Quarterly Report for the Period Ended
31 March 2010

MINTAILS LIMITED

About Mintails

- Mintails owns substantial gold, uranium and sulphur bearing tailing materials located in South Africa's historic Witwatersrand Basin.
- Through its ownership of extensive plant, equipment and infrastructure Mintails is in the process of becoming a significant producer of gold and potentially uranium and sulphuric acid with processing facilities on both its West and East Rand locations.

Issued Capital : 1063.2m shares
: 1158.2m shares (fully diluted)

Major Shareholders

:	HSBC Custody Nominees	26.30%
:	Citicorp Nominees Pty Limited	19.25%
:	Kintara Ltd	10.71%
:	JP Morgan Nominees Australia	8.33%
:	HSBC Custody Nominees	3.73%

Directors

: Pat Smyth, Chairman
: Dick van der Walt, CEO
: Basie Maree, Executive Director
: George Beaumont, Non-executive Director
: Peter Chapman, Non-executive Director
: Mark Brune, Non-executive Director

Website: **www.mintails.com.au**

This report includes certain forward-looking statements that have been based on current expectations about future acts, events and circumstances. These forward-looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements.

These factors include, among other things, commercial and other risks associated with estimation of uranium and gold resources, the meeting of objectives and other investment considerations, as well as other matters not yet known to the Company or not currently considered material by the Company.

Mintails accepts no responsibility to update any person regarding any error or omission or change in the information in this presentation or any other information made available to a person or any obligation to furnish the person with further information.

Highlights

- Mogale Gold Two was successfully commissioned during the quarter with the first gold pour that saw most of the company's major investors attending.
- Mintails Limited enters into binding Heads of Agreement with West Wits Mining Limited for the processing of the latter Company's ore at Mogale Gold.
- An alliance between Mintails SA and the South African government was established to actively address the Acid Mine Drainage (AMD) on the West Rand – MSA has been contracted by government to use the Company's current infrastructure to pump the necessary volumes to control the overflow of AMD water.
- Drilling continues on the West Rand to advance the Resource Statement from the JORC Inferred category to the JORC Indicated and Measured categories.
- Approval received from the Department of Water Affairs to deposit in the South Pit.
- Waste rock sales and environmental clean-up operations continue to generate additional income for the Company.
- Post quarter end Competition Commission approval was obtained for the disposal of Mintails' 50% equity interest in Ergo Mining (Pty) Ltd.

Pit Deposition

WEST RAND OPERATIONS

Overview

The support from shareholders to fund construction and commissioning of Mogale Gold Two met with a successful commissioning of the Gold Two Processing Plant during the quarter. Another major milestone was achieved in the Company when the first gold bullion from the expanded Mogale Gold Two circuit was produced on 5 February 2010. This event saw most of the Company's major investors experiencing this eagerly anticipated moment.

The company achieved its commissioning milestones of coming to practical terms with the extensive plant, mining and piping infrastructure of Gold Two. As expected "commissioning" is a process and not an event. The process of commissioning has identified various areas for optimization, adjustment and correction. These valuable early stage lessons-learned, has resulted in corrective measures been undertaken. Management is pleased with what has been achieved to date and is looking forward to Mogale Gold Two becoming a strong cash contributor to the company bottom line.

The Company intentionally commenced mining in a mid-range grade mining area to avoid early stage commissioning inefficiencies impacting its higher grade target areas. It also had an opportunity to gain a deeper understanding of the resource characteristics of the mining area, currently being mined. On the basis of results achieved thus far, the company is undertaking focused action to position the Mines Work Programme to optimize mining methods and targeted head grades for the next stage of the mining plan.

The existing Mogale Gold One plant is producing gold predominantly from milling sand and processing slime. This plant continued to see a steady improvement in performance and has, during the quarter, produced the best recovery efficiency on record for this plant. The production from this plant underpinned the company's cash flows for the quarter with the production of 3 911 ounces.

The Company continued to undertake optimization and corrective measures in respect of amongst other, the elution circuit.

