MINTAILS
LIMITED

Company Announcement

16th October 2009

Mintails Limited ("Mintails") (ASX:MLI) concluded the acquisition of Skeat Gold Mining and associated interests ("SGM") in December 2006, whereby, at the time, it acquired effectively 70% of SGM. The balance of 30% of SGM was to be completed through the exercise of three tranches of Put/Call Agreements that provided for the acquisition of the entire issued capital of SGM by December 2009. To date only a further 7.4% of the remaining shares in SGM have been acquired.

Mintails is pleased to announce that it has concluded two separate Agreements with the respective vendors of SGM, Mr Peter Edwin Skeat on the one hand and Benoryn Investment Holdings (Pty) Ltd ("Benoryn") on the other, whereby the remainder of the SGM interests will be acquired.

Mintails under these arrangements shall pay both Peter Edwin Skeat and Benoryn an amount of AUD$1,666,250 in full satisfaction of the Put/Call Option Agreements. The parties have reached agreement whereby the execution of these transactions will be settled in cash at the ZAR equivalent of AUD $1 666 250.

These funds will be raised by means of a private placement to institutional and professional investors of its shares comprising 37,027,783 ordinary shares *in toto* which will rank equally with all other existing shares at a subscription price of AUD $0.045 per ordinary share. The company intends to seek shareholder approval for this issue under Chapter 7 of the ASX Listing Rules at its forthcoming Annual General Meeting.

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 and proposes to recover uranium from surface tailings resources which are present on the West and East Rand of South Africa's historic Witwatersrand Basin. To find out more, visit Mintails at: www.mintails.com

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