



MDL Mineral Deposits Limited
ABN 19 064 377 420

ASX/TSX Release

13 October 2009

ASX: MDL
TSX: MDM

SEPTEMBER QUARTER GOLD PRODUCTION

- ▶ **Sabodala gold production of 54,260 ounces in September quarter**
- ▶ **Gross cash costs of US\$382 per ounce excluding royalties / US\$412 per ounce including royalties**
- ▶ **Remain on target to produce 160,000 ounces to 31 December 2009**

Mineral Deposits Limited is pleased to announce that its Sabodala gold operation in Senegal produced 54,260 ounces of gold during the September quarter, continuing the strong performance of the mine since its commissioning in March this year, which included 58,943 ounces in the June quarter.

Gross cash operating costs of Sabodala for the September quarter were US\$382 per ounce excluding royalties and US\$412 per ounce including royalties, compared with US\$350 per ounce and US\$373 per ounce respectively in the June quarter.

Mill throughput for the quarter was 498,867 tonnes at a head grade of 3.66g/t gold, with recovery at 92.2%. Electrical faults late August/early September (which were rectified mid September), as well as SAG mill chute blockages (predominantly caused by the feeding of wet oxide ore – a function of the heavier than usual wet season that is drawing to a close), curtailed production during the quarter.

Nic Limb, MDL's Executive Chairman, said "We are delighted with how the mine has performed since its commencement in March this year. We remain confident that we will achieve production guidance of approximately 160,000 ounces by the end of this calendar year."

The September Quarterly Report, detailing all activities for the period, will be released later in the month.

For further details please contact:

Jeff Williams

T: +61 3 9909 7633 | E: jeff.williams@mineraldeposits.com.au

About MDL

Mineral Deposits Limited is a diversified mining company with a current focus in Senegal, West Africa through a producing gold mine, the Sabodala Gold Operation, and a to be developed mineral sands project, the Grande Côte Zircon Project.

The Sabodala Gold Operation, which poured its first gold bars in mid-March 2009, is located 650 kilometres east of the capital Dakar within the West African Birimian geological belt and about 90 kilometres from major gold mines and discoveries in Mali. The area has only recently been opened for mining and exploration and is already emerging as a significant new gold camp, with further recent discoveries having been made by Oromin Explorations Limited and Randgold Limited.

The Grande Côte Zircon Project is located on a coastal mobile sand dune system starting about 50 kilometres north of Dakar and extending northwards for more than 80 kilometres. The large scale of the ore body and the high quality of the zircon offers the opportunity to establish an operation of international significance.

Senegal is one of Africa's most successful democracies, having gained independence in 1960. It enjoys a stable and investor friendly political and social environment. The government of the Republic of Senegal is MDL's valued partner and holds a 10% free carried interest in both projects, which will accrue dividends once MDL has recovered its capital invested.