Crista commences within 50 metres of the surface, strengthening the economic potential of this prospect which is a priority focus for the delineation of additional resources to underpin Mundo Minerals' short-term target of increasing production from 30,000 ounces to 55,000 ounces per annum.

Results from the initial 6-hole diamond drilling programme are shown in the table below, which includes results from initial surface sampling taken from the location of the drill hole, together with results from the drilling. This shows an excellent correlation between widths of the zones of mineralization and grades achieved, which is most encouraging:

Drill Hole	Surface Sample	Drill Depth	Results
		(metres)	
		From -To	
QCD-09-01	10.21m @ 7.26 g/t	42.45-51.35	9.55m @ 4.71g/t
QCD-09-02	0.73m @ 1.61g/t	49.50-54.30	5.20m @ 15.02 g/t
QCD-09-03	2.53m @ 1.93 g/t	61.55-64.9	3.35m @ 12.49 g/t
QCD-09-04	0.89m @ 1.10g/t	35.7-37.45	1.75m @ 1.59 g/t
QCD-09-04	1.19m @ 1.07 g/t	47.4-47.8	0.4m @ 3.37 g/t
QCD-09-04	6.10m @4.77 g/t	51.05-51.7	0.65m @ 1.76 g/t
QCD-09-05	0.88m @ 16.6 g/t	58.45-59.15	0.7m @ 17.71 g/t
QCD-09-06	None	11.15-12.35	1.2m @ 2.07 g/t
QCD-09-06	0.93m @ 1.57 g/t	21.45-28.70	7.25 m @ 2.63 g/t
QCD-09-06	None	31.45-33.65	2.2m @ 1.50 g/t
QCD-09-06	None	37.20-37.70	0.5m @ 4.00 g/t

The width of mineralization intersected corresponds with the variability indicated in the surface expression of the mineralization.

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Capital Structure

Fully-Paid Shares on Issue
146.39 million

Unlisted Options on Issue
5.45 million

Based on drilling results from the initial six drill holes and an analysis of the sections, it appears that Crista has the potential to host greater productivity than the Engenho ore bodies based on ounces per vertical metre. An initial assessment of grade distribution also indicates that resource grades will be in excess of 5g/t higher grades than are being experienced at the Engenho ore bodies.

As a result of the success of this drilling programme, a further programme of in-fill drilling comprising approximately 900 metres of diamond drilling has been approved and is currently underway to enable an initial JORC resource estimate to be undertaken and allow planning for mining of this resource in 2010.

Mundo Minerals plans to assess the Crista resource initially to a depth of approximately 80 metres, taking into account the proposed initial open pit mining strategy. After the initial open pit phase, it is envisaged that extraction of the ore will be achieved through underground development. Additional resource estimates will be undertaken as the resource is developed and the profile of the ore body is more accurately defined once the mineralization has been exposed.

Recent channel sampling carried out in the hanging wall of the Crista structure has identified a new mineralization trend with grades ranging from 3g/t to 8g/t Au being achieved. Further work will be required to test its consistency.

In addition to these encouraging results from the Crista drilling, recent work undertaken by the Company's structural geologist has shown that there appears to be a structural relationship between the previously interpreted Olhos and Mazoca anomalies, significantly increasing the potential of this portion of the tenements (see Figure 1 below for the location of these targets).

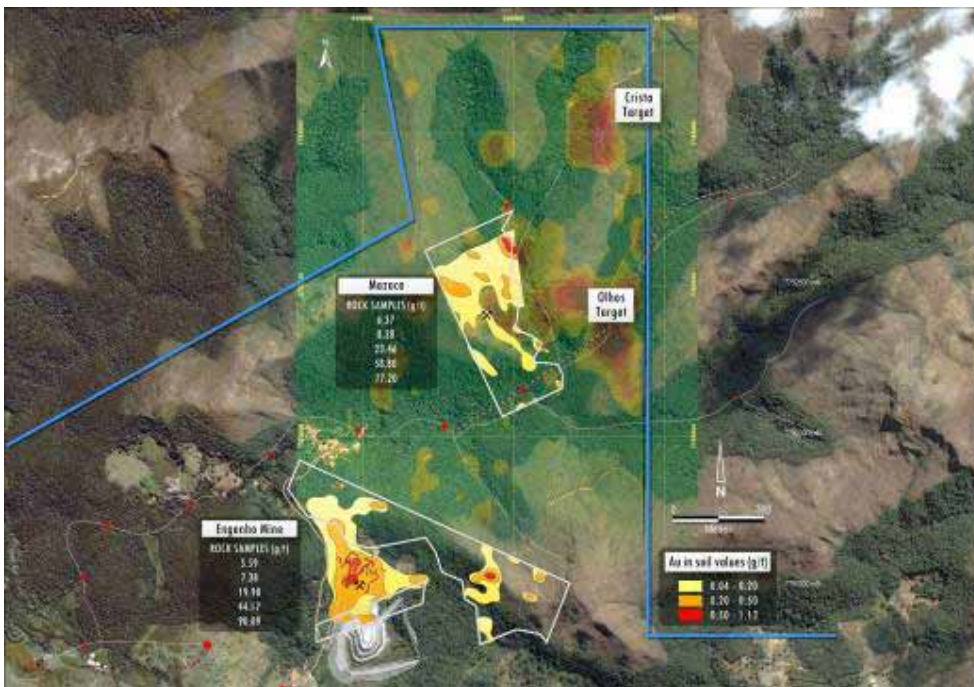


Fig. 1 – Engenho Gold Mine and location of key satellite exploration targets Crista, Olhos and Mazoca

The trend of this structure is consistent with the major geological structures in the Iron Quadrangle of south-east Brazil where the major gold occurrences in Brazil are located and where the Engenho tenements are located.

Exploration work around the Engenho Gold Project is continuing to enhance the regional potential for the Company to substantially increase the production profile from the Engenho tenement controlled by Mundo Minerals.

John Langford
Chief Executive Officer

13 July 2009

About Mundo Minerals

Mundo Minerals is an Australian-domiciled international gold company with a portfolio of medium- sized gold projects in South America. Currently, the Company has four projects at different stages of development – three (including its first production asset) in Brazil and one in Peru.

Mundo Minerals' corporate strategy is based on the development of a sustainable production base of more than 250,000 ounces of gold per annum in the medium term. The Board has assessed all of the assets within the Mundo portfolio, at their current stage of development, as having strong potential to deliver a sustainable production base.

The Engenho Gold Project, which is located in the State of Minas Gerais in Brazil, is forecast to produce at an initial annualised rate of approximately 30,000 ounces per annum. Mundo's other assets in South America include the 100%-owned **Torrecillas Gold Project** in Peru, and the **Tocantins Gold Project** and **Jaqueira Gold Project** in Brazil. These projects have the potential to yield multiple resources to underpin the Company's long-term growth.

The Board is pragmatic in its approach to developing the corporate asset base and all projects will be developed according to robust commercial parameters.

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.

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