

**Statement to the  
ASX  
31 January 2007**

*Mindax is a Perth based gold and uranium explorer with a portfolio based in the Sandstone-Meekatharra area of the Yilgarn Craton*

*Mindax Limited was listed on the Australian Stock Exchange  
Code: MDX  
in December 2004*

*A full description of the Company's activities is available at our website*

**[www.mindax.com.au](http://www.mindax.com.au)**

*Inquiries about this statement or about the Company's business should be directed to*

**Greg Bromley  
Managing Director**

*Investor inquiries can be directed to:*

**[info@mindax.com.au](mailto:info@mindax.com.au)**

**Activities for Quarter ending 31  
December 2006**

**HIGHLIGHTS**

**URANIUM**

- **Significant advance of WA uranium portfolio with granting of two key tenements within the Yilgarn Avon JV (Quasar Resources).**
- **These tenements include water values of +190ppb U within 14km of drainage and a strong ~2km uranium channel radiometric anomaly.**
- **Uranium-in-water results of +100ppb U (max 170ppb) returned from the Noonie Project marking a new 13km long target area defined south of the main palaeochannel.**
- **Assays of +55ppm (max 61ppm U) returned from Panhandle Project over a 2km section along the shore of Lake Barlee.**

**GOLD & BASE METALS**

- **Landmark heritage and native title agreement finalised for Bulga Downs-Paradise Bore Project, enabling exploration to resume for the first time since August 2005.**
- **Drill program in place to test the high-grade Toucan and Macaw prospects, extensions to the Paradise Bore resource (36,000oz).**
- **New gold and base metal drilling targets identified at Panhandle Project following successful gravity survey which has resolved two major shears and linking cross-structures.**

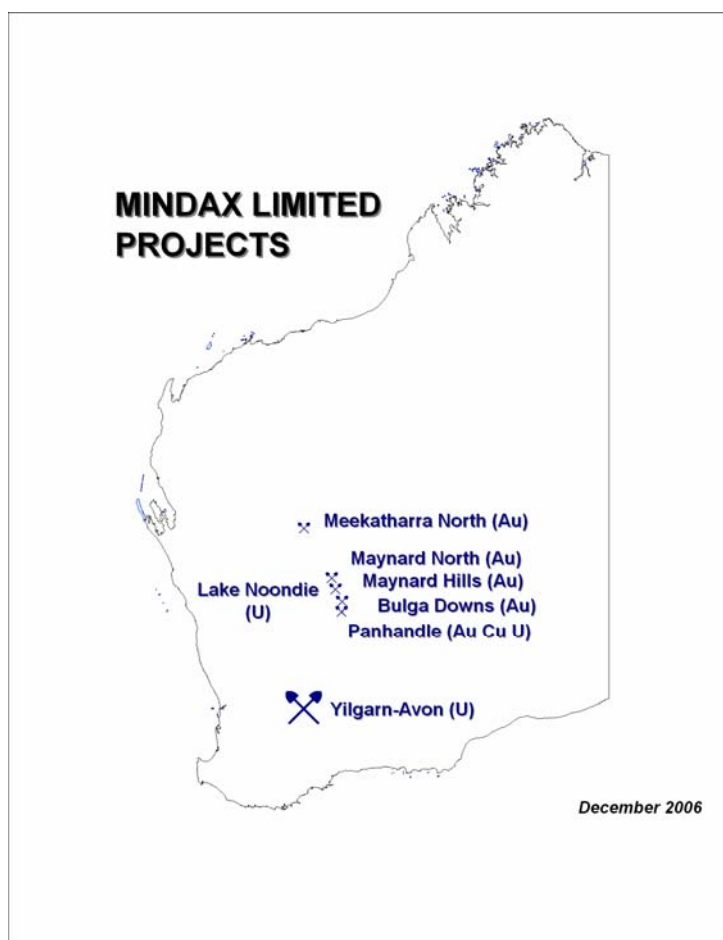
ABN 28 106 866 442

## SUMMARY

Mindax Limited has a diversified portfolio of predominantly gold and uranium projects in Western Australia. Following a number of key developments during the December 2006 Quarter, the Company is accelerating exploration across its portfolio – with drilling programs on uranium and gold programs scheduled to commence during the March 2007 Quarter.

