



ASX RELEASE

ASX CODE: MDL

QUARTERLY REPORT FOR THE PERIOD ENDED 30 JUNE 2007

HIGHLIGHTS

▣ Sabodala Gold Project

- The Presidential Decree for the Sabodala Gold Project signed by Senegalese President H E Abdoulaye Wade and the subsequent Ministerial Notification Letter formally authorising the commencement of the investment and mining phases of the project development were received. The project has since commenced full mine construction phase.

- Further significant drilling results continue to be received on the East Flat Zone within the Sabodala concession area (all holes inclined at 60 degrees) including:

SBRC060D 7.0 metres grading 6.2g/t gold from 106 metres; and

SBRC061 12.4 metres grading 7.4g/t gold from 115 metres

- Two recently completed vertical diamond holes identified potential for significant depth extensions of the ore zone returning significant intersections:

SBRC692D 59 metres grading 3.13g/t gold from 168 metres; and

SBRC673D 16.0 metres grading 8.3g/t gold from 149 metres

▣ Grande Côte Zircon Project

Substantial drilling programmes continued at Fass Boye and Diogo. To 30 June 2007, a total 64,002 metres of RC drilling and 22,682 metres of auger holes had been completed at the Grande Côte.

▣ Corporate

- MDL successfully completed a A\$94 million share placement involving the issue of 75 million shares at an issue price of A\$1.25 per share. The placement was managed by Euroz Securities Limited.
- Cash at end of quarter, A\$48.16 million. No debt. Subsequent to 30 June 2007, the first tranche of the share placement of 44,898,630 shares, raising approximately A\$53.65 million, was settled on 10 July 2007, bringing cash on hand to A\$101.81 million.



SABODALA GOLD PROJECT

100% (through MDL with Sabodala Mining Company SARL ("SMC"))

Background

SMC holds a 20.3 square kilometre mining concession which contains the Sabodala and Niakafiri deposits, as well as a number of gold prospects. Preliminary mine planning has reported open pit mineable reserves of over one million ounces to a vertical depth of 210 metres based on a 1.2g/t cut-off. Recent substantial drilling has detailed further extensive mineralised zones which will be incorporated into updated ore reserve modelling planned for September.

Sabodala Presidential Decree Signed

During May 2007, MDL announced that the Presidential Decree for the Sabodala Gold Project in Senegal was signed by the Senegalese President H E Abdoulaye Wade. Notification in regard to the decree granting the Mining Concession to mine the Sabodala deposit was signed by the Minister of Industry and Mines, Mr Madicke Niang, on 2 May 2007. MDL has since embarked on the full construction phase and already has a significant workforce on the ground at Sabodala.

The key terms of the Mining Convention and Supplementary Deed for the mining operations within the Sabodala Mining Concession (issued for 10 years, renewable) became effective from the date of the Notification Letter. Favourable fiscal incentives applying to the operations include eight year tax exoneration from taxation including Value Added Tax and Company Tax and an exemption from import duties on MDL-owned or rented equipment or on project goods and services. There is a 3% gross production royalty. MDL and the Republic of Senegal (ROS) are finalising the establishment of an exploitation company in which the ROS will hold a 10% non-contributory interest. An option exists for the ROS or a national Senegalese party to purchase at market value a further 30% contributory interest in the new exploitation company as previously reported.

As per the original tender of 25 October 2004, MDL is committed to paying to the ROS a US\$6.50 per ounce bonus payment for mineable reserves exceeding 556,000 ounces for a total of US\$6.52 million.

Drilling Programmes at Sabodala

At the Sabodala Gold Project, the current drilling programmes continue to expand the East Flat Zone and extend the high grade mineralisation located at the intersection of the NW Shear and the Main Flat Zone to the northwest.

Ongoing drilling programmes completed during the quarter included 14,869 metres RC, 8,706 metres diamond and 3,859 metres of RAB drilling. Project drilling totals to 30 June 2007 are 80,813 metres RC, 48,396 metres diamond and 28,644 metres of RAB holes.

Significant high grade gold intercepts continue to be reported since 31 March 2007 in two areas within the Sabodala proposed open pit (see Attachment 1):

1. The East Flat Zone extension; and
2. Significant depth extensions beneath the current preliminary open pit design.



East Flat Zone Mineralisation

On 22 May 2007, the company reported significant gold assay results from the step out drilling in the East Flat Zone (see Attachment 2) including:

SBRC329D	24 metres grading 3.9g/t from 183 metres; and
SBRC105D	14.0 metres grading 4.3g/t from 114 metres

Select higher grade gold intersections included:

SBRC060D	7.0 metres grading 6.2g/t from 106 metres; 8.0 metres grading 7.3g/t from 134 metres; and
SBRC061D	12.4 metres grading 7.4g/t from 115 metres (all downhole and drilled at 60 degrees)

The results show that mineralisation extends some 210 metres east beyond the current open pit design limits and the zone remains open to the east, north and south.

