

## HIGH GRADE INTERCEPTS CONTINUE AT GORA, INCLUDING 7 METRES @ 32 g/t

Mineral Deposits Limited (ASX: MDL, TSX: MDM) is pleased to announce that the last 10 holes in the Phase 1 51-hole reverse circulation (RC) drilling program at the Gora deposit has continued to yield high-grade intercepts, including the best intercept to date of 7 metres @ 32.0 g/t Au from 110 metres depth (including 1 metre @ 181 g/t Au from 114 metres) in hole SKRC044.

Attached is a plan map locating the drill holes SKRC042 to SKRC051 (refer Figure 1) and a table showing the drill results for each hole (refer Table 1). The results of the first 41 holes drilled were previously referred to in the third quarter report released on 30 April 2010 and subsequent announcements on 7 May 2010 and 27 May 2010.

As shown in the attached cross section (refer Figure 2), the results from hole SKRC044 indicate a significant widening of the vein system at depth. With the depth of the drill holes in the Phase 1 program averaging only 123 metres down hole (approximately 90 metres vertically), deeper drilling will be required to test the down dip extensions, all of which remain open.

Other drill results from the final 10 holes include:

- 2 metres @ 9.0 g/t Au from 77 metres depth (SKRC042);
- 1 metre @ 9.8 g/t Au from 96 metres (SKRC043); and
- 1 metre @ 4.2 g/t Au from 82 metres (SKRC050).

Following the conclusion of the highly encouraging Phase 1 drill program, geological modelling and preliminary engineering analysis is being undertaken to better define the next phase of drilling, the purpose of which will be to both extend the resource and determine the potential for near-term open pit mineable mill feed for Sabodala.

The Gora deposit is located approximately 25 kilometres northeast of the Sabodala processing plant within the Sounkounkoun exploration permit in which MDL and AXMIN Inc. are joint venture partners whereby MDL is earning a majority interest and manages the exploration.

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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.

