

The logo for Mundo Minerals, featuring the company name in a bold, yellow, serif font against a dark blue background. To the left of the logo is a small, square photograph of an industrial mining site at night, with bright lights illuminating various structures and equipment.

Mundo Minerals

Company Announcements Office
Australian Securities Exchange
20 Bridge St
Sydney NSW 2000

Dear Sirs,

CHAIRMAN'S SPEECH AT GENERAL MEETING

Please see below a copy of the Chairman's speech to be delivered at today's general meeting of shareholders to be held at 11:00am WST at 45 Ventnor Avenue, West Perth, WA, 6005:

Good morning and welcome to this General Meeting of shareholders for Mundo Minerals Limited.

My name is Barry Eldridge and I would like to take this opportunity to introduce my fellow directors and executives of the Company.

The chief executive officer of the company is John Langford; other directors present are Brian Hurley and Rob McKenzie. Also present is our Company Secretary Ashley Pattison and the Chief Operating Officer Mark Zeptner.

This has without doubt been one of the more frustrating periods of my time as a director of public companies. We are confident that the Mundo assets have substance and will deliver a sustainable benefit to all shareholders. We have sustained an extended period where the lower grade from the Engenho underground operations have effectively paid for costs associated with operating the mine and the company Brazil overheads.

Our future is developing the ancillary assets such as the Crista Open Pit, Olhos and Torrecillas in Peru. This future, and associated shareholder value, can only be unlocked by developing the assets. In November 2010, at the company's AGM, we advised that approvals for the development of the haulage road for Crista had been delayed due to a proposed National Park in the region. We advised shareholders that it was our understanding that the Mundo tenements were not strategic to any park, nor was the ground that would be affected by mining pristine.

Since that date, authorities from both the Federal and State departments have completed a review of the Mundo tenements and have given us feedback that they agree that the area is not strategic and will not be part of any proposed Park. However, they have also stated that they will not resolve the Mundo issue as a standalone matter but as part of the group Park strategy and as a Company we must wait until all Park matters are resolved. We have recently been advised that the Federal Government in Brazil is no longer allocating financial resources for the proposed National Park which will now be a purely State Government issue. We have also been advised that new park boundaries have been defined and our tenements are not within the new boundaries. The new boundaries are still awaiting finalisation by the State Government and we will make an appropriate announcement when we have a definitive time frame.

We estimate that this issue to date, has cost Mundo Minerals approximately \$15 m in lost earnings!! The gold has not disappeared but those earnings would have been most useful in allowing us to drive shareholder value and regain shareholder confidence.

We make no excuses as we understand shareholder frustrations and I can assure you there is, and has been, no shortage of angst among your directors and executive team. The team has been proactive in resolving this issue but we cannot control external party's agendas or time frames. If we could, we would be mining Crista today.

As a Company we cannot sit down and continue to allow asset development to be constrained and value not realised. Commodity prices are excellent, they won't always be at these levels and we know Mundo has been left behind in this stock market cycle. Asset development requires funding and asset development requires time. If we don't get on with delivering strategies then we can't properly ask shareholders to remain confident in this company.

Shareholders who are participating in the issue we are asking you to approve, are keen to work with Mundo in unlocking value. They are mostly influential US based institutions with substantial funds behind them. They understand South America and they have all indicated that they wish to be shareholders for the broader development of the assets and not just opportunistic investors for the short term. We cannot of course make investment decisions for any investor but John and I have met many of these people and they do have substance behind them and I have a view that their involvement will be a positive for the Mundo share price.

We are aware that this equity raising creates dilution, but as a board we are also of the view that substantial value for all shareholders can be realised by providing financial resources that Mundo Minerals has not had the benefit of for a considerable period and, as a result, asset development has been constrained. Some shareholders are frustrated however the proxy votes show that a majority of shareholders support the raising proposed by your Directors.

I also note that last week, John Langford tendered his resignation as CEO effective from the conclusion of this meeting. John will also no longer be continuing as a director of Mundo Minerals. We thank him for his involvement and wish him well in the future.

The directors of Mundo have appointed Ashley Pattison as the new CEO of Mundo. Ashley has excellent motivation, a strong understanding of the company strategy and assets and we know he will make a positive contribution to the company as CEO

I will now ask our incoming CEO Ashley to make a presentation on the current status of the asset development as well as broader information about the use of funds and planning for the next stage of asset development.

For and on behalf of the Board,



Ashley Pattison
Company Secretary