Further High Grade Mineralisation at Depth

On the deep down- dip drilling programme, intercepts achieved indicate up to a 110 metre extension of the mineralised gold zone under the preliminary design pit bottom of 210 metres below the surface. The significant gold intercepts included:

SBRC099D	4 metres grading 41.4g/t from 203 metres;
SBRC518D	8.4 metres grading 16.2g/t from 210 metres; and
SBRC238D	2.3 metres grading 76.0g/t from 306 metres

This high grade mineralised zone is associated with a steeply dipping felsic porphyry under the current mineable reserve open pit design. This zone is characterised by intense silicification and pyrite, often including brecciated volcanoclastic rocks that are hematite altered, giving the zone a reddish colour.

Two vertical diamond drill holes have recently identified potential for significant depth expansion of the ore zone (see Attachment 3). Directly beneath the current preliminary open pit design, hole SBRC692D intersected 59 metres grading 3.1g/t Au from 168 metres. Some 40 metres north, in hole SBRC673D, and below the current design pit bottom, 16 metres grading 8.3g/t Au from 149 metres was identified. Assays are pending on other holes in the same environment which have visually intersected mineralisation.

These substantial drilling campaigns, detailing the new east flat mineralised zone and deeper high grade mineralised zone, are likely to support extensions to the known mineable reserves.

When the next quarter's drilling plan is completed, new block model and resource estimate will be undertaken to incorporate these latest drilling results. This will be followed by a new mine pit design (reserves) and scheduling in late 2007.

Niakafiri Deposit

Background

Niakafiri is 2.5 kilometres south of the Sabodala gold deposit. To date, a preliminary gold resource of 317,000 ounces at a 1.0g/t cut-off has been defined. Mineralisation has a significant oxide component to about 80 metres depth.



The Niakafiri drilling programme has concluded for the moment, as assays are pending on the most recent drill holes (3,700 metres drilled in the March quarter). Work in the quarter comprised geologic modelling with a new set of mineralised zones completed for Niakafiri for resource modelling to be undertaken in September, incorporating all the latest drilling data.

Sterilisation Drilling

Programmes are underway (soil sampling, IP geophysics and drilling) to complete the sterilisation of the portion of the Oromin-held ground where the Sabodala water and tailings dams will be sited.

Mine Construction Development Works

The major construction programme continued throughout the quarter with focus on the following aspects (see Attachment 4):

- Permanent wet weather roadways have been completed.
- The crushing plant and quarry are operating well at the selected site near the Makhana village. The aggregate is currently being used for the concrete for the permanent mine village.
- Ausenco has completed the first of the building pads at the new permanent mine village to house 550 employees. Accommodation and messing units are now erected.
- BCM of Ghana has mobilised earthmoving equipment and commenced the construction of the large water dam, which is now approximately five percent complete.
- The power station equipment comprising six HFO units capable of generating 21.6 megawatts has been purchased.

Regional Exploration and Drilling within the Sabodala Lease

Background

Reconnaissance RAB drilling and soil geochemistry programmes completed in the last year have identified about 18 anomalous priority targets within the mining concession, including north and south along strike from the Sabodala deposit. Initial drilling testing for new mineralisation has focused on Niakafiri West, Dinkokhono, Faloumbo and Sambaya Hill prospects. Mineralisation was also identified in the Sutuba area, some 400 metres south of Sabodala, where there are minor artisanal workings.

Drilling Programmes

During the quarter, a five hole programme was completed at Dinkhono to test extensions and continuity of previous drilling results. This prospect lies some 1.1 kilometres north of Niakafiri and on the same trend. Assays are pending.

A 22 hole RC drilling programme was completed west of the Niakafiri village to expand drill coverage to the south over a geochemical anomaly. To date, assays received have indicated that gold mineralisation near to the surface occurs in veins. The best intercepts occur in NWRC009, returning 10 metres @ 8.27g/t from 34 metres including 4 metres @ 16g/t and NWRC017, returning 14 metres @ 2.0g/t from 20 metres. Further drilling is required to determine the structure and mineralisation in the area.

A total of eight holes was drilled at Sutuba to test the mineralisation trend intercepted by previous drilling. A flat lying fault zone of mineralisation appears to have been intercepted by SBRC695 and SBRC698 (see Attachment 5), bringing the total number of holes with significant intercepts penetrating this zone to six. The fault zone appears to extend for about 100 by 45 metres across and is 5 to 15 metres thick. The target zone appears to be a combination of flat and sub vertical quartz veins. Additional drilling is planned.

Presently, a drilling programme is in progress at Sambaya Hill, with assay results expected in the September quarter.

A detailed field mapping project over the mining concession for the purpose of generating high quality drilling targets was completed during the quarter. Mapping at a 1:5,000 scale focused on structural information, quartz veining and rock alteration. The mapping has traced the northwest structure that passes across the Sabodala deposit to the southeast and identified other northwest structures to the south and north of the main northwest structure. Preliminary interpretation has identified two areas with strong signs of mineralisation for follow-up drilling.

Other Gold Joint Venture Projects

SMC has established a major ground position in the belt covering 930 square kilometres in area comprising the following joint ventures (see Attachment 6). These are all located within 10-50 kilometres of the Sabodala plant site.

