



PRINCIPAL OFFICE

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## Statement to ASX Limited 25 January 2010

*Successfully building a significant portfolio of iron, uranium, gold and copper projects in Western Australia's Yilgarn Craton, Mindax Limited is a technically advanced and committed minerals explorer.*

*Listing on the ASX at the end of 2004, Mindax has built its portfolio to 43 tenements covering 5025 sq km.*

*Focussing on key strategic mineral commodities, Mindax's objective is to move projects to a production phase by utilising exploration, based on systematic geological and geochemical analysis and advanced geophysical modelling.*

Main projects are Mt Forrest iron, the Yilgarn-Avon uranium Joint Venture and the Mortlock copper-gold project.

**ASX Code: MDX**

*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 2009

### HIGHLIGHTS

- Inaugural drilling of 16 holes for iron at Mt Forrest, at Toucan prospect has been completed. Assay results are incomplete but confirm the presence of high-grade haematites within wider iron rich (haematite and goethitic) zones:
  - 5m @ 63.4% Fe from 31 m in MFC0003.
  - 4m @ 62.9% Fe from 13 m in MFC0007.
  - 3m @ 61.7m Fe from 7 m in MFC0001.
- A second section 18 approval at Mt Forrest has been determined and allows drilling to take place over a further 10 km of prospective iron formation. Ninety four holes are planned within this area and subject to DMP approvals, this work should commence in March.
- A share purchase plan was concluded. Shareholders subscribed for 1,580,000 shares raising \$790,000.
- A Bonus Option prospectus has been lodged: one listed free option for each two MDX shares with an exercise price of 75c and expiry on 1 December 2011.

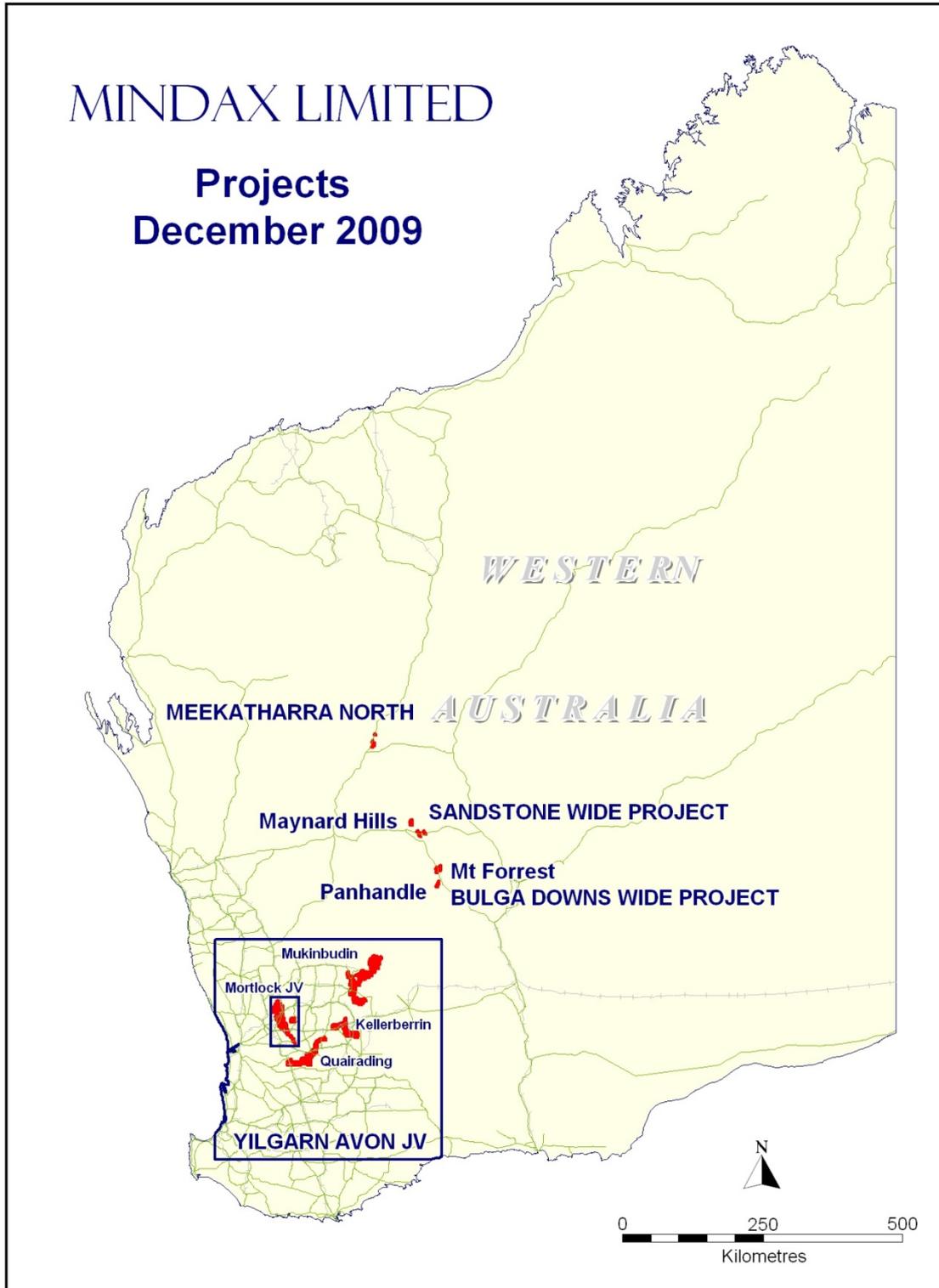


Figure 1 Mindax Project Locations December 2009

## EXPLORATION

### MT FORREST PROJECT (Iron, Gold 100%)

*Located in the Richardson Ranges Mindax's (Yilglron Pty Ltd) Mt Forrest Project lies 150 km north-west of Menzies, which is on the railway line to the deepwater iron ore port of Esperance. The project covers seven Mining Leases over 50 sq km.*