The Mines Work Programme for this plant also saw the commencement of mining of a new slimes dam. The corrective measures associated with the elution circuit and the commencement of the new mining area, however adversely impacted on production. These constraints have now been addressed and the Company is expecting a strong contribution from Gold One for the next quarter.

The Company is furthermore a substantial shareholder in West Wits Mining. West Wits Mining intends processing ore from its Emerald Gold Project which is situated close to the Mogale operations. Mintails entered into a Binding Heads of Agreement with West Wits Mining to assess how synergies between the assets of the two companies can be mobilized through a 50/50 share interest in a proposed joint venture. When completed, the proposed joint venture could result in further cash flow contributions to operations. In addition, as a shareholder in West Wits Mining, the underlying value created in that company will benefit Mintails as a substantial shareholder in the company.

Another milestone was achieved when, during the quarter, Mogale Gold obtained Regulatory confirmation enabling it to expand its deposition optionality in the West Wits Pit. This positive development effectively secures further deposition capacity of 25 million tonnes or between four to five extra years operation at current Mogale Gold One and Mogale Gold Two processing rates.

Waste rock mining and environmental spillage clean-up operations continue to generate additional income for the Company.

Resource Update

The Company has continued its programme to upgrade its Resource Statement for both the Randfontein Cluster and Soweto Cluster areas – this work provides the Company with further capacity to optimise its planning and execute its Mining Work Programme:

Randfontein Cluster Area

The assessed total tonnage and gold content of the Randfontein Cluster is 138.8 million tonnes (Mt) and 1.350 million ounces respectively. Of these amounts, 92.5 Mt (67%) containing 0.956 million ounces is now reported in the more reliable 'Indicated' or 'Measured' categories. The 1L8 deposit was evaluated during the quarter and is reported in the 'Measured' category. It was found to contain 4.88 Mt and 50 000 ounces Au. The 1L8 deposit has already been equipped and is being reclaimed to the Mogale Gold 1 operation.

Soweto Cluster Area

The reported tonnage and gold content of the Soweto Cluster Resource is 177.2 million tonnes and 1.749 million ounces respectively. Of these amounts, 62.3 million tonnes (35%) containing 0.561 million ounces of gold is reported in the 'Indicated' category. The remainder (114.9 million tonnes) is in the 'Inferred' category.

The drilling, assay and gold leach test programme to evaluate several 'Inferred' deposits in the Soweto Cluster area is now at an advanced stage and is expected to be complete by the end of the next quarter.

Mining Rights and Licensing

Randfontein Cluster Area

The Company awaits the outcome of the conversion application for their Mogale mining licence ML12/2003 to a 'new order' mining right. This application to the Department of Minerals (DMR) was further strengthened by the submission of a mining work programme and social and labour plan, both key requirements for consideration in the application process.

A further application, referred to as a 'Section 102 application', has also been made to the Minister for the inclusion of the adjacent Mintails owned dumps (1L23-25, 1L13-15, 1L28 and South Sands) to be included in the Mogale Mining Right. This application will be processed after the conversion is secured.

At quarter-end Mogale received a Directive from the Department of Water Affairs (DWA) authorising the deposition of tailings into the south section of the West Wits Pit. This development is most encouraging in that a further 25 million tonne deposition site has been secured, and a key requirement of the pending application for a Mogale Integrated Water Use Licence to DWA has already been authorised.
Mogale Gold has re-registered all their needed Surface Right Permits in the Randfontein Cluster area.

Soweto Cluster Area

The Mintails Resource in the Soweto Cluster area is underpinned by a prospecting right. This was awarded to the Mintails owned company, DRD (Pty) Limited, in October 2006. An annual prospecting progress report was recently submitted to the DMR to ensure compliance with the prospecting right obligation.

Going forward, Mintails will continue to explore the potential and opportunities that are increasingly being offered by the Soweto Cluster.
Mintails has re-registered all their perceived needed Surface Right Permits in the Soweto Cluster area.

Operational

The Mogale Gold complex (including Mogale Gold One and Mogale Gold Two) saw a challenging quarter. Whilst improving on the availability of Gold One, the simultaneous completion of the commission process of Gold Two continued. The Mogale Complex suffered one lost time injury during the quarter. A staff member suffered an amputation of the tip of a finger following a material handling incident in the smelt house. The incident later became reportable. The lost time injury frequency rate (LTIFR) for Mogale Gold is currently 0.7 for the calendar year to date, which is below the benchmark of 1.0.