Project	Area (km ²)	Interest
Bransan	353	SMC 70%: private Senegalese interests 30%
Dembala Berola	326	SMC 80%: private Senegalese interests 20%
Massa Kounda	248	SMC 80%: private Senegalese interests 20%

During the quarter, soil geochemical sampling on a 40 by 400 metre grid defined a gold geochemical anomaly following a major north-south trending shear zone within the permit area over a five kilometre strike length. Maximum soil values recorded are 462ppb gold and 320ppb gold. Named the Goumbou Gamba prospect, ongoing geological mapping and rock chip sampling have returned anomalous values for over three kilometres of strike along, or adjacent to, the shear zone. The maximum rock chip sample result was 11.4g/t gold.

A drilling programme comprising 520 holes for 22,000 metres is now planned to test priority structural and geochemical targets in this area. Track construction is in progress. Drill access should not be affected by the wet season and will commence as soon as a rig is available from Sabodala.

Desktop studies compiling the results of previous company drilling continued on the Dembala Berola project, where geological mapping is next planned.

GRANDE CÔTE ZIRCON PROJECT

100% (through wholly-owned subsidiary MDL Senegal SARL ("MDLS"))

Background

The Grande Côte zircon deposit is located some 100 kilometres northeast of the capital city Dakar. The project lies within a 446 square kilometre Exploration Permit. Currently, four main heavy mineral deposits are known and named from south to north Mboro, Fass Boye, Diogo and Lompoul. They cover a strike length of more than 50 kilometres of nearly continuous minerals sand mineralisation. Resource modelling by AMC Consultants in September 2006 estimated a global inferred resource of 1.33 billion tonnes of sand @ 2.0% Heavy Mineral.

Drilling

To 30 June 2007, a total of 3,406 RC holes for 64,002 metres and 2,260 auger holes for 22,682 metres has been drilled at the Grande Cote Zircon Project (see Attachment 7). During the quarter, two drill rigs completed 267 RC holes for 5,506 metres and 346 auger holes for 3,338 metres, all focused on the Diogo and Fass Boye areas.

Resource definition drilling at Diogo is almost complete at 80 metre centres for RC and infill 80 metre centres for hand auger on lines at 200 metre intervals. A new resource and reserve estimate is to be prepared for Diogo during the next quarter to confirm 7-10 years of production at 54 million tonnes per annum. This will rely on water table measurements from MDL piezometer holes and bulk density data from field determination. Air photogrammetry will later provide one metre contour data for accurate surface profiles.

Drilling is nearing completion at Fass Boye, immediately south of Diogo.

The shaft sinking programme that started in November 2006 was completed. Three shafts have been sunk and sampled for comparative studies between the two different sampling techniques (RC and auger). Bulk density measurements and geological mapping were undertaken at one metre intervals for the full extent of the shafts. A total of 193 bulk samples and 170 density samples has been collected.

All three shafts were sampled down to the water table, collecting data on the lithology. The final data summary for each shaft is:

Shaft Number	Final Depth (m)	Water Table (m)	Bulk Samples	Density Samples
2	12.8	10.4	63	65
3	16.2	11.5	81	60
4	9.2	8.6	49	45

Assay results have been received and are being compiled for evaluation.

Piezometers

The piezometer installation programme is ongoing. In the last few months, a total of 137 piezometers was installed in both the Fass Boye and Diogo deposits. The monthly reading of the level of the water table shows very small fluctuations, confirming the stability of the surficial aquifer hosted by the white sands.

Hydrological Testwork

Hydrological drilling continued for both the surficial (shallow) aquifer hydraulic conductivity and deep aquifer testing.

During the quarter, the first deep water bore hole adjacent to the rear dune at Diogo, which had reached 400 metres, was abandoned due to technical issues. A second attempt, presently underway, has reached 274 metres in depth and the casing for the pumping chamber already installed down to a depth of 150 metres.

Three deep aquifer test bore holes are planned, sited approximately two kilometres from each other, to suit the first two years of dredging. The target is a Maestrichtien age sandstone horizon known to be an excellent aquifer with likely quality drinkable water for site water requirements.

Hydrological transmissivity testwork has been completed with results indicating that the proposed dredge pond will be viable with make up water from the deep aquifer supplementing the surficial aquifer.



COMMUNITY SOCIAL PROGRAMMES

At both the Sabodala and Grande Côte projects, an important survey of land and assets in the project areas was completed. The study, which ran over a two month period, utilised remote sensing data GIS, Quickbird Satellite Imagery and a highly trained team of local and international professionals, including Earth Systems of Melbourne, Tropica of Dakar, Senegal contract personnel, MDL community relations representatives and local Sous-Prefets. Consultation with village elders and key village members provided invaluable information on livelihood, land administration and use, social organisation, development and history. The detailed results have enabled MDL to establish social programmes and compensatory procedures to ensure the ongoing viability of local communities affected by its projects.

A community spraying programme for malaria control was conducted during June, encompassing local villages and exploration camps within the Sabodala area. Local village Chiefs continue to be positive about the effectiveness of this programme implemented by the company in 2006. Baseline monitoring data is being collected to enable measured benefits to be reported.

CORPORATE

A\$94 Million Placement

During June, the company successfully completed a A\$94 million share placement, which involves the issue of 75 million shares at an issue price of A\$1.25 per share. The placement was managed by Euroz Securities Limited.