*Systematic detailed mapping and rock chip sampling by Yilglron indicates extensive hematite-goethite-magnetite mineralisation at surface, as multiple bands within a folded greenstone package extending over 17 km of strike. A high-grade hematite deposit is recorded at Mt Richardson, immediately to the south of the Project area.*

*Mindax announced an exploration target in February 2008. The hematite-goethite (direct shipping ore - DSO) exploration target at the Mt Forrest project, based on surface mapping and sampling extrapolated to a depth of 75 metres below surface, is 90 – 110 million tonnes at an expected grade of 50 – 60% Fe. This potential quantity and grade at the Mt Forrest Project is conceptual in nature and there currently is insufficient drilling to define a Mineral Resource and it is uncertain if future exploration will result in determination of a Mineral Resource.*

*Exploration priority is being given to identifying DSO material by an extensive scout drilling programme. Quantification of the more extensive magnetite ore potential will be undertaken in the future.*

*The Mt Forrest Project also includes the Paradise Bore indicated / inferred oxide resource of 36,000 oz gold. This is hosted by the Cabaret Trend, a mineralised structure along the West Limb that has returned drill intersections of >3 g/t over 10 km.*

During the December quarter the major focus was in building a formal relationship with the Wutha, Koara and Ngalia peoples and developing cultural and heritage management protocols for the project. This is now in place to the satisfaction of the Department of Indigenous Affairs and will continue to evolve.

Yilglron has now received a determination of the second s18 application considered in November and a significant further area has now been opened for exploration drilling, subject to conditions and approval of programmes of work by DMP. This area includes a further 94 proposed reconnaissance drillholes.

A third s18 application has been submitted for consideration in March and if successful will increase the aggregate reconnaissance program towards 200 holes.

Inaugural drilling for iron commenced at Toucan prospect with eight RC holes completed prior to the end of the Quarter and a further eight holes subsequently. In all a total of 16 holes were completed for 1096 metres drilled. Results for the first eight were released towards the end of December and are included in Table 1 below. The assay results for the remainder are pending.

**Table 1 Assay Results - MFC0001 to MFC0008**

| Drill Hole | Easting | Northing | Declination/<br>Azimuth | Hole<br>Depth<br>(m) | From<br>(m) | To (m) | Down<br>Hole<br>Interval<br>(m) | Fe%   |
|------------|---------|----------|-------------------------|----------------------|-------------|--------|---------------------------------|-------|
| MFC0001    | 789618  | 6824599  | -43/90                  | 125                  | 1           | 20     | 19                              | 56.5  |
| incl       |         |          |                         |                      | 7           | 10     | 3                               | 61.7  |
| MFC0002    | 789578  | 6824599  | -60/270                 | 60                   | 8           | 16     | 8                               | 53.3  |
| incl       |         |          |                         |                      | 9           | 10     | 1                               | 60.54 |
|            |         |          |                         |                      | 23          | 30     | 7                               | 54.4  |
| MFC0003    | 789598  | 6824599  | -60/270                 | 72                   | 30          | 41     | 11                              | 59.4  |
| incl       |         |          |                         |                      | 31          | 36     | 5                               | 63.4  |
| MFC0004    | 789612  | 6824595  | -60/270                 | 5                    |             |        |                                 | NSA   |
| MFC0005    | 789635  | 6824658  | -60/270                 | 89                   | 17          | 22     | 5                               | 53.9  |
| MFC0006    | 789657  | 6824659  | -60/270                 | 59                   | 5           | 10     | 5                               | 55.6  |
| MFC0007    | 789674  | 6824660  | -60/270                 | 53                   | 13          | 17     | 4                               | 62.9  |
| MFC0008    | 789711  | 6824663  | -60/270                 | 89                   |             |        |                                 | NSA   |

