

SHARE PURCHASE PLAN EXTENSION

Mineral Deposits Limited (ASX: MDL, TSX: MDM) announces today that given the recent turmoil in the global financial markets, combined with the uncertainty created by the proposed introduction of a Resource Super Profits Tax (RSPT) in Australia, the offer period for the current Share Purchase Plan (SPP) has been extended by two weeks such that it will now **close on 28 May 2010**.

Under the SPP, Eligible Shareholders have the opportunity to subscribe for new ordinary shares in MDL to a value of \$1,000, \$2,000, \$5,000, \$10,000 or \$15,000, as selected, without brokerage or other transaction costs, at an issue price of A\$0.95 per share.

Fortunately for MDL, **its mining projects will NOT be subject to an RSPT** as the projects themselves are not located in Australia. In fact, an RSPT is likely to provide a competitive advantage to companies like us with projects offshore over companies with projects in Australia.

For further information please contact:

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About MDL

Mineral Deposits Limited is an ASX and TSX listed 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 Mineral Sands Project.

The Sabodala Gold Operation, which poured its first gold in March 2009, is located 650 kilometres east of the capital Dakar within the West African Birimian geological belt in Senegal, 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 emerging as a significant new gold camp, with more than 10M ounces of resources already discovered.

The Grande Côte Mineral Sands Project is located on the coast of Senegal starting approximately 50 kilometres north of Dakar and extending northwards for more than 100 kilometres. The large scale of the ore body and the high quality of the zircon provides the potential 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.