Shares under the placement are to be issued in two tranches. The first tranche (44 million shares), raising A\$56.1 million before costs, was settled on 10 July 2007. The issue of the second tranche (31 million shares) raising \$37.6 million before costs, is conditional on shareholder approval which will be sought at a general meeting of MDL planned for 6 August 2007. If shareholder approval is granted, the second tranche is expected to settle on or about 8 August 2007.

The funds from the placement will allow the company to accelerate development of the Sabodala Gold Project and the Grande Côte Zircon Project in Senegal, and provide the company with additional working capital.

Cash and Debt Position

As at 30 June 2007, cash reserves were A\$48.16 million, with no debt. Subsequent to 30 June, the first tranche of the share placement for 44,898,630 shares, raising approximately A\$53.65 million (net of placement fees), was settled on 9 July 2007, bringing cash on hand to A\$101.81 million.

The information in this report that relates to Exploration Results is based on information compiled by MDL's Mining Operations Manager, Bruce Van Brunt MSc, and MDL's Chief Geologist, Chris Young BSc, who are members of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Messrs Van Brunt and Young 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". Messrs Van Brunt and Young have consented to the inclusion of this information in the form and context in which it appears in this report.

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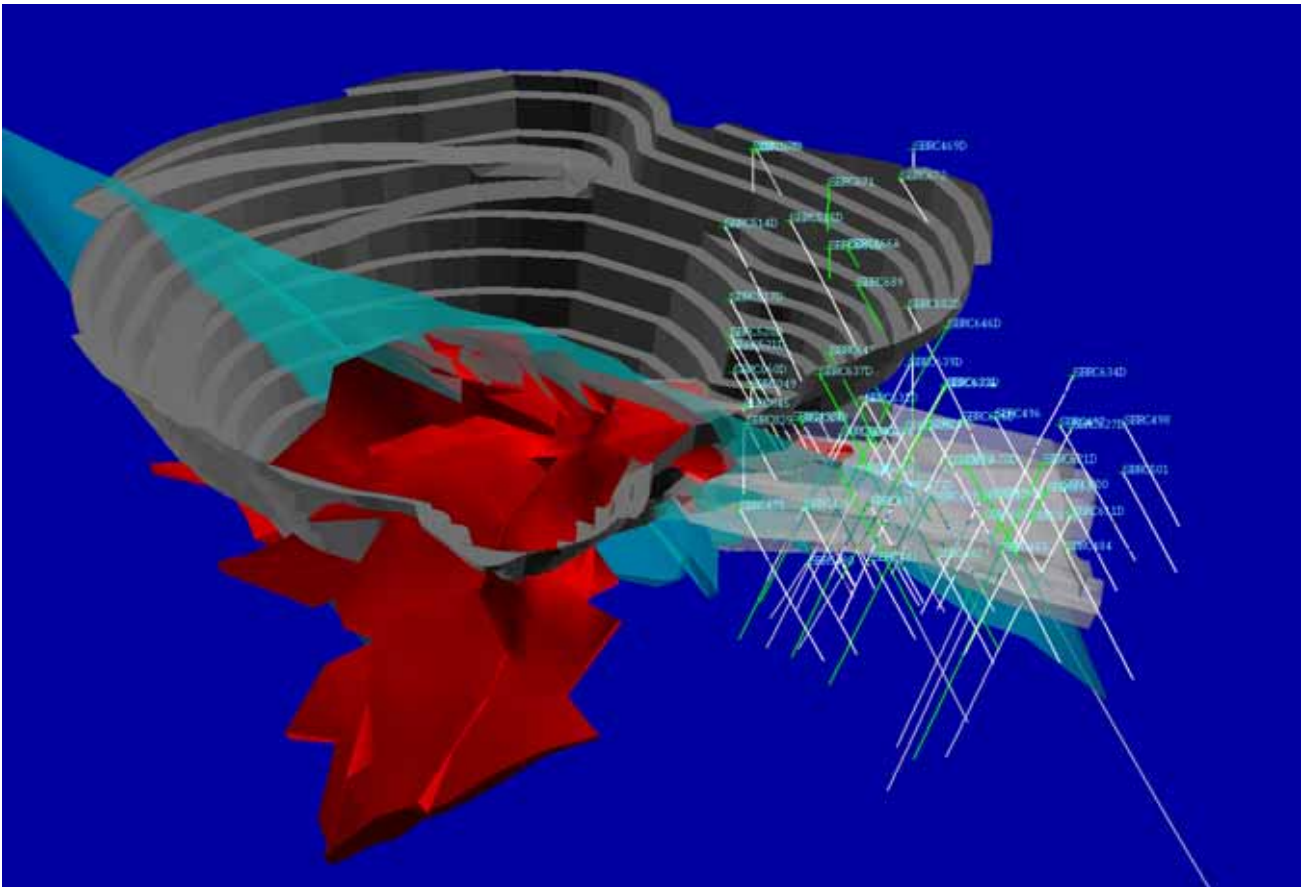
**Mineralisation intersections from the
Sabodala Drilling Programme as at 13 July 2007**