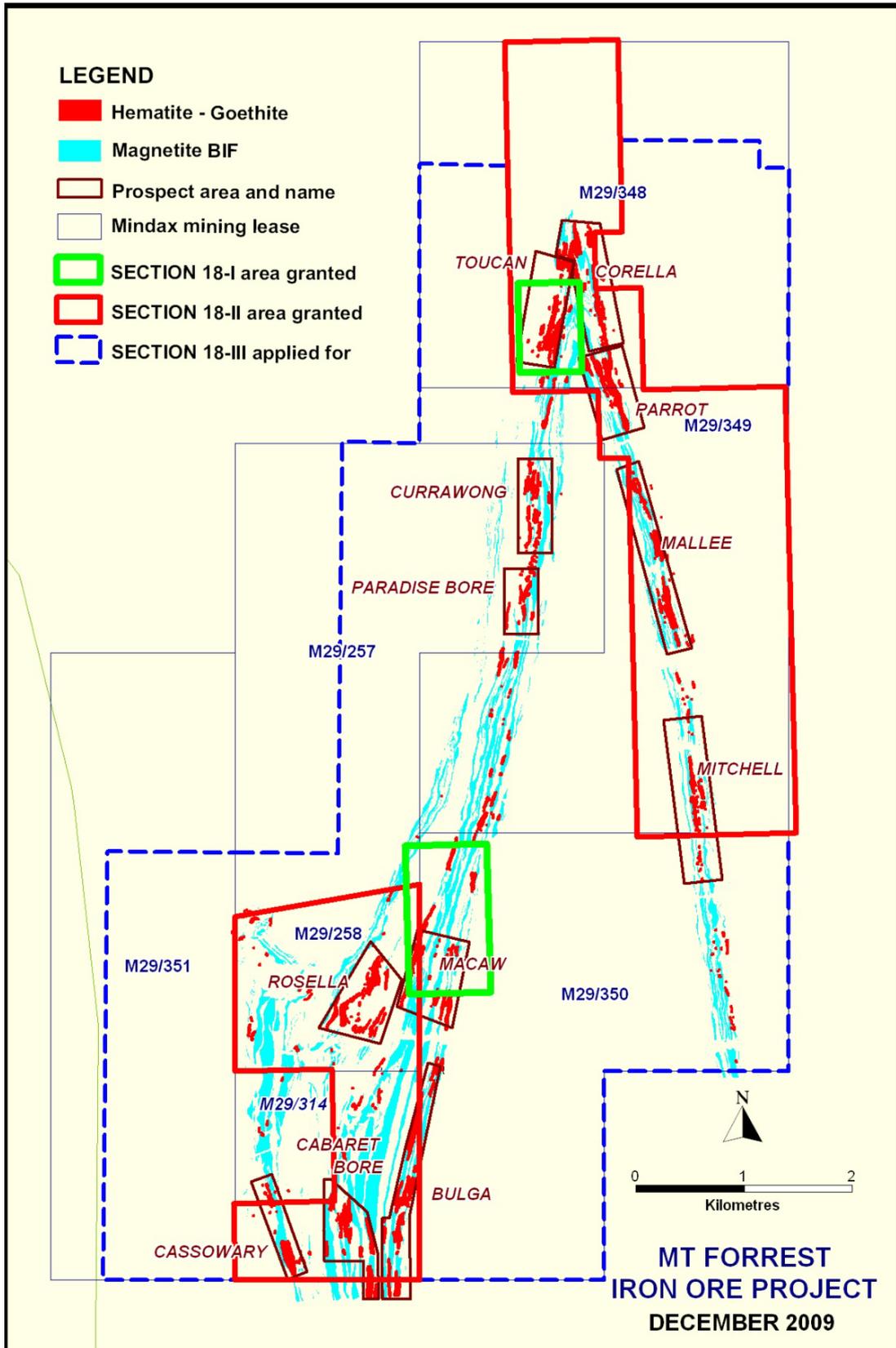


Figure 2 Mt Forrest Iron Ore Project - December 2009

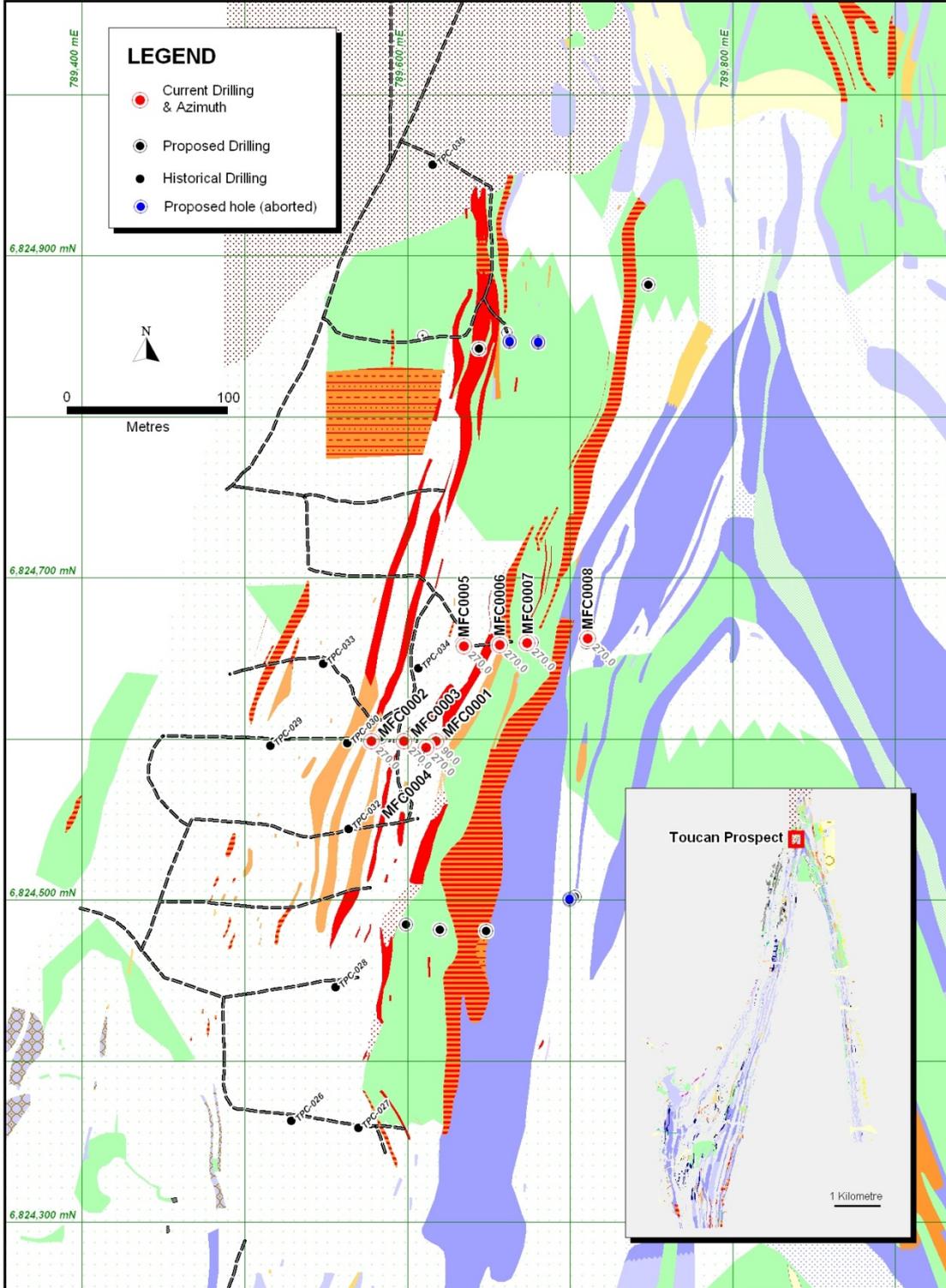


Figure 3 Toucan Prospect

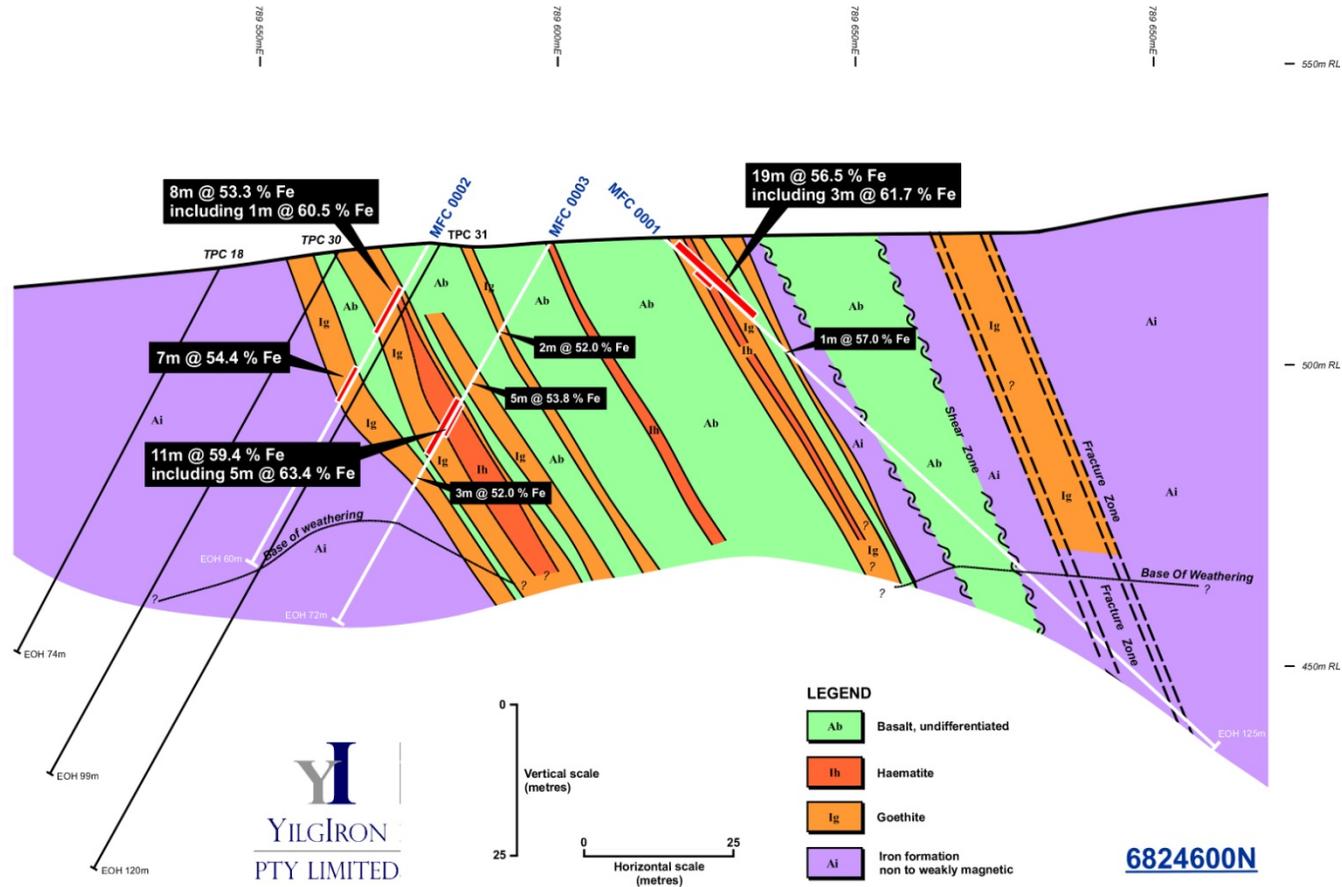


Figure 4 Toucan Drill Section 6824600N

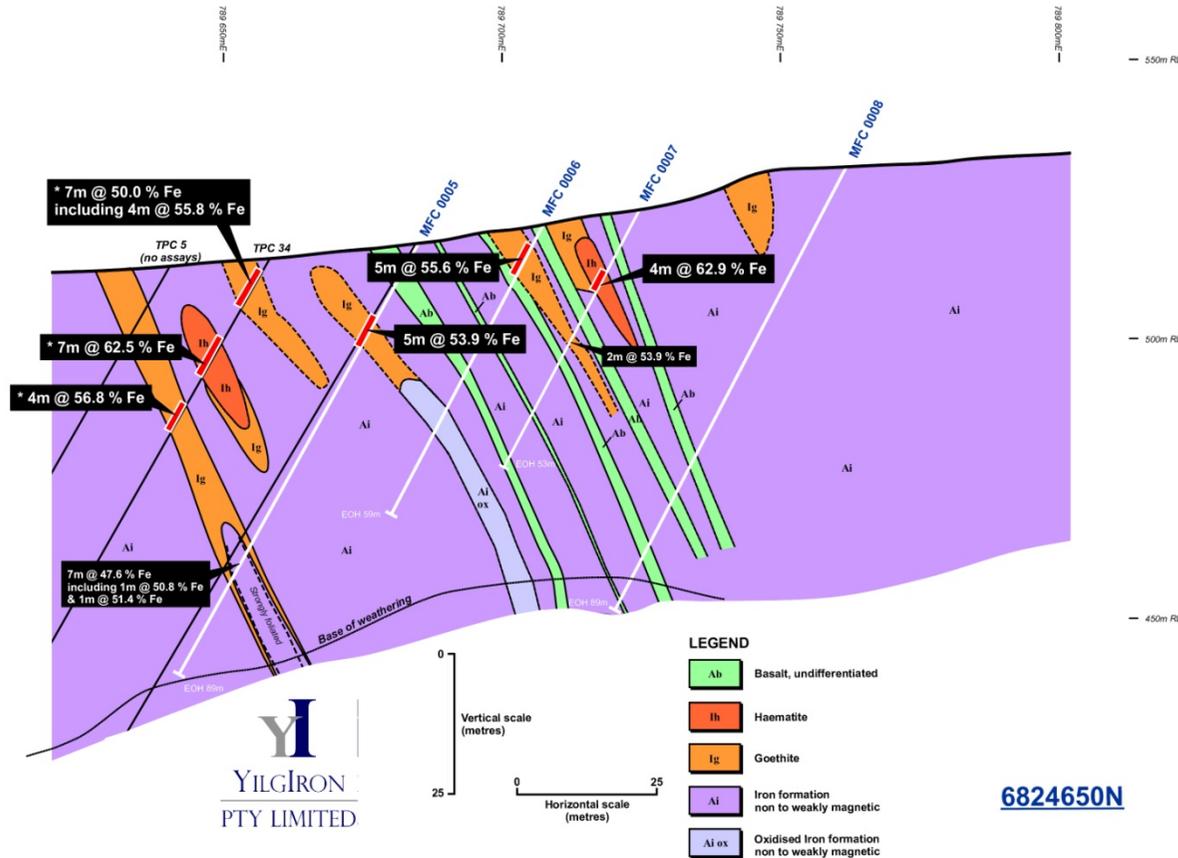


Figure 5 Toucan Drill Section 6824650N

**BULGA DOWNS WIDE PROJECT (Iron, Gold, 100%)**

*The Bulga Downs Wide Project includes those tenements adjacent to the Mt Forrest mining leases where there is prospectivity for gold and also for iron that would be of strategic relevance to any mining operation at Mt Forrest. It includes the Panther and Tiger iron prospects where surface sampling has returned >60% Fe and overlapping areas of gold-in-soil geochemistry.*

No work was carried out on these prospects during the quarter. Next quarter will see commencement of sampling at the Toccata gold prospect and the Ocelot iron prospect.

