

ASX RELEASE



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MINERAL DEPOSITS COMPLETES A\$150 MILLION PLACEMENT

Mineral Deposits Limited (“MDL”) is pleased to announce that it has successfully completed a A\$150 million share placement, which will involve the issue of 100 million shares at an issue price of A\$1.50 per share.

The placement was managed by Haywood Securities Inc, Wilson HTM and Euroz Securities.

MDL’s Managing Director, Jeff Williams, said “The funds from the placement will provide the equity component of the development costs of the company’s two projects in Senegal, being the Grande Côte Zircon Project and the Sabodala Gold Project. The balance of the funding requirements of the two projects will be sourced from debt at the required time,” he concluded.

Nic Limb, MDL’s Chairman, said “We are delighted with the response to the placement by both international and local institutions, underscoring the support for and the quality of the company’s projects.”

Shares under the placement will be issued in two tranches. The first tranche (25 million shares) is expected to settle on 31 March 2006 and commence trading on ASX on 3 April 2006. The issue of the second tranche (75 million shares) is conditional on shareholder approval, which will be sought at a general meeting of the company planned for 26 April 2006. If approval is granted, the second tranche of shares is expected to settle on 27 April 2006 and commence trading on ASX on 1 May 2006.

Shareholder Share Purchase Plan

In addition to the placement, the company is also undertaking a shareholder share purchase plan (“SSPP”). The record date for the SSPP is Friday, 24 March 2006 and eligible shareholders will be entitled to apply for up to A\$5,000 worth of MDL shares at \$1.50 per share, being the same issue price as under the placement. Documentation for the SSPP will be despatched shortly and the expected closing date for subscriptions is 27 April 2006.

The offered securities have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from U.S. registration requirements. This release does not constitute an offer for sale of securities in the United States or the solicitation of an offer to buy, nor shall there be any sale of these securities in any State in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such State.

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