Hole ID	Easting (Local)	Northing (Local)		From (m)	To (m)	Interval (m)	Grade (g/t Au)	Dip	Azimuth (Local)
SBRC044D	10005	20170		183	183.4	0.4	3.6	-60	Grid east
SBRC060D	10310	20250		105.9	112.9	7	6.2	-60	Grid east
			and	134	142	8	7.3		
SBRC061D	10290	20250		86	90	4	3.8	-60	Grid east
			and	105	113.2	8.2	5.1		
			and	115.5	127.9	12.4	7.4		
SBRC062D	10270	20250		106.2	117.2	11	2.3	-60	Grid east
SBRC068D	10030	20250		191	192	1	8.0	-60	Grid east
SBRC071D	10250	20270		108	112	4	4.1	-60	Grid east
			and	114	118.7	4.7	4.7		
SBRC085D	10070	20290		167.4	167.9	0.5	12.5	-60	Grid east
SBRC087D	10290	20310		104.5	111	6.5	2.6	-60	Grid east
SBRC088D	10270	20310		107	115.9	8.9	4.7	-60	Grid east
SBRC093D	10230	20330		82	86	4	2.0	-60	Grid east
			and	115.7	120	4.3	4.5		
			and	138	142	4	5.0		
SBRC099D	10050	20330		188.4	193	4.6	3.3	-60	Grid east
			and	203	207	4	41.3		
SBRC100D	10010	20330		251.9	255.3	3.4	4.1	-60	Grid east
SBRC105D	10270	20370		79	83.4	4.4	4.1	-60	Grid east
			and	102	106	4	1.2		
			and	114	128	14	4.3		
SBRC106D	10230	20370		117	121.3	4.3	2.7	-60	Grid east
			and	162	169	7	2.6		
SBRC113D	10270	20410		24	31	7	3.5	-60	Grid east
			and	34	38	4	4.1		
SBRC114D	10230	20410		114	118	4	1.6	-60	Grid east
			and	122	131	9	4.1		
SBRC117D	10110	20410		161	166	5	7.2	-60	Grid east
SBRC122D	1230	20450		4	8	4	1.1	-60	Grid east
SBRC128D	9990	20450		275.9	281	5.1	8.0	-60	Grid east
SBRC208D	9970	20330		262	266	4	2.0	-60	Grid east
			and	297.5	203.9	5.4	7.7		
SBRC212D	12070	20330		106	116	10	3.8	-60	Grid east
			and	155	159	4	1.1		
SBRC220D	9910	20410		270	277	7	1.3	-60	Grid east
			and	332	334	2	15.6		
			and	340	341.4	1.4	7.7		
SBRC238D	9970	20490		306	308.3	2.3	76.0	-60	Grid east
SBRC239D	10010	20490		229	244.5	15.5	3.9	-60	Grid east
			and	275.6	276.9	1.3	28.1		
			and	283	284	1	5.8		
SBRC307D	9930	20730		244	252	8	1.8	-60	Grid east
			and	298	305.8	7.8	1.3		
			and	310	323	13	4.9		
SBRC329D	10170	20570		183	207	24	3.9	-60	Grid east
SBRC393D	9940	19650		0	4	4	1.6	-60	Grid east
			and	38	43	5	1.7		
SBRC400D	9940	19570		13	19	6	4.0	-60	Grid east
			and	28	32	4	1.2		
SBRC401D	9980	19570		21	26	5	3.7	-60	Grid east
SBRC517D	10311	20370		119	127.9	8.9	6.0	-60	Grid east
			and	132	138	6	4.7		
SBRC608D	10300	20050		40	44	4	1.3	-60	Grid east
SBRC613D	10500	20090		36	41	5	4.5	-60	Grid west
SBRC614D	10170	20130		18	30	12	1.4	-60	Grid east
			and	38	47	9	3.0		
SBRC615	10190	20130		21	27	6	2.9	-60	Grid east
				63	68	5	1.4	-60	Grid east
SBRC616D	10340	20130		0	4	4	2.4	-60	Grid west
			and	79	80	1	18.1		