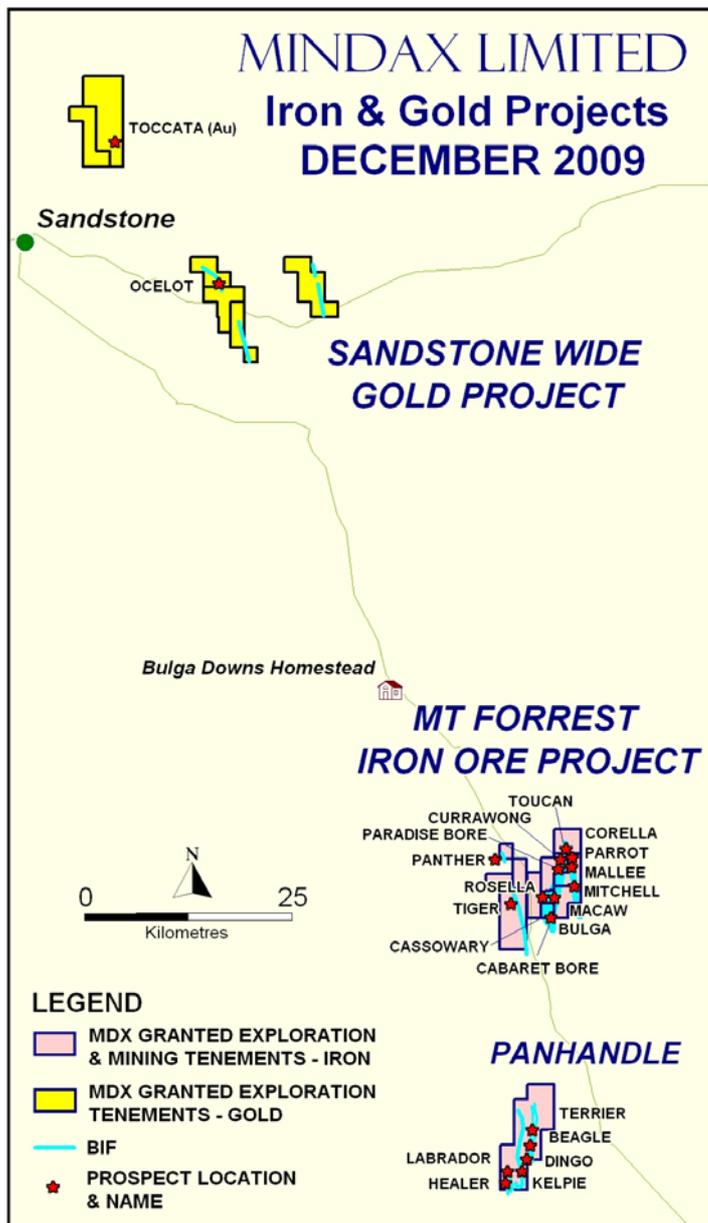


Figure 5 Prospects Sandstone to Panhandle December 2009

## **YILGARN AVON JOINT VENTURE – PALAEOCHANNEL PROJECT (Uranium, 50% and operator)**

*Mindax (Mindax Energy Pty Ltd) along with **Quasar Resources** as the Yilgarn Avon Joint Venture is searching for roll front uranium in palaeochannels of South-Western WA. The Yilgarn Avon project has already demonstrated very significant uranium anomalism in ground waters to **>1,000 ppb uranium** and suitable carbon traps for uranium within the drainages in this hitherto unexplored region.*

*A scout drilling campaign of widely spaced holes to basement is ongoing, aimed at determining the general geological morphology of the Yilgarn palaeochannel and its geological and hydro-geochemical characteristics, particularly with respect to uranium mineralisation.*

*At Mukinbudin, 200 km north-east of Perth, the program has demonstrated sedimentary style uranium mineralisation to 0.2%  $U_3O_8$  at the Jindarra prospect covering in excess of 2 km of the palaeochannel.*

Moving forward from the significant intercepts encountered during the last phase of drilling at the Jindarra Prospect (8 m @ 0.03%  $U_3O_8$  including 1 m @ 0.2%  $U_3O_8$  and 8 m @ 0.03%  $U_3O_8$  including 3 m @ 0.15%  $U_3O_8$ ), a Program of Work (PoW) application has been approved by DMP to conduct infill drilling around and between these two intersections of economic grades.

To better target this drilling a detailed ground gravity survey was conducted to map out the subsurface location of the deepest parts of the palaeochannel. The results of this survey indicate a greater complexity to the main palaeochannel than indicated by the scout drilling traverses.

Baseline soil and vegetation geochemical surveys were conducted at Jindarra with results for both programs currently pending.

