



Mineral Deposits Limited

ASX/TSX RELEASE – 25 SEPTEMBER 2008

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TSX CODE: MDM

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RED BACK MINING INC. INVESTMENT IN MINERAL DEPOSITS LIMITED

MDL wishes to advise that it has today received notification from Red Back Mining Inc. of Vancouver, Canada that it has acquired approximately 62 million shares (12.8%) of MDL's issued capital. We understand that these shares were formerly controlled by hedge fund Ospraie Management of New York. Attached is Red Back's press release to the Canadian market.

The board of MDL has initiated a process to review strategic alternatives. It has appointed CIBC World Markets as its financial advisor in connection with this process.

For further details please contact:

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Red Back Mining Inc

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RED BACK INVESTMENT IN MINERAL DEPOSITS LIMITED

September 24, 2008 (RBI - TSX) ... Red Back Mining Inc. (the "Company" or "Red Back") is pleased to advise that it has purchased a strategic investment in Mineral Deposits Limited ("MDL") (MDM – TSX, MDL – ASX). Red Back now owns approximately 62 million shares representing 13% of the issued capital of MDL.

MDL is developing the 3.5 million oz Sabodala Gold Project in Senegal, West Africa. Construction is advanced and first gold pour is expected at the end of December 2008. MDL also owns the Grand Cote Mineral Sands project in Senegal and is targeting production in late 2009.

The acquisition cost of US\$27.5 million was funded using a recently arranged debt facility with a leading international bank.

Red Back acquired the securities for investment purposes and may acquire further common shares or dispose of its holdings as investment conditions warrant.

About Red Back

Red Back Mining Inc. is an unhedged African focused gold producer. It owns and operates the Chirano Gold Mine in Ghana (90% interest) and the Tasiast Gold Mine in Mauritania (100% owned). Major plant expansions at both Chirano and Tasiast are underway. An aggressive exploration program aimed at increasing the Company's resource and reserve base at both Chirano and Tasiast is continuing.

This News Release contains forward looking statements which are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward looking statements. The Company does not intend to update this information and disclaims any legal liability to the contrary.

On Behalf of the Board,

Richard P. Clark
President and CEO

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