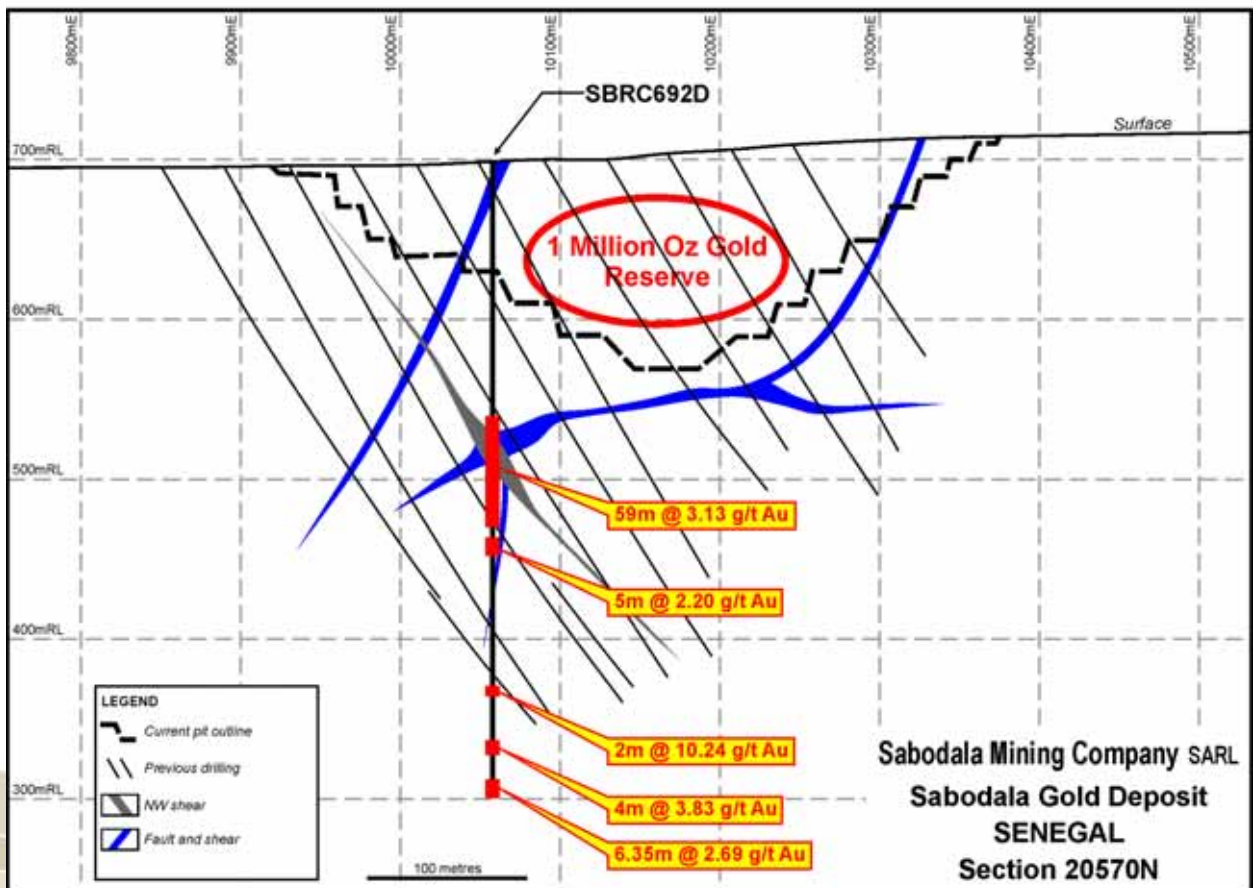
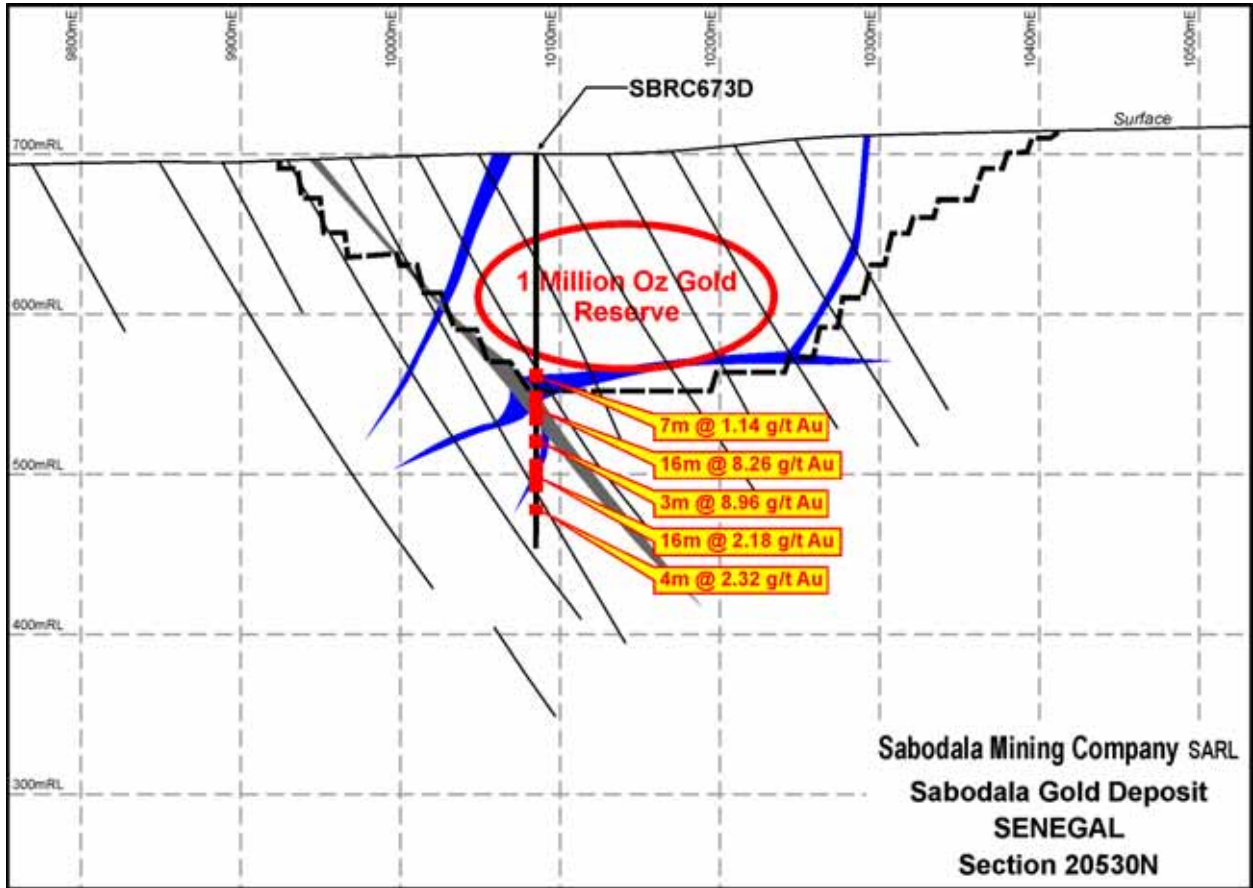
Hole ID	Easting (Local)	Northing (Local)		From (m)	To (m)	Interval (m)	Grade (g/t Au)	Dip	Azimuth (Local)
SBRC617D	10370	20130		22	27	5	2.1	-60	Grid east
SBRC618	10390	20130		57	68	11	3.5	-60	Grid west
SBRC619	10440	20130		32	44	12	6.2	-60	Grid west
			and	47	54	7	1.8	-60	Grid west
SBRC620D	10450	20130		120	125.7	5.7	5.3	-60	Grid east
SBRC621D	10500	20130		69	74	5	1.8	-60	Grid west
SBRC623D	10350	20170		79.2	84.1	4.9	3.2	-60	Grid west
SBRC625D	10410	20170		72	76	4	3.0	-60	Grid west
SBRC626D	10450	20170		73	81	8	5.6	-60	Grid west
			and	84	91	7	4.1	-60	Grid west
SBRC628D	10130	20210		75	80	5	1.6	-60	Grid east
			and	35	43	8	5.7	-60	Grid east
			and	51	63	12	4.5	-60	Grid east
SBRC629	10310	20210		34	39	5	2.5	-60	Grid west
SBRC631D	10390	20210		115	121	6	3.9	-60	Grid east
SBRC633D	10440	20210		97	109	12	3.4	-60	Grid west
SBRC634D	10520	20210		131	138	7	2.2	-60	Grid west
SBRC636D	10310	20250		56	60	4	3.1	-60	Grid west
SBRC637D	10360	20250		104	108.2	4.2	3.9	-60	Grid east
SBRC639D	10420	20250		102	113	11	6.1	-60	Grid west
SBRC642	10220	20290		5	12	7	1.7	-60	Grid west
			and	18	26	8	2.5	-60	Grid west
			and	57	63	6	10.0	-60	Grid west
SBRC643	10250	20290		26	48	22	8.7	-60	Grid west
			and	52	63	11	14.7	-60	Grid west
			and	68	76	8	1.6	-60	Grid west
