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## MEASURED AND INDICATED RESOURCE ESTIMATE FOR GRANDE CÔTE ZIRCON AND ILMENITE PROJECT

During the first quarter of 2009, Measured and Indicated Resources for the Diogo-Fass Boye area where MDL has completed infill drilling were estimated by AMC Consultants Pty Ltd. The resource estimate was provided at a series of cut-off grades and for a series of depths below the water table applicable to MDL's stated intention to mine the resources by cost efficient dredging.

The MDL infill drilling was undertaken on lines at 200 metre intervals and with the majority of drill holes at 25 metre spacing. The drilling was a combination of RC (air core) using in-house Bombardier-mounted drill rigs and hand auger using a conventional DORMER shell auger. Overall, MDL completed 75,578.2 metres of RC and 32,677.6 metres of hand auger drilling over a strike length of some 23 kilometres. The granted mine lease is about 107 kilometres long. The results from this drilling were combined with previous RC and hand auger drilling in MDL's possession to provide a comprehensive database for the AMC resource estimate.

The company has completed its initial mine planning based on these Measured and Indicated Resources:

**Table 1: Resource at Different Cut-offs for the Area Above 6m Below the Water Table**

HM% Cut-off	Measured		Indicated		Total	
	Tonnes (M)	HM (%)	Tonnes (M)	HM (%)	Tonnes (M)	HM (%)
0.75	1,114	1.3	161	1.1	1,275	1.3
1.0	727	1.5	77	1.3	804	1.5
1.25	464	1.8	28	1.6	493	1.8
1.35	389	1.9	20	1.7	409	1.9
1.5	298	2.0	12	1.9	310	2.0
1.75	182	2.2	6	2.2	188	2.2
2.0	112	2.5	3	2.4	115	2.5

**Table 2: Resource at Different Cut-offs for the Area Above 5m Below the Water Table**

HM% Cut-off	Measured		Indicated		Total	
	Tonnes (M)	HM (%)	Tonnes (M)	HM (%)	Tonnes (M)	HM (%)
0.75	1,089	1.3	1,558	1.1	1,245	1.3
1.0	726	1.6	77	1.3	804	1.5
1.25	475	1.8	30	1.6	505	1.8
1.35	398	1.9	21	1.7	419	1.9
1.5	310	2.0	13	1.9	323	2.0
1.75	196	2.3	6	2.2	202	2.3
2.0	122	2.5	4	2.4	126	2.5

**Table 3: Resource at Different Cut-offs for the Area Above 4m Below the Water Table**

HM% Cut-off	Measured		Indicated		Total	
	Tonnes (M)	HM (%)	Tonnes (M)	HM (%)	Tonnes (M)	HM (%)
0.75	1,058	1.4	148	1.1	1,206	1.3
1.0	720	1.6	77	1.3	797	1.6
1.25	481	1.8	32	1.6	514	1.8
1.35	406	1.9	22	1.7	428	1.9
1.5	319	2.1	14	1.9	334	2.1
1.75	208	2.3	7	2.2	215	2.3
2.0	132	2.5	4	2.5	136	2.5

**Table 4: Resource at Different Cut-offs for the Area Above 3m Below the Water Table**

HM% Cut-off	Measured		Indicated		Total	
	Tonnes (M)	HM (%)	Tonnes (M)	HM (%)	Tonnes (M)	HM (%)
0.75	1,022	1.4	140	1.1	1,162	1.4
1.0	708	1.6	75	1.3	782	1.6
1.25	484	1.9	33	1.6	517	1.8
1.35	414	2.0	23	1.7	437	1.9
1.5	328	2.1	15	1.9	343	2.1
1.75	219	2.3	8	2.2	227	2.3
2.0	142	2.6	4	2.5	147	2.6

**Table 5: Resource at Different Cut-offs for the Area Above 2m Below the Water Table**

HM% Cut-off	Measured		Indicated		Total	
	Tonnes (M)	HM (%)	Tonnes (M)	HM (%)	Tonnes (M)	HM (%)
0.75	977	1.4	130	1.1	1,107	1.4
1.0	690	1.7	71	1.4	760	1.6
1.25	480	1.9	33	1.6	513	1.9
1.35	417	2.0	24	1.8	441	2.0
1.5	334	2.1	16	1.9	350	2.1
1.75	229	2.3	8	2.2	238	2.3
2.0	153	2.6	5	2.5	158	2.6

**Table 6: Resource at Different Cut-offs for the Area Above 1m Below the Water Table**

HM% Cut-off	Measured		Indicated		Total	
	Tonnes (M)	HM (%)	Tonnes (M)	HM (%)	Tonnes (M)	HM (%)
0.75	924	1.5	118	1.2	1,042	1.4
1.0	667	1.7	65	1.4	733	1.7
1.25	473	1.9	32	1.7	505	1.9
1.35	414	2.0	24	1.8	438	2.00
1.5	337	2.1	16	2.0	353	2.1
1.75	237	2.4	9	2.2	245	2.4
2.0	162	2.6	5	2.5	167	2.6

**Table 7: Resource at Different Cut-offs for the Area Above 0m Below the Water Table**

HM% Cut-off	Measured		Indicated		Total	
	Tonnes (M)	HM (%)	Tonnes (M)	HM (%)	Tonnes (M)	HM (%)
<b>0.75</b>	865	1.5	106	1.2	971	1.5
<b>1.0</b>	639	1.7	60	1.4	699	1.7
<b>1.25</b>	459	2.0	31	1.7	490	1.9
<b>1.35</b>	406	2.0	23	1.8	429	2.0
<b>1.5</b>	335	2.2	16	2.00	351	2.2
<b>1.75</b>	239	2.4	10	2.3	248	2.4
<b>2.0</b>	167	2.6	6	2.5	173	2.6

The AMC resource estimates have been classified according to the JORC Code guidelines (The Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, Joint Ore Reserve Committee 2004). Total figures in the tables may not add precisely due to rounding.

*The information in this report that relates to Mineral Resources is based on information compiled by MDL's Chief Geologist, Chris Young BSc, and Rodney Webster, who are members of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Messrs Young and Webster have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken. They are qualified as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" and as defined in NI43-101. Messrs Young and Webster have consented to the inclusion of this information in the form and context in which it appears in this report.*

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