



## ASX ANNOUNCEMENT

DATE: 30 June 2011

ASX Code: MDX

### Corporate Description

Mindax's Mt Forrest Iron Project is progressing through development with a view to moving toward mining phase.

The company is carefully putting in place necessary approvals and aligning infrastructure partners including rail and port.

Coupled with its significant iron assets, Mindax is also the greenfields discoverer of a new uranium province near Mukinbudin, Western Australia.

Through technically advanced exploration and an eye for detail, Mindax has successfully built a significant portfolio of minerals projects in Western Australia's Yilgarn Craton of about 40 tenements covering over 4,600 square kilometres.

Mindax aims to develop strategic resources through innovative exploration. Higher yield projects will be moved to production via strategic partnerships.

### Key Projects

Mt Forrest	DSO Iron, Magnetite
Yilgarn-Avon JV	Sedimentary Uranium
Mortlock JV	Copper-Gold

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## ENTITLEMENTS ISSUE UPDATE

Further to the Company's announcement released to the market on 14<sup>th</sup> April 2011, Mindax Limited ("Mindax" or "the Company") is pleased to announce the following revised terms in regard to the proposed pro-rata entitlements issue ("Rights Issue").

After consultation with the Company's advisers and after considering current market conditions, the Board has resolved that the Rights Issue will be a **renounceable** offer of one (1) new share ("New Share") for every five (5) shares held on the record date of 18 July 2011 at an issue price of 25 cents per New Share, together with one (1) **free** attaching new 'piggyback' option ("New Option") for every New Share issued. The Rights Issue **has been partially underwritten by Patersons Securities Limited** ("Underwriter") to the extent of \$4.75 million and will seek to **raise gross proceeds of approximately \$7,575,000** (assuming no existing options presently on issue are exercised prior to the record date).

The underwriting includes a commitment from Ms Lei You (the mother of Andrew Tsang, a non-executive director of Mindax), to sub-underwrite up to 50% of any shortfall, and Gilbert George (a non-executive director of Mindax) to sub-underwrite up to 1,000,000 securities of any shortfall under the Rights Issue. Further, Andrew Tsang intends to take up his own entitlement of 6,446,022 New Shares and New Options in full, representing 21.27% of the Rights Issue.

The funds raised will be applied principally to progress exploration and development of the Company's **Mt Forrest Iron Project, particularly the DSO component which has the following identified highlights** (refer ASX Announcement 11 May 2011):

- Shallow mag-hematite resource of 19Mt @ 42.30% Fe (JORC Indicated and Inferred) with low phosphorous content.
- Additional **exploration target\*\*** of mag-hematite mineralisation of 15Mt to 30 Mt at an expected grade of 42% to 58% Fe.
- Beneficial to DSO equivalent product on preliminary metallurgical advice.
- Early startup and cashflow targeting second half of 2013.

*\*\* The nature of the exploration target means that the potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource.*

The New Shares will rank equally in all respect from the date of allotment with the existing class of quoted ordinary shares. The New Options will represent a new class of options and will comprise a primary option with an exercise price of 30 cents that will be exercisable during April 2012, expiring on 30 April 2012. The New Option is exercisable into one (1) ordinary share and also one (1) secondary option with an exercise price of 35 cents and an expiry date of 31 May 2015.

***Details of the Rights Issue and How to Participate***

Eligible shareholders will receive a copy of the Rights Issue offer document and accompanying Entitlement and Acceptance Form setting out the relevant details.

**Key dates are set out below:**

The dates are indicative only and the Company reserves the right to vary them, subject to the Corporations Act 2001 and the ASX Listing Rules.

Event	2011
▪ Notify existing option holders of the Rights Issue	1 July
▪ Lodge prospectus with ASIC/ASX; Lodge Appendix 3B	1 July
▪ Notice to security holders of Rights Issue terms	4 July
▪ Ex date – rights trading commences	12 July
▪ Record date for determining entitlements	18 July
▪ Prospectus & Entitlement and Acceptance Forms despatched to eligible shareholders	22 July
▪ Rights trading ends	29 July
▪ Closing date	8 August
▪ Notification of Shortfall	10 August
▪ Allotment of New Shares and New Options & Despatch of holding statements	15 August

Yours sincerely



**Gregory J Bromley**  
**Managing Director**

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*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 Greg 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.*