SBRC644D	10350	20290		78	82	4	2.4	-60	Grid west
SBRC646D	10440	20290		124	128.7	4.7	4.3	-60	Grid west
			and	139	144	5	3.4	-60	Grid west
SBRC649	10170	20330		12	25	13	3.0	-60	Grid west
			and	43	47	4	2.1	-60	Grid west
SBRC650	10200	20330		29	38	9	2.4	-60	Grid west
SBRC651D	10320	20330		80	87	7	2.8	-60	Grid west
			and	110	114	4	4.4	-60	Grid west
SBRC655	10130	20370		7	13	6	1.9	-60	Grid west
			and	16	30	14	1.5	-60	Grid west
SBRC656	10150	20370		25	38	13	2.4	-60	Grid west
SBRC657	10170	20370		39	45	6	2.1	-60	Grid west
SBRC659D	10360	20370		116	126.3	10.3	1.8	-60	Grid west
			and	145	151	6	2.0	-60	Grid west
SBRC661	10050	20410		14	21	7	2.3	-60	Grid west
SBRC669	10070	20490		67	74	7	1.4	-60	Grid west
SBRC670	10140	20490		87	100	13	3.7	-50	Grid west
SBRC673D	10080	20530		137	144	7	1.1	-90	Grid west
			and	149	165	16	8.3	-90	Grid west
			and	177	180	3	9.0	-90	Grid west
			and	194	210	16	2.2	-90	Grid west
			and	216	220	4	2.3	-90	Grid west
			and	226	227	1	8.6	-90	Grid west
SBRC688	10170	20210		35	45	10	2.8	-60	Grid east
			and	48	63	15	4.0	-60	Grid east
SBRC692D	10060	20573		168	227	59	3.1	-90	Grid west
			inc.	182	200.1	18.1	3.4	-90	Grid west
			inc.	208	227	19	4.2	-90	Grid west
			and	230	235	5	2.2	-90	Grid west
			and	336	338	2	10.2	-90	Grid west
			and	371	375	4	3.8	-90	Grid west
			and	396	402.4	6.4	2.7	-90	Grid west