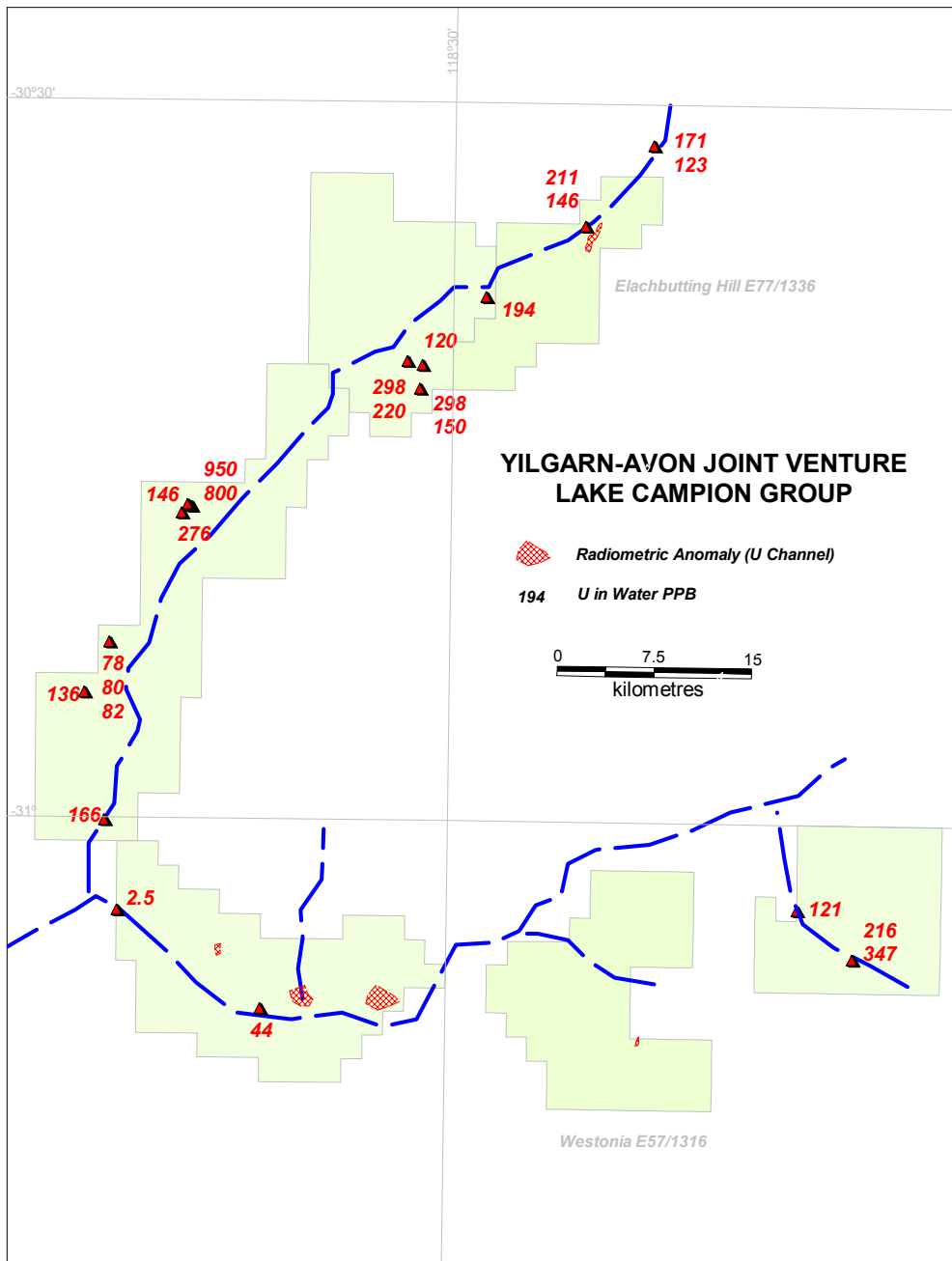
In addition to gold targets at **Bulga Downs**, **Meekatharra North** and **Panhandle**, uranium targets are rapidly evolving. These include the **Noondie Project**, where very encouraging results from uranium-in-water sampling have emerged and newly granted tenements within the **Yilgarn Avon Joint Venture** allow testing to commence on 145km of prospective drainages. This landmark joint venture, with Quasar Resources (an affiliate of Heathgate Resources), includes the ongoing Collaborative Research Project on uranium-in-water with the CRC LEME.

