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**SABODALA GOLD PROJECT
FORMAL CONTRACT SIGNED WITH AUSENCO**

MDL is pleased to announce that it has awarded an Engineering, Procurement, Construction and Management ("EPCM") contract for the Sabodala gold project in Senegal to Ausenco Limited, the global mining and engineering services company.

While MDL has only now executed the Sabodala EPCM contract, the company itself had commenced certain aspects of project construction in March 2007. Preliminary site works such as building of a small dam of some 800,000 cubic metres and all-weather roads were completed late in 2006.

The Sabodala project, costing US\$145 million, is expected to start gold processing in September 2008. The critical lead items such as the ball and SAG mills are due to arrive in Senegal by March 2008. The new permanent mine accommodation to house 550 persons on site will be finished in November 2007 and the dedicated power station of 21.6 megawatts has been purchased and is being readied for shipment.

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