Assay results from RC drilling are from 1m samples; samples from DDH may be taken honouring geologic boundaries. Reported intercepts are estimated using a 1.0g/t cut-off and a 4m minimum length including no more than 2m continuous internal dilution per 4m interval. Intercepts reported less than 4m in length contain no internal dilution.

East Flat Zone is shown at the right of the diagram with indicated drill intersections



Sabodala Deep Mineralisation Intersections



Sabodala Construction Work

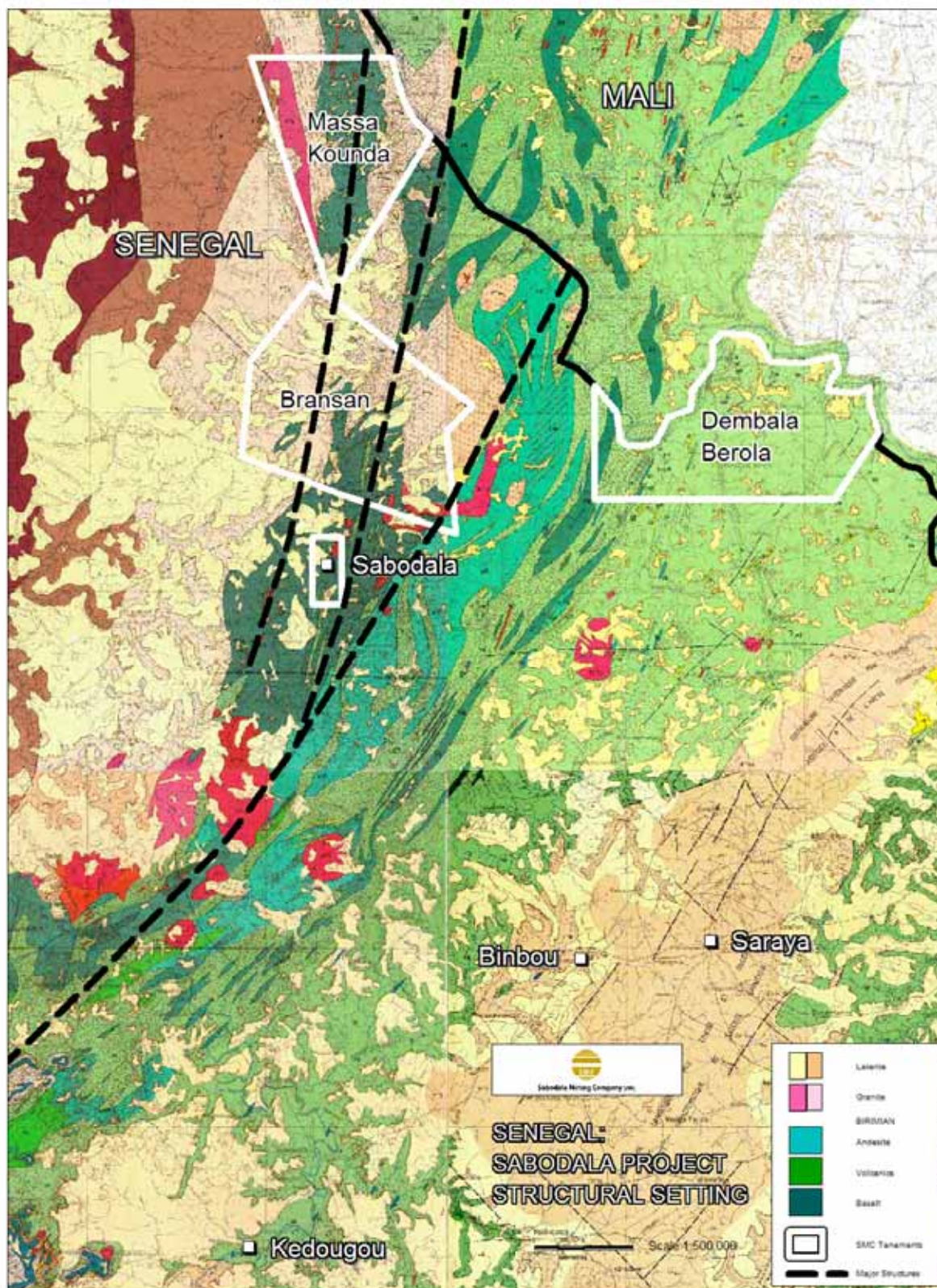


**Mineralisation intersections from the
Sutuba Drilling Programme as at 13 July 2007**

Hole ID	Easting (Local)	Northing (Local)		From (m)	To (m)	Interval (m)	Grade (g/t Au)	Azimuth (Local)
SBRC536	9860	19090		63	73	10	1.5	Grid east
SBRC592	9860	19490		47	58	11	2.1	Grid east
SBRC695	9970	19590		15	21	6	2.3	Grid west
			and	29	33	4	1.8	
SBRC698	9960	19650		0	7	7	3.7	Grid west
			and	17	23	6	1.3	

Assay results from RC drilling are from 1m samples; samples from DDH may be taken honouring geologic boundaries. Reported intercepts are estimated using a 1.0g/t cut-off and a 4m minimum length including no more than 2m continuous internal dilution per 4m interval. Intercepts reported less than 4m in length contain no internal dilution.

Sabodala Regional Exploration Projects



Grande Côte Drilling