During the Quarter, Mindax has also identified new opportunities within its portfolio. Early investigation of the **iron** potential of the Richardson Ranges and at Ten mile in the Sandstone Projects has returned encouraging iron values of 25-54% Fe. Work at Panhandle has identified a potential **copper-zinc** massive sulphide target. These opportunities will continue to be advanced during the coming Quarter.



**EXPLORATION**

**YILGARN AVON JOINT VENTURE (Uranium, 50% and operator)**



*Mindax is looking for uranium in the south-west of Western Australia with **Quasar Resources** (an affiliate of **Heathgate Resources**). This program includes a Collaborative Research Project on uranium-in-water with the **CRC LEME** and a significant proprietary database of field samples. The joint venture has an area of interest of 100,000km<sup>2</sup>.*

*The Avon project has already demonstrated very significant uranium anomalism in ground waters to **>1000ppb U** (at Yeelirrie water values reach 1200ppb U within the orebody outline).*

*This south-western part of WA is potentially a new uranium province, both for Yeelirrie type palaeochannel deposits and for hard rock uranium resources. The joint venture holds **145km of trunk palaeochannel drainages** that have high prospectivity. The project also has the potential to identify other commodities, particularly copper and gold, of economic significance.*

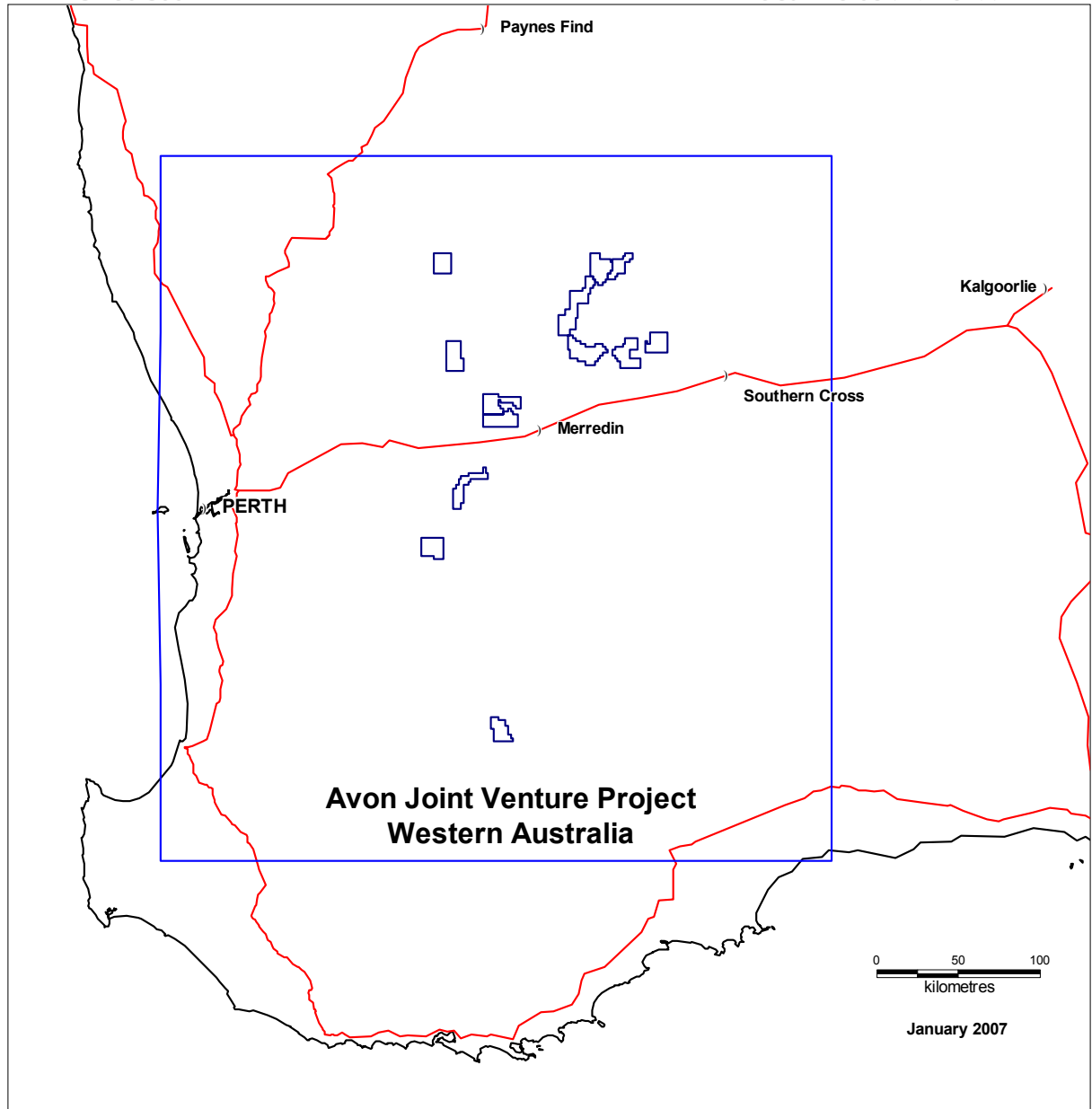
Two tenements were granted in the Yilgarn-Avon Project area at Elachbutting Hill and Westonia. A further eleven tenement applications are expected to be granted from now through until April. Tenements and applications cover approximately 2300km<sup>2</sup>

