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ABN 28 106 866 442

12 February 2008

ASX Limited  
Company Announcements Platform

**LETTER TO SHAREHOLDERS AND OPTIONHOLDERS**

Following please find a letter to be dispatched to shareholders and optionholders together with a copy of the relevant attachment referred to in the letter.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Angelo Francesca', with a long horizontal flourish extending to the right.

**Angelo Francesca**  
Company secretary

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PRINCIPAL OFFICE

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ABN 28 106 866 442

**Dear Mindax Shareholder/Optionholder,**

I am writing to you to provide you with an update on the company's activities and to also inform you of certain changes to the composition of our share register.

**Red Rock Resources PLC becomes a substantial shareholder**

On 4th January 2008, Red Rock Resources PLC ("Red Rock") advised that following a series of on market acquisitions it had become a substantial shareholder in Mindax. Since then it has notified subsequent increases in its shareholding and as at the date of this letter, Red Rock has in total some 8.65% of the Company.

Red Rock is an AIM listed entity which listed in mid 2005 and which is focussed on high-grade manganese and iron ore. It has a market capitalisation of the order of \$16m.

In discussions initiated by Red Rock, Red Rock has confirmed its interest in and commitment to acquiring high grade iron ore projects and has also confirmed that it regards Mindax's Mt Forrest iron ore project highly.

Red Rock has advised that it regards its investment in Mindax as simply an investment. In relation to its Mindax shareholding, **Red Rock has not proposed any transaction with Mindax and Mindax has not solicited any proposal from Red Rock or any third party.**

Red Rock (as it is entitled to do) has formally requested a copy of the Mindax share register and a copy has been supplied in accordance with the requirements of the Corporations Act. It may be the case that at some time in the future Mindax shareholders may receive direct communication from Red Rock though obviously we at Mindax have no way of knowing whether they will or they won't. Furthermore, if there is to be any communication, your Mindax directors cannot predict what the nature of that communication might be.

Whatever such communication (if any) might be, I am enclosing a copy of the Mt Forrest project summary paper recently prepared by the Company and released to the market on 8 February 2008 so that you may be better able to put in context any communication you might receive (if any).

**Mt Forrest Iron Ore Project**

I strongly recommend that you read the Mt Forrest project summary paper so that you can develop your own sense of the true value of a Mindax share and in particular the potential contribution to value that the Mt Forrest Iron Ore Project might generate.

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The key points that are made in the summary paper include the following:

- It is estimated that there may be some **650-750 million tonnes of ironstone** on the Company's property (to 75meters depth).
- Five targets for direct shipping hematite ore have been identified at Mt Forrest in the Bulga Downs Project and **drilling is planned commencing in March** with a view to delineating a JORC compliant resource in the mid-year.
- **Within the five target areas there may be 90 to 100 million tonnes of material.** Based on the surface rock chip sampling within these, a grade in the range of 57% to 63% Fe may be achievable.  
*(There has not yet been any drilling of these targets and accordingly there has been insufficient exploration to define a Mineral Resource. The target quantity and quality is conceptual in nature. Being conceptual in nature it is not certain that further exploration will result in the determination of a Mineral Resource.)*
- Preliminary surface sampling has **returned significant high-grade hematite.**
- **Phosphorous contents are very low** averaging **0.04%** throughout the iron formation system.  
*(Phosphorus levels below 0.07% are generally required for premium grade steel production and for blending with "high-phos" ores. They can attract a significant premium.)*
- **Exploration priority is to be given to direct shipping hematite ore with investigation of the significant potential for magnetite ore** to be undertaken at some time in the future.

Please feel free to contact the Mindax office if you have any questions.

Yours sincerely



Gilbert George

**Chairman  
Mindax Limited**

**12 February 2008**

## MT FORREST IRON – BULGA DOWNS

Mindax's Mt Forrest Iron Project (100% MDX) is a significant emerging iron deposit in the Central Yilgarn. Mindax's exploration target in the area is direct shipping iron ore with an important low phosphorus content.