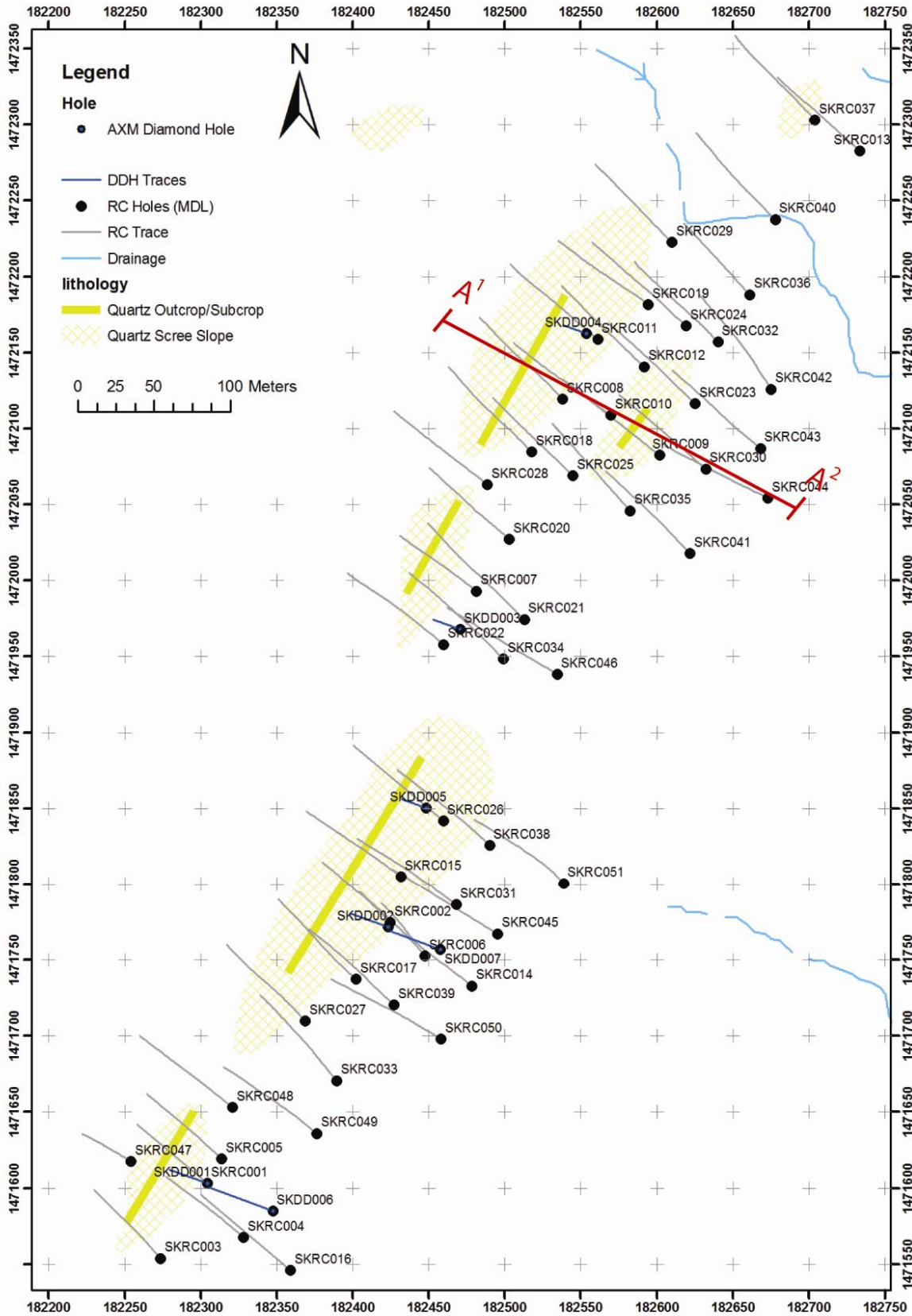
The Grande Côte Mineral Sands Project is located on the coast of Senegal starting approximately 50 kilometres north of Dakar and extending northwards for more than 100 kilometres. The large scale of the ore body and the high quality of the zircon provides the potential to establish an operation of international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

### Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Mineral Deposit Limited's Chief Geologist, Chris Young BSc, who is a member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Young has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken. He is qualified as a Competent Person 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. Mr Young has consented to the inclusion of this information in the form and context in which it appears in this announcement.

**Figure 1: Gora Prospect RC Drill Hole Plan Map**



**Figure 2: Gora Prospect Cross Section**



**Table 1: Gora Prospect RC Drill Hole Details**

HOLEID	DEPTH	Azimuth	Dip	EAST	NORTH	Elevation (m)	Intercepts
SKRC042	123	313.8	-51.3	182675	1472126	133	2m @ 9.0 g/t Au from 77 m
SKRC043	123	313.8	-51.3	182668	1472087	135	1m @ 9.8 g/t Au from 96 m
SKRC044	123	312.5	-49.7	182673	1472054	137	7m @ 32 g/t Au from 110 m including 1m @ 181 g/t Au from 114 m
SKRC045	123	312.5	-49.7	182495	1471767	139	No significant results
SKRC046	123	314.9	-49.7	182535	1471938	136	4m @ 0.5 g/t Au from 39 m 3m @ 1.9 g/t Au from 82m
SKRC047	123	314.9	-49.7	182254	1471617	138	1m @ 0.9 g/t Au from 46m
SKRC048	123	310	-50	182321	1471653	138	No significant results
SKRC049	123	317.4	-50.9	182376	1471636	138	1m @ 3.7 g/t Au from 53m
SKRC050	123	317.4	-50.9	182458	1471698	139	1m @ 4.2 g/t Au from 82
SKRC051	123	308.7	-50.7	182539	1471800	137	No significant results

**Note:** Assays are undertaken at the Sabodala SGS laboratory by AAS utilising acid digest. Outside laboratory checks are undertaken by fire assay.