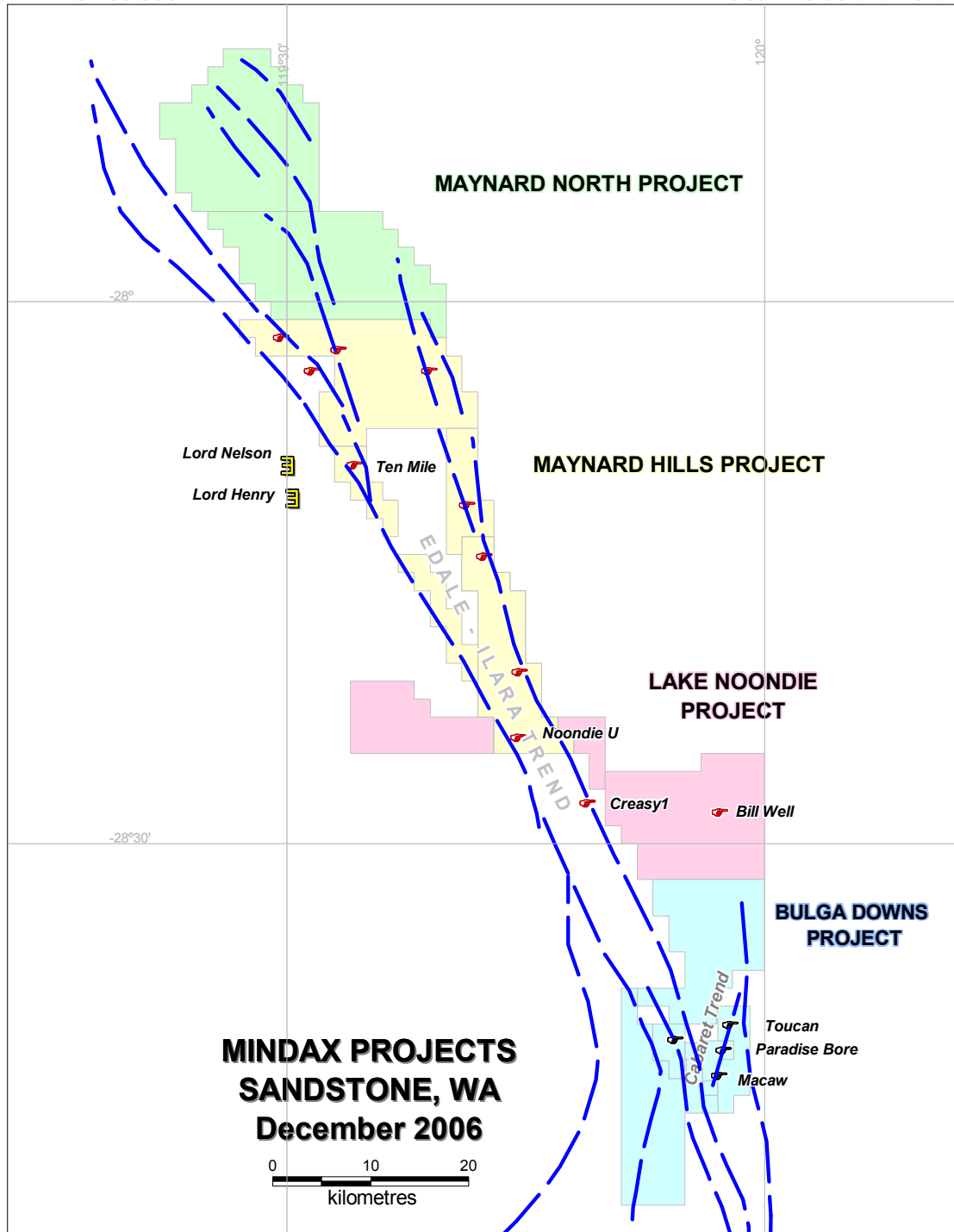
Elachbutting Hill contains water values greater than 190ppb U within 14km of drainage. The area includes a strong U channel radiometric anomaly (~2km in length) adjacent to a water sample returning 211ppb U. A staged program of further water sampling, surface sampling, detailed airborne radiometrics and aircore drilling traverses has been initiated.

