



PRINCIPAL OFFICE

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Dear Mindax Shareholder/Optionholder,

In my last letter to you of 12th February, I provided you with an update regarding your Company's activities and since then there have been a number of important developments which I wish to bring to your attention.

Mr Andrew Tsang

Shortly after my letter to you, Mr Andrew Tsang a Sydney based investor commenced a relatively brief but vigorous campaign to acquire shares in the Company. In the space of barely a week Mr Tsang acquired a 19.9% shareholding, becoming the Company's largest shareholder. Following a series of meetings and discussions between the Mindax Board and Mr Tsang, Mr Tsang was invited to accept appointment to the Mindax Board and he accepted that invitation becoming a Director with effect from 28th March 2008.

Mr Tsang is a naturalised Australian citizen who was born and educated in China and who has successfully established and run construction, engineering and property development businesses both in China and Australia as well as establishing successful import agencies for Australian manufactured goods into China. He has sound commercial connections with many leading Chinese heavy industry producers **including participants in the Chinese steel manufacturing industry.**

In view of Mr Tsang's successful business background and his relationships with Chinese industry players, **the Directors of MDX consider that his appointment will be of considerable benefit to the Company as it progresses its Mt Forrest iron ore project.**

Red Rock Resources PLC

At the time I wrote to you last, Red Rock had acquired some 8.65% of the company following on market purchases and at that time had become Mindax's largest shareholder. Subsequent to my letter Red Rock acquired further shares and also sold some shares. It now owns some 8.9% of the Company and is the second largest shareholder.

Red Rock's Mt Alfred iron ore project is immediately to the south of and contiguous with Mindax's Mt Forrest iron ore project. Red Rock has stated that it considers it likely that any development of iron ore production in the area (of the two projects) will require the co-operation of Mindax.

In discussions with your Directors, a representative of Red Rock has proposed as yet unspecified arrangements of co-operation between the two companies in relation to the Mt Forrest and Mt Alfred projects. Red Rock has undertaken to submit a proposal for co-operation for consideration by Mindax.

Following the appointment of Mr Tsang to the Board, Red Rock has now also requested representation on the Mindax Board. Your directors are giving careful consideration to that request and will also give careful consideration to any co-operation proposal once that is received from Red Rock. As detailed below Red Rock has also requested to partially underwrite the MDXOA series, and that request is also receiving careful consideration.

Iron Ore

Due to permitting delays, the Company has had to defer its planned April drilling program at Mt Forrest. This has been very disappointing however we are hopeful that the permitting authorities (DoIR and DIA) will be able to complete their processes in May.

Exploration activities in the meantime have continued to be successful. Reconnaissance rock chip sampling of Mindax's extensive tenure in the wider Mt Forrest/Bulga Downs area **indicates further prospectivity for iron with three new targets identified. The target areas that have returned Fe values >45%Fe are on Weiro Bore EL (Ocelot), on Victory Bore EL (Tiger) and Fe on Paradise Well EL (Panther).** The three targets are characterised by lateritised iron formation with associated aeromagnetic response. **Tiger (61.51% Fe) and Panther (58.10% Fe)** lie 5 km west of Mt Forrest on the Edale lineament. These will be further evaluated in the context of the ongoing Mt Forrest iron program. **Ocelot (61.53% Fe)** is 85 km north-west of Mt Forrest, 10 km from the sealed Leinster-Sandstone-Geraldton road and 15km from the previously announced 10 Mile magnetite target.

Uranium discovery at Elach Butting Hill

In the meantime exploration has continued on the Company's other projects. We are very pleased with early results from the reconnaissance drilling on our Yilgarn-Avon uranium project, a joint venture with Quasar Resources. We have announced an intersection of uranium mineralisation that provides very important support for the exploration concept we are testing here. **Uranium values over 4 metres have averaged 66 ppm and include 1 metre of 93.7 ppm.**

This is the first sign of substantial uranium mineralisation in this postulated new province for sedimentary uranium and this support comes very early in the program.

Further the mineralised position is capped by thick clays and should be suitable for in situ leaching (ISL) extraction, should commercial quantities be discovered. Mindax has a very strong and extensive land position over the palaeochannels in this area and there remains much work to be done.

The Elach Butting Hill discovery is obviously highly significant if for no other reason than it is illustrative of the quality and intrinsic value of the Mindax property portfolio. It can be the case where one particular commodity is "in fashion" and perhaps another may not be, that a Company's true value can be distorted if its "not in fashion" assets are overlooked simply because they are "not in fashion".

Whilst your Directors are pleased that due to the quality of its iron ore project Mindax is now receiving some market recognition, I urge all Mindax security holders not to overlook the significance, prospectivity and value of the Mindax uranium interests.

MDXOA's – Underwriting of MDXOA's

The holders of the MDXOA series will be aware that the **date for expiry of and the latest date for exercise is 30 June 2008**. There are approximately 38 million MDXOA's on issue. In accordance with ASX listing requirements there will be further notification sent to the holders of MDXOA's however I do urge all holders to make sure that they have all of the necessary paperwork ready to go if they wish to exercise their options.

The exercise date cannot be extended to assist latecomers who have been unable to exercise their rights as a result of failing to complete the exercise notice on time. If you are a MDXOA holder and you do not have or have mislaid the exercise notice form please contact the Company so that fresh copies can be mailed to you. Also a number of MDXOA holders have started to exercise their options and this is obviously of benefit and assistance to the Company. If you are a MDXOA holder please consider exercising your options ahead of the expiry date.

The Directors are also pleased to advise that **the Company has entered into an Underwriting Agreement with Mr Tsang** whereby Mr Tsang agrees, subject to conditions including MDX shareholder approval, to **underwrite up to 19.9% of the MDXOA series** (ie up to approximately 7.6 million options). A special meeting of shareholders will be held sometime in May 2008 to consider this and other matters.

Red Rock has also requested the opportunity to underwrite up to 25 million of the MDXOA series. That request is being considered. A number of other parties have expressed interest in participating in underwriting the MDXOA series.

I will write to you again when the notice of meeting is sent out. In the meantime I enclose for your information a copy of a report prepared recently by RM Capital which I hope is of interest. **You will note that RM Capital postulates a speculative valuation of \$0.72 per share (fully diluted) for Mindax assuming a maiden resource statement of 50Mt DSO and this (speculative) valuation takes no account of Mindax's non iron ore assets.**

Please feel free to contact the Mindax office if you have any questions.

Yours sincerely



Gilbert George
Chairman
Mindax Limited

8 April 2008