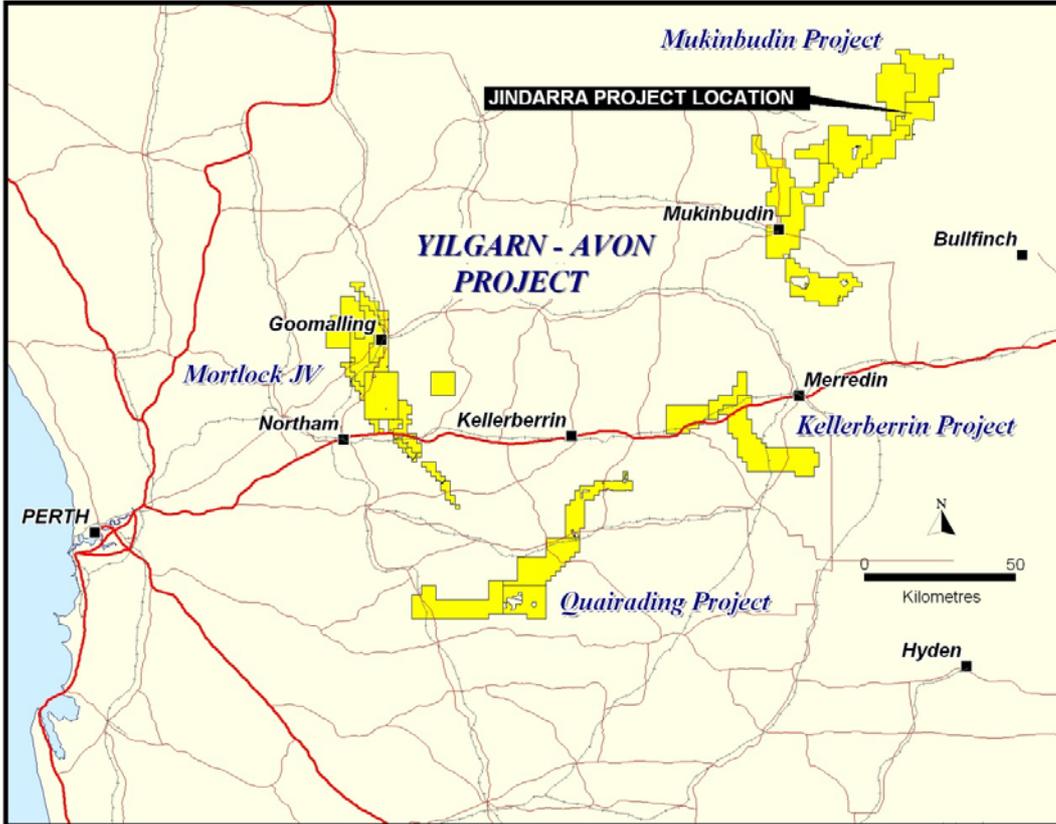


Figure 6 Yilgarn-Avon Projects December 2009

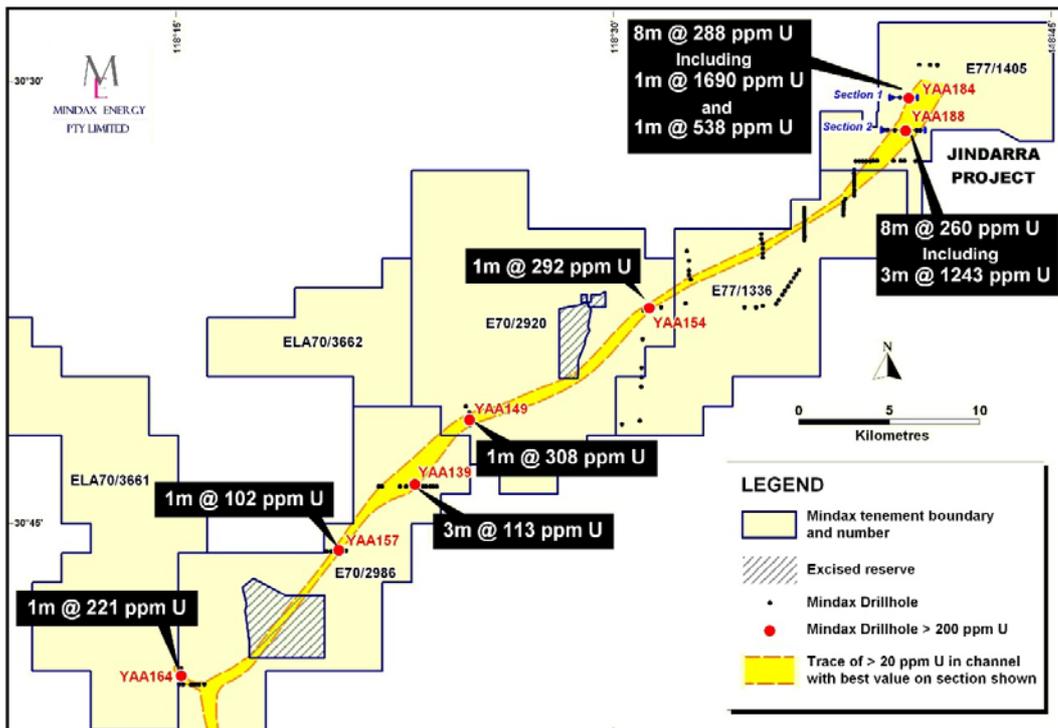


Figure 7 Mukinbudin Drillhole Locations December 2009

## **YILGARN AVON JOINT VENTURE - MORTLOCK PROJECT (Copper, Gold, Uranium, 50% and operator)**

*The Yilgarn Avon Joint Venture (YAJV) has an application over 200 sq km at **Mortlock**, covering the Centre Forest and Southern Brook gold-copper prospects (CFSB Trend) in the Goomalling area 100 km north-east of Perth. The regional geology comprises high-grade metamorphic rocks extending south from the Wongan Hills greenstone belt. Parallel and to the west lies the Jennacubbine Trend of geophysical-geochemical anomalism.*

*Wide intercepts of copper-gold mineralisation have been drilled by previous explorers on the CFSB Trend, including 61 m @ 0.83 g/t Au, 37 m @ 0.72 g/t Au and 0.26% Cu, and a diamond core intercept of 25 m @ 0.47 g/t Au and 0.18% Cu. A composite of drilling and surface geochemistry indicate a zone of copper anomalism of some 6 km length. Airborne EM geophysics shows conductivity anomalies coincident with this geochemical corridor. The target CFSB zone is open along strike in both directions with a regional geophysical and geochemical signature extending potentially over 20 km. Jennacubbine Trend persists over a similar distance*

*The YAJV Mortlock project includes the right to earn 80% in certain adjacent tenements held by Sipa Resources.*

Field reconnaissance and sampling of airborne EM anomaly positions within the wider project area continued as access became available after harvest. Small programs of rock chip sampling and soil sampling were conducted at selected anomalies to aid in the target ranking for drilling priority.

