



## ASX RELEASE – 22 MAY 2007

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### SABODALA EAST FLAT ZONE EXTENDS 210 METRES – STILL OPEN

The company is pleased to provide an update on recent high grade gold intersections from the ongoing drilling programme on the East Flat Zone at the proposed Sabodala open pit in Senegal, west Africa.

The preliminary open pit design indicates 1.01 million ounces of mineable reserves but the new East Flat Zone will extend the known reserves. All significant gold intersections from the East Flat Zone are shown in the attached Table 1. They demonstrate that mineralisation extends some 210 metres east beyond the current open pit design limits and the zone remains open to the east, north and south (see open pit plan below).

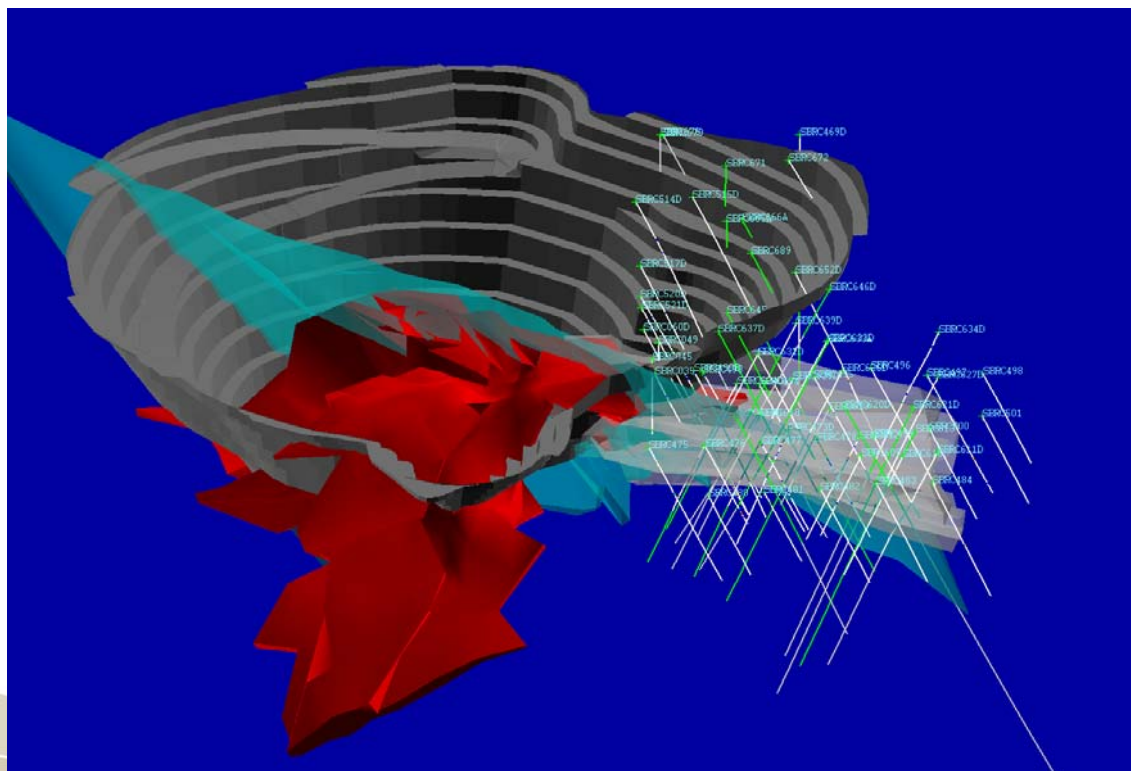
The majority of the intersections lie between 60 and 110 metres vertically below the natural surface.

To date, the East Flat Zone averages eight metres grading at least 4g/t. Select intersections include:

SBRC329D	24 metres grading 4.5g/t from 183 metres;
SBRC330D	32 metres grading 5.1g/t from 165 metres (previously announced); and
SBRC122D	36.6 metres grading 5.8g/t from 120.5 metres.

Select higher grade gold intersections include:

SBRC060D	7.0 metres grading 6.2g/t from 106 metres;
	8.0 metres grading 7.3g/t from 134 metres; and
SBRC061	12.4 metres grading 7.4g/t from 115 metres (all downhole and drilled at 60 degrees).



*East Flat Zone is shown at the right of the diagram with indicated drill intersections*



Commenting on the results, Jeff Williams, Managing Director, stated “Drilling on the East Flat Zone continues to intersect significant grades and widths expanding the potential of the deposit. The ongoing programme will be extended to identify the margins of the high grade flat zone and any repeats at depth. When the September quarter drill plan is completed, new open pit designs will be undertaken prior to year-end to take account of the East Flat Zone.”

*The information in this report that relates to Exploration Results is based on information compiled by Mineral Deposit Limited’s Chief Geologist, Chris Young BSc, who is a member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Young has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken. He is qualified 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 Young has consented to the inclusion of this information in the form and context in which it appears in this report.*

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**TABLE 1**  
**Mineralisation Intersections from the East Flat Zone**  
**All holes azimuth grid east and @ -60 degrees inclination**

Section	Hole ID	Easting	Azimuth	From (m)	Interval (m)	Grade (g/t Au)	Horizontal Distance to Open Pit Limits (m)
20170N	SBRC625	10415	225	72	4	3.0	170
	SBRC626	10450	225	73	8	5.6	210
				84	7	4.0	210
20250N	SBRC060D	10310	90	105.9	7	6.2	90
				134	8	7.3	180
	SBRC061D	10290	90	86	4	3.8	60
				105	8.2	5.1	120
	SBRC062D	10270	90	106.18	11	2.3	100
20270N	SBRC071D	10250	90	108	4	4.2	40
				114	4.7	4.7	50
20310N	SBRC087D	10290	90	104.5	6.5	2.6	80
	SBRC088D	10270	90	107	8.9	4.7	60
	SBRC521D	10310	90	99	7.7	3.6	80
20330N	SBRC093D	10230	90	115.65	4.4	4.5	10
				138	4	5.0	25
	SBRC212D	10270	90	106	10	3.8	35
20370N	SBRC105D	10270	90	79	4.4	4.1	in-pit
				114	14	4.3	10
	SBRC106D	10230	90	117	4.3	2.7	in-pit
				162	7	2.6	90
	SBRC517D	10311	90	119	8.9	6.0	35
20570N	SBRC329D	10170	90	183	24	3.9	in-pit