Mogale Gold One

The availability of the Gold One circuit continues to ensure a steady performance despite various recent challenges with the elution circuit. Gold one has, however, shown the stabilization of recovery efficiencies during the past quarter.

Gold production for the Mogale Gold One operation was 3911 ounces (121.64 kg)

Both tonnage throughput and gold production was affected by an underperforming Mogale Gold One carbon elution circuit. The underperformance was mainly caused by inadequate flow rates and the failure of the primary heat exchanger. Due to the specialised nature of the equipment extended CIL plant downtime was required to refurbish the units

By quarter-end the elution circuit had been optimised and stabilised. Elution flow rates had doubled, elution temperatures re-established, electro winning parameters optimised and gold on carbon being returned to the CIL circuit had significantly reduced. The latter is particularly significant as the soluble gold losses to tailings at the start of April 2010 represented the best on record for the Mogale Gold One operation.

Mogale Gold Two

Commissioning continued during the quarter with the first gold bullion being produced on 5 February 2010. It is expected that the new circuit will reach full production by the end of the financial year. This project will enable the Company to produce the stated engineering design capacity of 350 000 tonnes of slimes per 30 day calendar month by April 2010, increasing the overall current capacity of 150,000 tonnes per month to 500,000 tonnes per month.

Gold production for the Mogale Gold Two operation was 511 ounces (15.90 kg)

The newly commissioned plant is already achieving early tonnage targets, as well as metallurgical targets. The commissioning process was initially hampered by delays to the final construction and commissioning of the elution, electro winning and carbon regeneration circuit and later by the impact of the acidic process water (extracted from the Western Basin void – see later) on plant equipment.

Construction of the elution circuit was finally completed by mid-quarter by using a combination of contractor and Mogale Gold One teams. Most metallurgical plant commissioning teething problems had generally been overcome by quarter end. Mogale Gold Two is now looking forward to a period of improved performance and gold production. Mintails wish to acknowledge the committed efforts of their commissioning teams that stuck to the tasks at hand and have brought the Mogale Gold Two operation to this state of readiness.

Deposition

Witfontein TDF

The Witfontein Regional Tailings Disposal Facility Project (WRTDF) continues to be pursued at a strategic level. The strategy centres on two aspects:

i. The WRTDF will guarantee long-term deposition capacity for Mintails tailings resources, as well as serve as a regional tailings deposition facility for other re-treatment projects on the West Rand.

ii. It will be linked to an appropriate water treatment facility which will not only partly counter pollution arising from the TDF, but will also address the acid mine drainage legacy issue on the West Rand.

Mogale Water Treatment

Rainfall for the quarter January – March 2010 was high at 512mm versus the three month area mean of 330mm, i.e. fifty-five percent above the mean. This caused a significant increase in the ingress of water into the abandoned underground workings that form the Western Basin Void and in turn resulted in the unavoidable overflow of acid mine drainage (AMD) to the environment in January 2010 despite Mogale and their neighbouring mine, Rand Uranium (Pty) Limited, continuing to treat their regulated allocation of AMD water.

An newly established alliance between Mintails SA, Rand Uranium and the South African government is actively addressing AMD on the West Rand resulting in both companies undertaking to extract, process and discharge the maximum quantity of AMD from the Western Basin Void on behalf of the Department of Water and Environmental Affairs. The 'Terms of Reference' for this partnership have been developed. Government funding has been provided for the next three months to finance the programme by which time the drier winter months will have arrived. The Minister of Water and Environmental Affairs visited the site during March 2010.