Exploration target estimation has been calculated using the area of iron stone outcrop within the project areas and by applying a density factor of 3.5 to estimate tonnes per vertical metre (Table 4). Extrapolated to a nominal depth of 75metres, this suggests potential for 650 to 750 million tonnes of material. Within the five target areas there may be 90 to 100 million tonnes of material. Based on the surface rock chip sampling within these, a grade in the range of 57% to 63% Fe may be achievable.

There has not yet been any drilling of these targets and accordingly there has been insufficient exploration to define a Mineral Resource. The target quantity and quality is conceptual in nature. Being conceptual in nature it is not certain that further exploration will result in the determination of a Mineral Resource.

Mindax's primary objective is to fast track the Mt Forrest iron project to a direct shipping hematite resource status by mid-2008.

### LOCATION:

- Project comprises 7 granted mining leases
- Cover 55 sq kilometres within the Richardson Ranges
- Located in East Murchison, 110km south-east of Sandstone
- 55km south of Geraldton-Leonora infrastructure corridor
- Leonora/Menzies railheads ~150km, Koolyanobbing 240km

### GEOLOGY & MINERALOGY:

- Iron formation is folded into north pointing arrow head and extends for 17km within prospect, the most significant ironstone mass along the belt.
- The ironstone ridges give ~100m of relief above the topographic base level.
- The Iron formation varies from 500 to 2000m in width and,
- Multiple ironstone layers of 30 to 200m thickness make up the iron formation.
- Outcrop mapping demonstrates ~2.8 sq km of magnetite, magnetite+hematite and hematite material with variable silica.
- Systematic rock chip sampling indicates grades of 30 to 64% Fe with an overall average 40% Fe, 0.04%P and silica varying inversely with Fe
- Airborne magnetics indicates further iron formation under cover

### PROGRAM:

- Detailed mapping and sampling of 5 DSO targets (in progress)
- Analysis of airborne magnetic data (in progress)
- RC drilling of targets 5000m, first pass drill traverses to -60m (March)
- Continuing mineralogical studies geological/assay data analysis
- RC infill drilling (May)
- JORC standard resource statement (June-July)

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# MT FORREST IRON – BULGA DOWNS

**Table 1 Results of 153 Rock Chip Samples of BIF within MLs**

	Minimum	Maximum	Mean
Fe	25.170	63.430	40.007
SiO2	2.230	62.610	40.743
Al2O3	0.010	11.540	0.198
TiO2	0.010	0.140	0.044
CaO	0.010	0.100	0.023
Mn	0.000	0.040	0.019
P_XRF	0.005	0.374	0.038
S_XRF	0.001	0.073	0.011
MgO	0.010	0.290	0.036
K2O	0.001	0.013	0.003
LOI1000	0.060	6.360	1.607

**Table 2 Key Characteristics of Samples >60% Fe**

	Minimum	Maximum	Mean
Fe	62.880	63.430	63.093
SiO2	2.230	8.310	4.607
P_XRF	0.024	0.061	0.041

**Table 3 Bulga Downs Fe Target Characteristics**

Target	Max Rockchip Fe%	Length (m)	Comment
Fe1	63.43	2,600	Surface widths of 40 to 70m
Fe2	62.88	1,250	Surface widths of 40 to 70m
Fe3	62.97	1,600	Widths to 100m
Fe4	57.23	600	Surface widths of 45 to 60m
Fe5	n/a	1,500	Under cover, widths to 100m