Westonia covers an area sourcing anomalous drainages. It hosts a small (<1km) uranium channel radiometric anomaly. This area will similarly undergo a staged program as outlined for Elachbutting Hill.

Radiometric spectrometer traversing (~800km to date) is being selectively undertaken through the project areas to develop an understanding of the sources of elevated radioactivity. Further water samples have been collected and assays are pending.

The uranium-in-water data for the portfolio is derived from extensive proprietary data acquired by Mindax pursuant to the Collaborative Research Project with CRC LEME. The ongoing processing of this data, our own regional data and other public domain information is expected to result in further tenement applications in the wider joint venture area.





**SANDSTONE LAKE NOONDIE PROJECT (Uranium, 100%)**

*The Lake Noondie Project is centred on the Noondie palaeochannel 60km south-east of Sandstone where there is extensive radiometric anomalism, surface values up to 60ppmU*

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*and uranium in water values exceeding 100ppb. The Project occurs where the Lake Noondie drainage pinches through the Maynard Hills greenstone belt.*

A total of 55 water samples have now been collected from the Lake Noondie Project area from recent drilling and from bores. The Noondie area is located 60km south-east of Sandstone and is covered by four exploration licences totaling 250km<sup>2</sup> in area, all of which are now granted.

The new water results highlight a tributary palaeochannel in the eastern part of the project area that has values in excess of 100ppb U in water (max 170ppb), well above the threshold values of 100ppb indicated by a Yeelirrie model. The results define a new target (Bill Well) south of the main palaeochannel of some 13km length for follow-up reconnaissance drilling.

Water sampling results from the drilling in the main Lake Noondie channel reach 70ppb U in water and their distribution appears to correlate well with the earlier surface sampling. Further exploration will look for a source further upstream to the west.

#### **SANDSTONE – PANHANDLE PROJECT (Gold, Copper, 100%)**

*The Panhandle Project lies on the **Edale fault**, southwest of the Bulga Downs Project and 130km south-east of Sandstone. The area has returned **gold-copper** anomalism in soils associated geophysical complexity and a pronounced jog in the main structure. Historical drilling has returned up to 2.67 g/t Au.*

