

The logo for Mundo Minerals, featuring the company name in a bold, serif font with a gold-to-yellow gradient, set against a dark blue background. To the left of the logo is a photograph of an industrial mining facility at night, illuminated by bright lights, showing large storage tanks and complex piping.

Mundo Minerals

Senior Executive Appointment and Project Financing Update

Mundo Minerals Limited (ASX Code: MUN) is pleased to advise that it has appointed experienced mining executive **Mark Zeptner** as the Company's Chief Operating Officer, replacing Mr Andrew Law who has resigned for personal reasons.

The Directors of Mundo Minerals express their appreciation to Mr Law for his input and contribution to Mundo Minerals during his time with the Company.

Mr Zeptner is a mining engineer, currently working as Head of Projects & Technology with Gold Fields Limited in Australia. He was appointed Acting Executive Vice President: Australasia earlier this year during the transition between Executive Vice Presidents of that company.

He has previously held a wide range of operational and management positions with WMC and Gold Fields Limited, including roles as underground Mine Manager, Production Manager and General Manager, and was recently responsible for assessing improved mining and processing methods at the Australian operations.

Mr Zeptner has excellent technical and management skills and Mundo Minerals is delighted to introduce someone with his skills and experience to the executive team. His appointment is expected to be effective from late October 2010 after he completes contractual obligations with Gold Fields Limited.

New Financing Facility

Mundo Minerals is also pleased to advise that it has secured a financing facility with Banco do Brasil, a major bank operating in Brazil. The new facility will provide funds to support the acquisition of the remaining capital assets required to upgrade the treatment facility at the Engenho Gold Project in Brazil to enable the new Crista open pit to be developed.

The facility is for R\$10 million (approximately A\$6.3 million.) Part of this will replace an existing facility of R\$3 million, with the balance available for general funding. The facility is a normal banking facility and does not attract any requirements for hedging of future gold sales.

The appointment of Mr Zeptner and completion of the new financing facility represent further significant milestones to support the Company's short-term objective of upgrading the infrastructure at Engenho, increasing production and profits through the introduction of the Crista open pit, and progressing development of the Torrecillas Gold Project in Peru by completing the current Feasibility Study.

John Langford
Chief Executive Officer

18 August 2010

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Mundo Minerals is building a long-term gold business in South America with a project pipeline currently comprising four medium-size gold projects in Brazil and Peru at different stages of development.

The Engenho Gold Mine in South East Brazil has been in production for 18 months and is growing its production profile from around 25,000 ounces per annum to approximately 45,000 ounces per annum with the development of a new satellite mining centre at Crista-Olhos and a \$2.5 million plant upgrade.

The Torrecillas Project in Peru is currently producing around 9,000 ounces per annum from a high-grade trial mining operation being undertaken as part of a Definitive Feasibility Study on a potential 100,000 ounce per annum operation based on narrow vein, high-grade mining.

The Jaqueira Project in Brazil is an advanced exploration/development project and the Tocantins Joint Venture is an attractive exploration opportunity covering extensive greenstone belts in central Brazil.

With the ramp-up of production at Engenho and the development of Torrecillas, Mundo Minerals is targeting production of approximately 55,000 ounces in FY2011 growing to a sustainable level of 150,000 ounces per annum from Fy2012 onwards.