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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Rule 5.3

Appendix 5B – 3rd Quarter

Mining Exploration Entity Quarterly Report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of Entity:

MINTAILS LIMITED (ASX: MLI)

ABN:

45 008 740 672

Quarter Ended ('Current Quarter')

31th March, 2010

Consolidated Statement of Cash Flows

	Cash Flows Related to Operating Activities	**Current Quarter $A'000**	**Year to Date (9 months) $A'000**
1.1	Receipts from product sales and related debtors	4,207	16,231
1.2	Payments for: (a) exploration and evaluation	(67)	(377)
	(b) development	-	-
	(c) production	(3,361)	(14,767)
	(d) administration	(251)	(1,357)
	(e) contract services	(25)	(277)
	(f) staff costs	(1,684)	(5,697)
	(g) other working capital	-	-
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	131	190
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	(6)
	Net Operating Cash Flows	**(1,050)**	**(6,060)**
	Cash Flows Related to Investing Activities		
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	(272)	(339)
	(c) other fixed assets	-	(5)
	(d) capital upgrade to assets	(3,166)	(17,436)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	1,472	2,176
	(c) other fixed assets	1,120	2,604
1.10	Loans to other entities	-	-
1.11	Loans repaid to other entities	-	(2,147)
1.12a	Other – Acquisition of Subsidiary	-	-
1.12b	Other - Funding for Joint Venture	736	736
	Net Investing Cash Flows	**(110)**	**(14,411)**
1.13	**Total Operating and Investing Cash Flows**	**(1,160)**	**(20,471)**

+ See chapter 19 for defined terms.

		Current Quarter $A'000	Year to Date (9 months) $A'000
1.13	**Total Operating and Investing Cash Flows (Carried Forward)**	**(1,160)**	**(20,471)**
	Cash Flows Related to Financing Activities		
1.14	Proceeds from issues of shares, options, etc.	-	14,985
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	(113)
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	(28)
	Net Financing Cash Flows	**-**	**14,844**
	Net Increase / (Decrease) in Cash Held	**(1,160)**	**(5,627)**
1.20	Cash at beginning of quarter/year to date	2,605	7,363
1.21	Exchange rate adjustments to item 1.20	8	(283)
1.22	**Cash at End of Quarter**	**1,453**	**1,453**

Payments to Directors of the Entity and Associates of the Directors
Payments to Related Entities of the Entity and Associates of the Related Entities

		Current Quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	212
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Salaries, directors' fees, corporate advisory & consulting fees at normal commercial rates

Non-Cash Financing and Investing Activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

-

Financing Facilities Available

Add notes as necessary for an understanding of the position.

		Amount Available $A'000	Amount Used $A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated Cash Outflows for Next Quarter

		$A'000
4.1	Exploration and evaluation	150
4.2	Development	-
	Total:	**150**

Reconciliation of Cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current Quarter $A'000	Previous Quarter $A'000
5.1	Cash on hand and at bank	1,442	2,494
5.2	Deposits at call	11	111
5.3	Bank overdraft	-	-
5.4	Funds held in trust	-	-
	Total: Cash at End of Quarter (item 1.22)	**1,453**	**2,605**

Changes in Interests in Mining Tenements

		Tenement Reference	Nature of Interest (note (2))	Interest at Beginning of Quarter	Interest at End of Quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	-	-	-	-
6.2	Interests in mining tenements acquired or increased	-	-	-	-

+ See chapter 19 for defined terms.

Issued and Quoted Securities at End of Current Quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total Number	**Number Quoted**	**Issue Price Per Security (cents)** (see note 3)	**Amount Paid Up Per Security (cents)** (see note 3)
7.1	**Preference +Securities** *(Description)*	-	-	-	-
7.2	Changes During Quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3	**+Ordinary Securities**	1,063,207,435	1,063,207,435	-	-
7.4	Changes during quarter (a) Increases through issues	-	-	-	-
	(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5	**+Convertible debt securities** *(Description)*	-	-	-	-
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7	**Options** *(Description and Conversion Factor)*	91,665,000	-	Exercisable @ $0.045 to $0.80	-
7.8	Issued during quarter	13,165,000	-	Nil Exercise on or before 02/01/13	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	16,500,000	-	Exercisable @ $0.020 to $0.80	-
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

+ See chapter 19 for defined terms.

Compliance Statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.

Sign Here: Date: 27th April, 2010

Print Name: ……………………
Dick van der Walt

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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