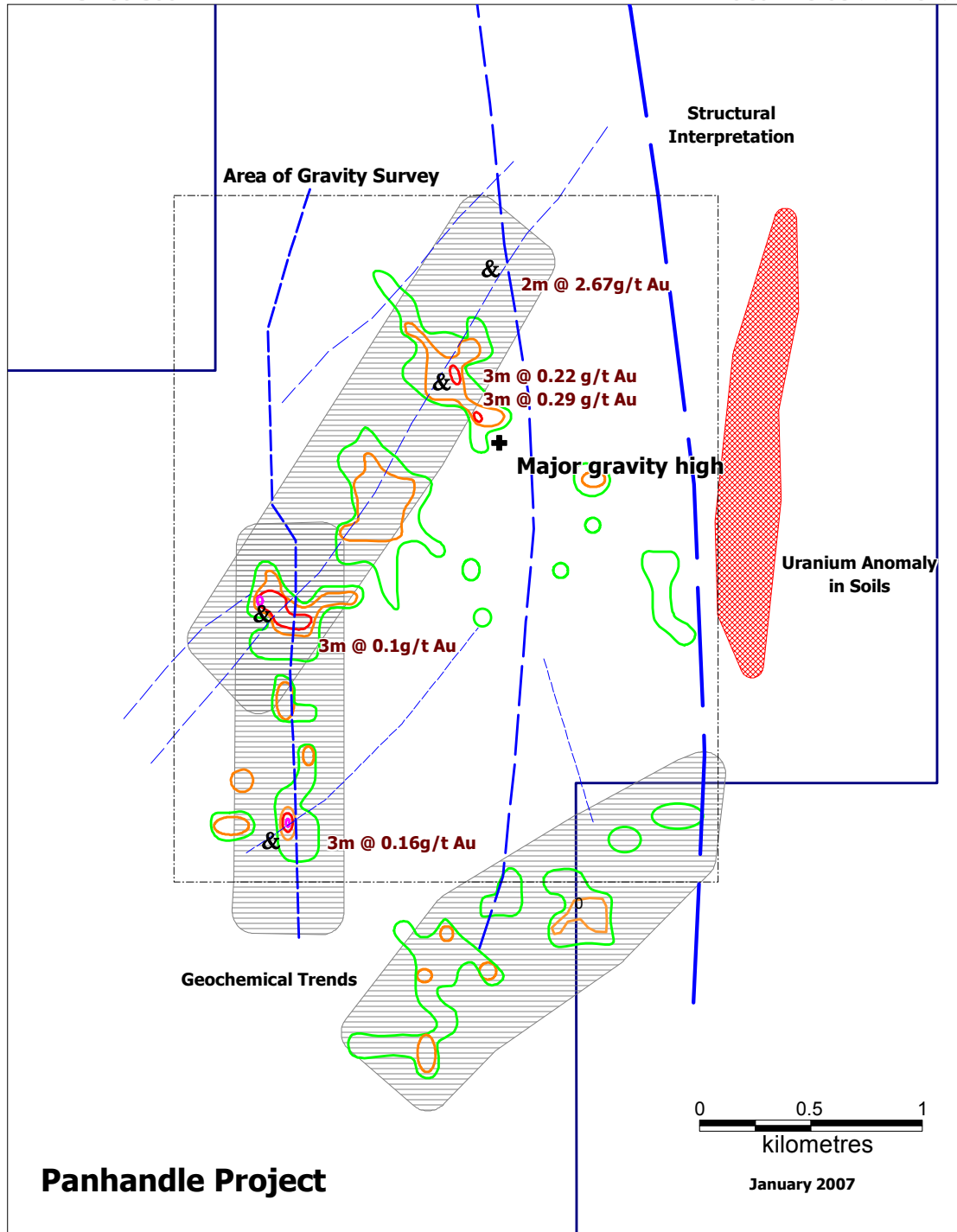
Detailed gravity surveying has resolved two major shears and linking cross structures, which appear to control the gold-copper geochemistry of the project area.

The gravity survey was completed over an area where magnetic data indicates a shallow intrusive event and provides a number of promising drill targets for gold and base metal mineralisation.

The local structural array has not been obvious on previous geological or geophysical data, but earlier reconnaissance drilling shows it to be weakly mineralised. The most significant intercept has been 2m @ 2.67g/t Au.

The survey area includes a discrete gravity feature which will be tested as a massive copper-zinc sulphide target.

Surface geochemical sampling of strong radiometric responses in airborne data within the Panhandle Project area has returned assays of greater than 55ppm U (max 60ppm U) over a 2km section along the shore of Lake Barlee. Follow-up sampling is planned to identify a source of this response.