A PoW has been approved for drilling of the Centre Forest East Cu / Au EM geophysical target. This is scheduled for the March quarter.

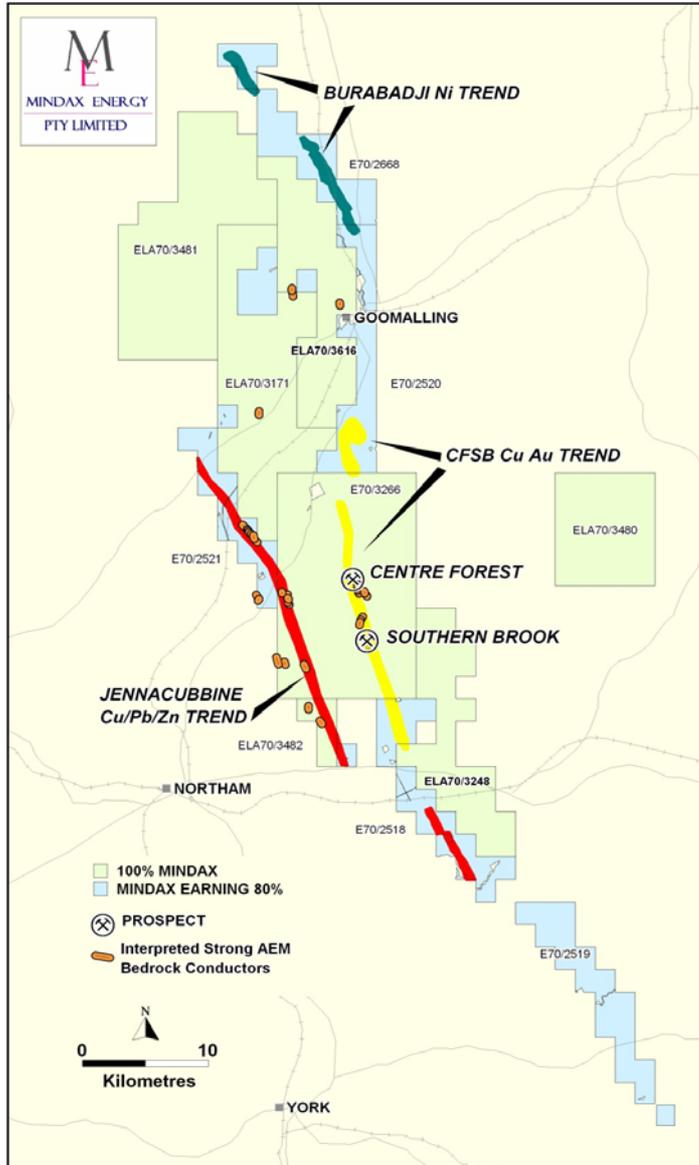


Figure 8 Mortlock Project December 2009

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

*The Panhandle Project lies on the **Edale fault**, 40 km south west of the Mt Forrest Project and 130 km south east of Sandstone. The area has returned **gold-copper** anomalism in soils associated with geophysical complexity and a pronounced jog in the main structure. Historical drilling has returned up to 2.67 g/t Au. Extensive iron formation occurs within the area. Reconnaissance sampling indicates some hematite potential.*

No work was carried out on these prospects during the quarter. A PoW Application has been approved by the DMP to drill test the Terrier Prospect. This drilling will be done in conjunction with work at Mt Forrest.