**Table 4 Exploration Target Estimations**

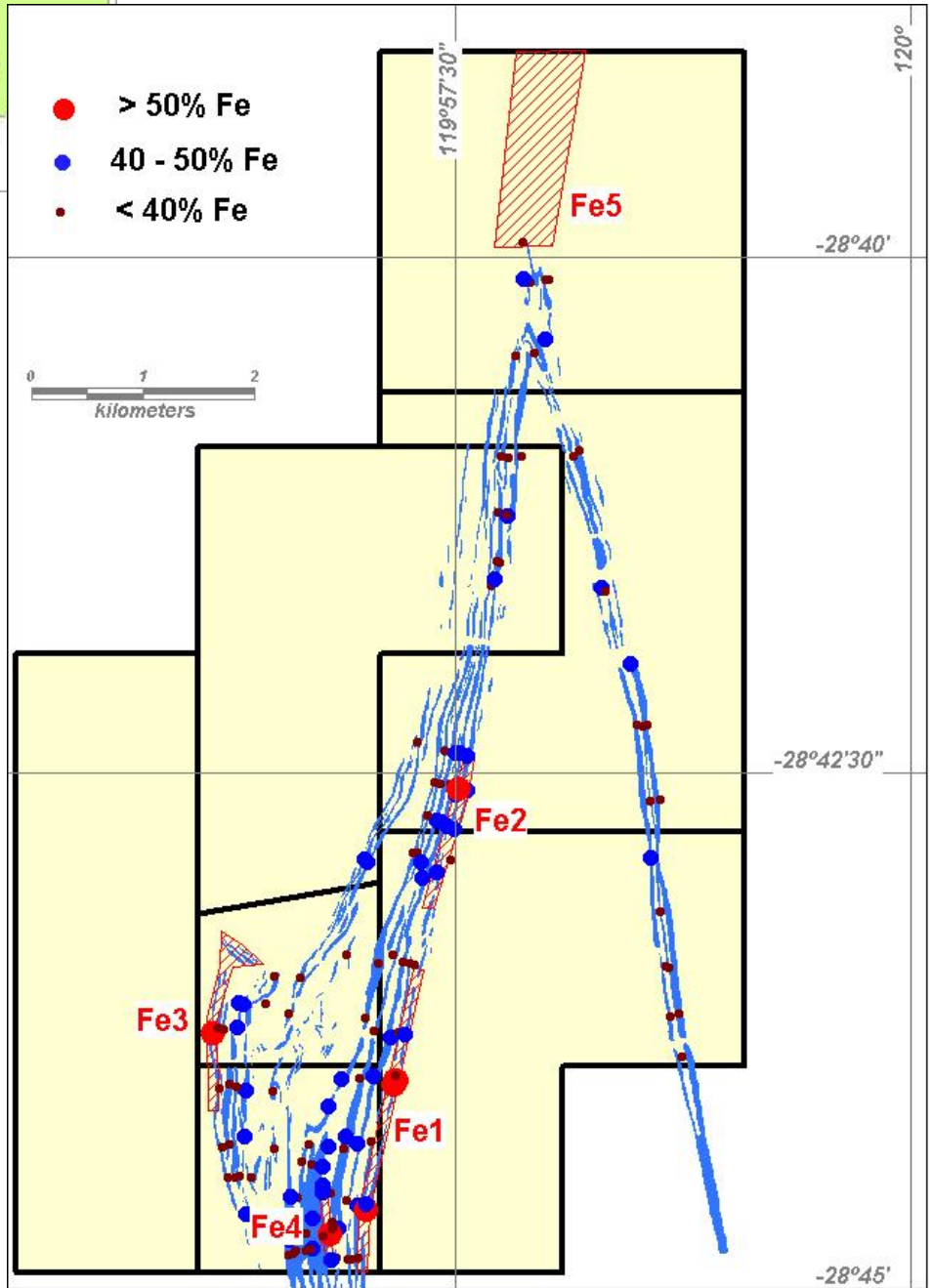
Target	Outcrop Area (Km2)	SG	Million tonnes per vertical metre
<b>Fe1</b>	0.1210	3.5	0.42
<b>Fe2</b>	0.0912		0.32
<b>Fe3</b>	0.0792		0.28
<b>Fe4</b>	0.0304		0.11
<b>Fe5</b>	0.0998		0.35
	<b>0.4216</b>		<b>1.48</b>
<b>All BIF</b>	<b>2.8264</b>		<b>9.89</b>

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# MT FORREST IRON – BULGA DOWNS



Systematic mapping and sampling of iron formation has identified five key target positions for further investigation including RC drilling. This figure shows the distribution of mapped ironstone, sample locations and quality and target positions. This information is detailed in the tables attached



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## MT FORREST IRON – BULGA DOWNS

*The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Gregory John Bromley who is a member of the Australasian Institute of Mining and Metallurgy, with more than 5 years experience in the field of activity being reported on.*

*Mr Bromley is a full-time employee of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit 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 Bromley 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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