



COMPANY ANNOUNCEMENT

Mintails Limited – Company update

11 February 2013: Mintails Limited (**ASX: MLI**) (“the Company or “Mintails””) has completed the purchase of Dikgosi Gold's shares in Mintails' South African subsidiary operating companies. Dikgosi Gold (Pty) Ltd was one of Mintails' local empowerment partners, in accordance with South African requirements. The purchase price was ZAR 4,700,000 (approx. AUD 500,000) and was settled in cash. Mintails now controls 100% of the shares in all group entities.

Under South African regulation, Mintails must have equity participation of at least 26% in its South African operations by and to the benefit of Historically Disadvantaged South Africans (HDSAs). The equity stake is purchased by the local partners, who then participate *pari passu* with Mintails and provide representation to the board at the empowered level. In accordance with the principles of Broad Based Black Economic Empowerment (BBBEE), a portion of the equity stake will be placed in trust for the benefit of the local community and for employees and their families.

Mintails is currently in discussion with potential parties who we feel will bring material value the group.

Further announcements will be made as the terms of agreements with potential partners are determined. During this time of transition, Mintails will restructure to simplify its organizational structure in a manner that better aligns with our strategic direction and expected empowerment participation.

Mintails will also keep the Department of Mineral Resources, which regulates the mining industry in South Africa, informed of these changes.

On behalf of the Board

Mark Brune
Chairman
Mintails Limited

About Mintails Limited

Mintails Limited (ASX Code: MLI) is an Australian listed company with management and operations in South Africa. Mintails processes and recovers gold from surface tailings resources which are present on the West Rand of South Africa's historic Witwatersrand Basin. To find out more, visit Mintails at: www.mintails.com

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