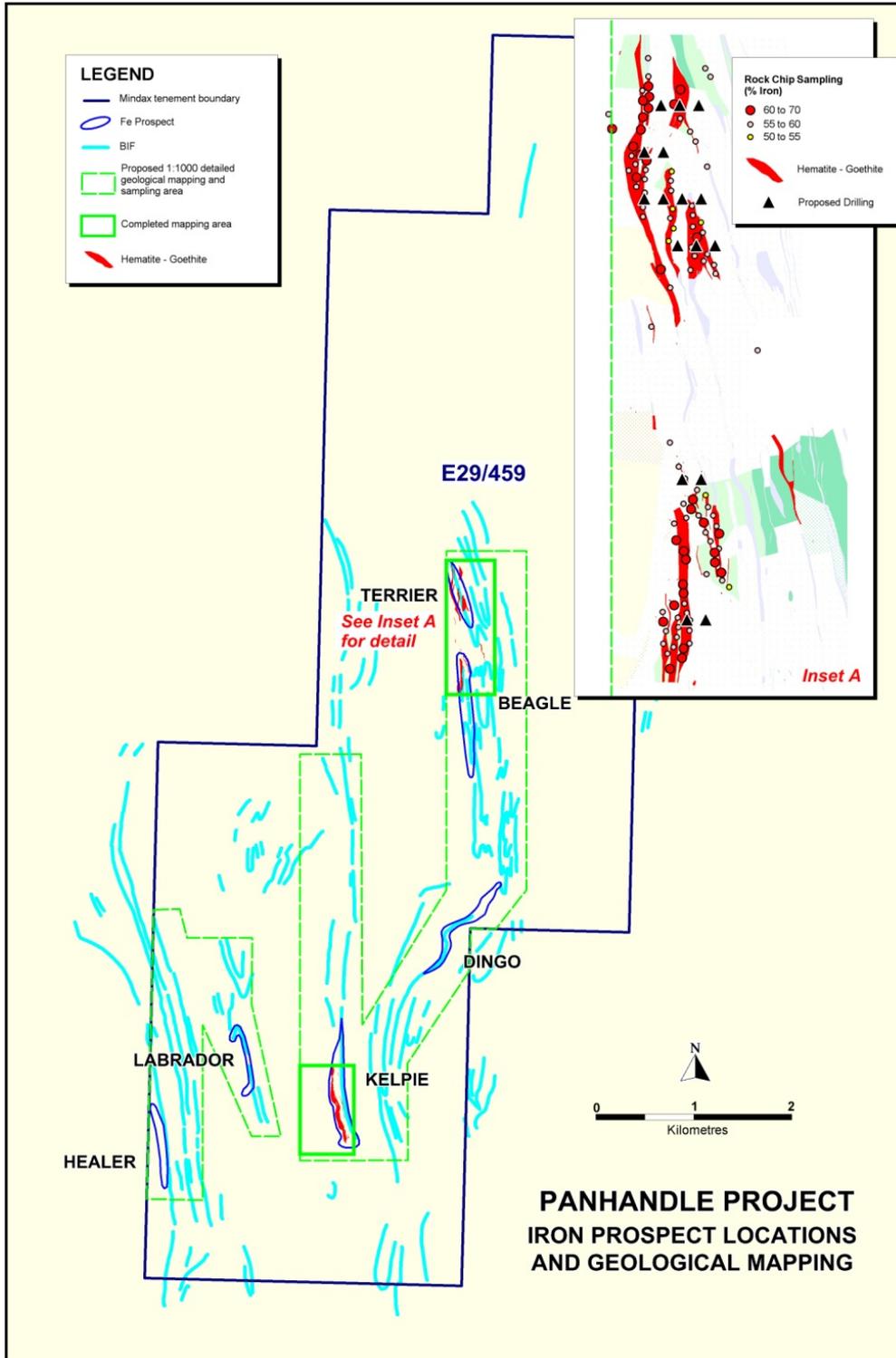


Figure 9 Panhandle Prospect December 2009

## **SANDSTONE WIDE PROJECT (Iron, Gold 100%)**

*The Sandstone Wide Project area includes the Maynard Hills and Maynard North Projects and covers the Edale and Illara structures projecting north west from the **Mt Forrest Project area** through the **Creasy 1** gold discovery to immediately east and north 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 northern part of the area in particular has seen no previous exploration but Mindax's program shows gold anomalies at Tocatta.*

*Iron formations through the area indicate potential for hematite-magnetite mineralisation at Ocelot and Ten Mile.*

No work was carried out on these prospects during the quarter. Next quarter will see commencement of sampling at the Tocatta gold prospect and the Ocelot iron prospect.

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

*The Meekatharra North Project lies 20 km 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 thin blanket of colluvium and deeper palaeochannels. Drilling has identified a series of blind mineralised and altered shears through the area.*

A heritage clearance with the local traditional owners was carried out during November. It is expected that drilling will be undertaken during the next quarter.

## **TENEMENTS**

|                            |  |
|----------------------------|--|
| New Tenement Applications: | ELA77/1709 & ELA77/1710 – Mukinbudin Project (Oct 09)                                      |
| Tenements Granted:         | EL70/3480, 3481, 3482, 3483 Mortlock Project (Dec 09) & E57/787 Sandstone Project (Oct 09) |
| Extension of Term Granted: | E29/459 Panhandle (Dec 09)   |
| Partial Surrenders:        | E51/1034 (Oct 09)  |

## **CORPORATE**

### **CASH RESERVES**

As at 31 December 2009 the Company held cash reserves of approximately **\$6.058 million** to fund its exploration program and for working capital.

### **SHARE PURCHASE PLAN AND BONUS ISSUE**

On 15 December 2009, the Company announced details of a Share Purchase Plan (**SPP**) and a proposed bonus issue of options (**bonus issue**).

The SPP closed on 8 January 2010 with the Company receiving **\$790,000** from eligible shareholders applying for **1,580,000 ordinary fully paid shares**.

On 22 January 2010, a prospectus was lodged with regard to the bonus issue. Under the terms of the bonus issue, each eligible shareholder will receive **one bonus option (at no cost) for every two Mindax shares** held as at the record date of 5pm AWST, 3 February 2010. Each bonus option will have an exercise price of \$0.75 and an expiry date of 1 December 2011.

### **ISSUE OF UNLISTED OPTIONS**

During the quarter the Company issued **300,000 unlisted options** to arms length employees and consultants pursuant to its Employee and Consultant Option Scheme. Each option is exercisable at \$0.48 and has an expiry date of 12 October 2012.

In addition to the above, the Company also issued the following **unlisted options**:

- **1,500,000** options to Directors approved at the Company's 2009 Annual General Meeting.
- **300,000** options to arms length consultants pursuant to the Company's Employee and Consultant Option Scheme.

Each option above will vest on 31 March 2010 (subject to meeting the relevant vesting condition), has an exercise price of \$0.60 and an expiry date of 31 March 2012.

**CAPITAL STRUCTURE**

The current issued capital of the Company is as follows:

| Number Quoted | +Class                      |
|---------------|-----------------------------|
| 130,695,756   | Ordinary Fully Paid Shares. |

| Number Not Quoted | +Class   |
|-------------------|--|
| 100,000           | Employee options with \$0.25 exercise price expiring 10 January 2011.                                  |
| 250,000           | Employee options with \$0.53 exercise price, expiring 1 August 2012.                                   |
| 300,000           | Employee/consultant options with \$0.48 exercise price, expiring 12 October 2012.                      |
| 1,800,000         | Director/consultant options with \$0.60 exercise price, vesting 31 March 2010, expiring 31 March 2012. |

**ASX CODES**

MDX – listed ordinary shares.

Yours sincerely



**Gregory J Bromley**  
**Managing Director**  
**25 January 2010**

*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.*