**SANDSTONE – BULGA DOWNS PROJECT (Gold, 100%)**

The Bulga Downs Project lies 100km south-east of Sandstone and is centred in the Richardson Ranges on the **Paradise Bore** indicated/inferred oxide resource of **36,000 oz**



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gold. The project includes the **Cabaret trend**, a mineralised structure that has returned drill intersections of >3g/t over 10km. Other gold anomalism occurs on the Illara and Edale structures immediately to the west.

Agreement has been reached with the Wutha people on heritage and native title matters on the **Bulga Downs – Paradise Bore Gold Project**. The parties have executed deferred mining and heritage agreements and a State Deed signed by the parties has been put to government for execution and facilitation of the grant of mining lease applications over the area.

This agreement will allow the recommencement of work on this area for the first time since August 2005. A drilling program is in place to test mineralisation at Toucan and Macaw and will be commenced as soon as a suitable rig becomes available.

Previous intercepts at Toucan have included **3m @ 6.17g/t** in TPC4 from 14m, **1m @ 21.20g/t** in TPC5 from 56m and **13m @ 2.93g/t** in TPR38 from 35m. At Macaw past intercepts have included **3m @ 3.34g/t** from 77m in MNC2 and **1m @ 9.44g/t** in MPC15 from 52m.

Preparations will also begin for further delineation drilling on the Paradise Bore gold resource, currently 400,000 tonnes at 2.8 g/t for 36,000 oz (1 g/t cut off) (JORC inferred).

The Richardson Range is dominantly iron formation that within the project area extends along the full ten kilometres of the Cabaret Trend and for a further six kilometres down the eastern limb of the syncline. At its widest, it spans a kilometre and includes massive horizontal thicknesses in excess of 50m. Mapping indicates magnetite, martite and hematite iron minerals. Eighteen holes drilled in the past at the Paradise Bore gold target have passed through iron formation and sixteen of these delivered iron values in the 35-52.5% Fe range. These holes test a very limited part of the length and width of the iron potential.

A further eleven rock chip samples have returned values of 25 to 54% Fe but more systematic sampling is required to identify the distribution of hematite and the location of the higher grade material. These early results encouragingly suggest low levels of phosphorous and sulfur.

## **SANDSTONE – MAYNARD HILLS PROJECT (Gold 100%)**

*The Maynard Hills Project covers the Edale and Illara structures projecting north-west from the **Paradise Bore** gold resource through **Creasy 1** to immediately east of Troy's **Lord Henry** and **Lord Nelson** gold mines. Exploration by Mindax has continued to demonstrate the gold bearing character of these structures. Much of the prospectivity lies under shallow alluvial cover.*

The statutory 50% reduction was completed on **E57/555**. The retained tenure includes the main structural and geochemical elements of the Project.

Rehabilitation work was completed over areas of past drilling throughout the project area.

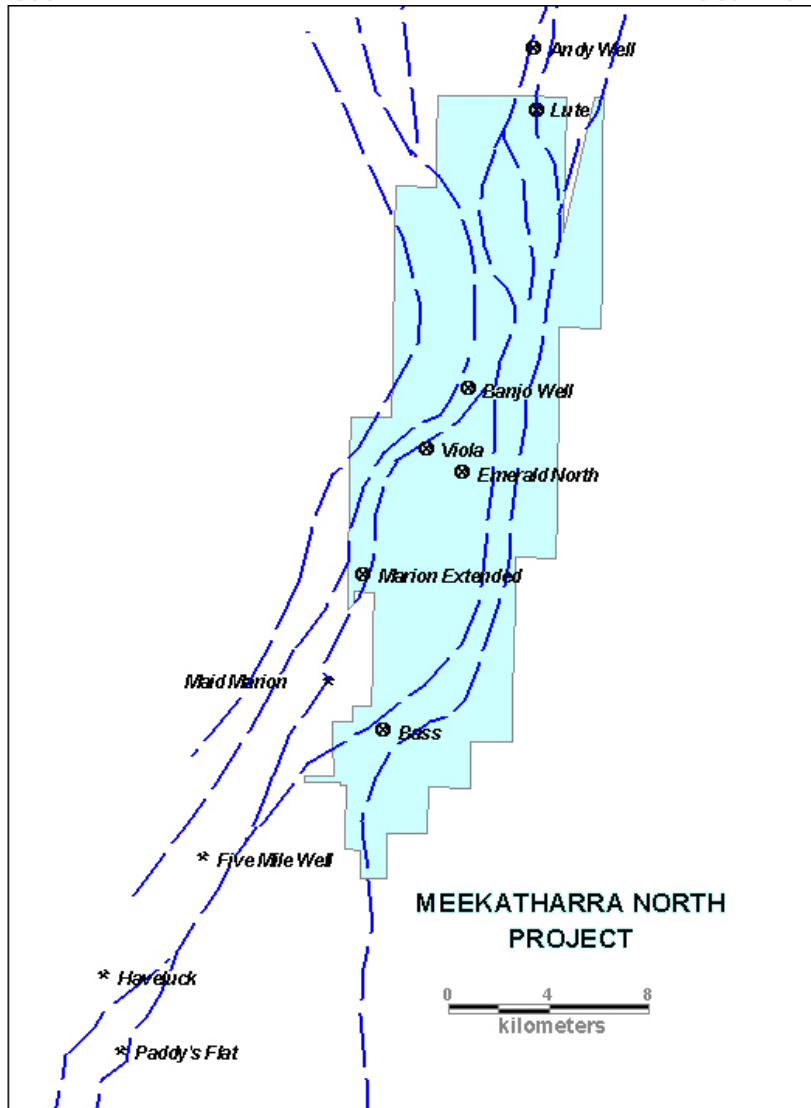
The Board decided not to proceed with the farm-in on **E57/551**. Exploration on this tenement was successful in identifying new gold mineralisation at **Creasy 1** and a number of similar targets were identified. Mineralisation of economic grade has however proved elusive and the terms to extend the farm-in are considerable. The Directors believe the exploration funds might be better applied to our other wholly owned tenements.

Seven reconnaissance samples were collected from the **Ten Mile Iron Formation** on E57/556. This outcrop extends over 3km of strike and varies to 0.5km in width. It is located immediately north of the Sandstone-Menzies road 35km south-east of Sandstone and the highway to Geraldton. The sampling returned values of 26 to 40%Fe from magnetite-martite low phosphorus material. Further systematic sampling will be carried out to more precisely establish mineralogy and grade.

#### **MEEKATHARRA NORTH PROJECT (Gold, 100%)**

*The Meekatharra North Project lies 20km along structure from the **Paddy's Flat** field where 2.5 million ounces of gold have been produced and is adjacent to the recent Mercator plc discovery at **Maid Marion**. The area is substantially covered by a generally thin blanket of colluvium and deeper palaeochannels. Drilling in 2006 identified mineralised and altered shears at Banjo and Viola beneath cover.*

Further drilling is planned for Viola, Banjo and Marion Extended. Further analysis of previous results at Viola and Banjo indicates mineralisation is associated with positions where shearing is deflected around granitic intrusives at a local scale. The shears have influenced the palaeodrainages in these areas necessitating an aircore drill rig. Drilling has been deferred pending availability of a suitable rig.



## TENEMENTS

Rights to E57/551 (Maynard Hills Project) were surrendered and E29/537 (Mt Alexander) was relinquished.

Three tenements were granted over E57/ 619 (Noondie Project), E77/1316 and E77/1336 (Yilgarn Avon JV). A further application for E77/1405 (Yilgarn Avon JV) was lodged.

Statutory 50% reduction was undertaken of E57/555 at Maynard Hills.

## **CORPORATE**

### **CASH RESERVES**

As at 31 December 2006 the Company held cash reserves of approximately \$1.262M to fund its exploration program and for working capital.

### **CAPITAL STRUCTURE**

The current issued capital of the Company is as follows:

- 52,428,467 ordinary fully paid shares;
- 26,214,224 options exercisable at 20 cents on or before 30 June 2008;
- 700,000 unlisted employee options exercisable at 25 cents on or before 21 December 2008.

### **ASX CODES**

MDX – listed ordinary shares  
MDXOA – listed options



**Greg Bromley**  
**Managing Director**  
**31 January 2007**

*The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Gregory John Bromley who is a member of the Australasian Institute of Mining and Metallurgy, with more than 5 years experience in the field of activity being reported on.*

*Mr Bromley is a full-time employee of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Bromley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears*