



ASX ANNOUNCEMENT

24 January 2012

ASX Code: MDX

ABN: 28 106 866 442

Corporate Description

Mindax's Mt Forrest Iron Project is progressing through feasibility with a view to mining at the end of 2013.

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 37 mineral exploration and mining tenements covering over 4,000 square kilometres. In addition, Mindax has applications in place for water and infrastructure covering over 2,400 square kilometres in support of the Mt Forrest Iron Project development.

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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ACTIVITIES FOR QUARTER ENDING 31 DECEMBER 2011

HIGHLIGHTS

Mt Forrest Iron Project

- **Revised Magnetite Resource** now includes 248.2 Mtonnes @ 32.6% Fe in JORC Indicated category and High Tenor magnetite of 26.7 Mtonnes @ 42.1% Fe (JORC Indicated + Inferred).
- **Regolith Iron Resource** now includes 12.3 Mtonnes @ 45.5% Fe in JORC Indicated category.
- **Metallurgical testwork demonstrates good achievable recoveries** from this regolith mineralisation to marketable specifications (Platt 58 and Platt 62 indices).
- **Newly identified detrital iron mineralisation** expected to positively impact future regolith resource position.
- **Scoping Study** and gold studies expected to be completed during January 2012.

YAJV Uranium Project

- **Maiden resource** of 3.2Mlb @0.02% U₃O₈ (0.01% U₃O₈ cut off) in JORC Inferred category, announced for Jindarra and Yandegin prospects represents significant milestone in this greenfields discovery.

IRON EXPLORATION UPDATE

The last quarter saw 67 reverse circulation holes drilled for 3,269 metres targeting regolith goethite-hematite direct shipping material into undrilled areas that were previously inaccessible due to heritage constraints. Infill drilling for goethite targets was undertaken at Toucan, Parrot and Cassowary North. Scout drilling focussed on three untested goethite prospects at Bulga, Currawong and Emu North and scout drilling of detritals flanking the Cassowary North project to the west. These new untested areas have revealed strike extensive significant additional goethite-hematite and related iron mineralisation including new regolith iron materials.

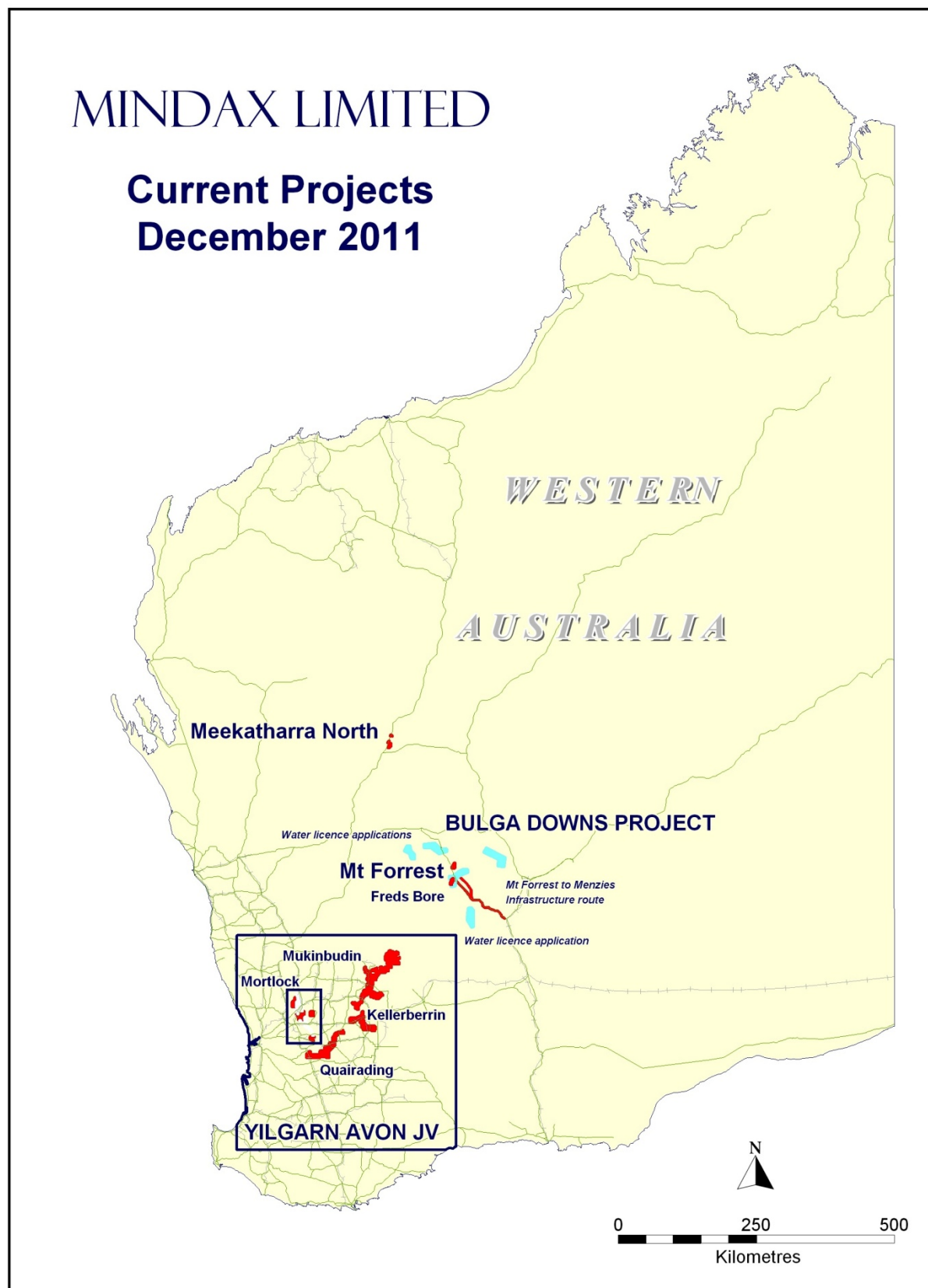
A new zone of goethite-hematite mineralisation identified by scout drilling and mapping at Paradise Bore, includes iron grades greater than 54% Fe over 1,000 metres of strike and extends below the base of oxidation to a depth of >70 metres.

At Cassowary, scout drilling of a blanket of detrital material adjacent to goethitic iron formation returned consistent iron mineralised intervals of 40-45% Fe over a 20 metre section from surface. Mapping describes an area of 2 x 1 kilometres along the ridgeline and out to the west.

More detailed mapping has been undertaken and preliminary samples collected from exposures in gullies. These have been tested to establish a better understanding of the material. Early observations suggest that simple screening or trommelling should generate a suitable product. This regolith mapping is being extended to similar detrital blankets at the Toucan, Parrot and Emu North prospects and drilling will also extend to these areas.

At Parrot and Toucan, infill resource drilling successfully intersected goethite-hematite mineralisation and upgrading those areas of the resource modelling.

Figure 1
MINDAX PROJECT LOCATIONS AT DECEMBER 2011



GEOMETALLURGY

Regolith Goethite-Hematite

Regolith iron metallurgical work was conducted by Ammtec Ltd under the management of Vulcan Technologies Pty Ltd. Results from this metallurgical testwork program on three representative Mt Forrest regolith iron samples above a 40% Fe cut-off returned product grades greater than 63% Fe with mass recoveries greater than 70%, along with low levels of gangue mineralogy. These results have provided confidence that the lower grade material (14.7Mt @ 45.3% Fe) can generate a marketable product significantly adding value to the project overall.

Three representative Regolith composites were generated for testing comprising:

- Sample 1 – 40 - 50% Fe range.
- Sample 2 – 50 - 60% Fe range.
- Sample 3 – 50 - 60% Fe range with internal dilution.

The testwork included gravity, magnetic and density separation processes, with density separation at -3mm (no grinding is necessary) showing the best upgrade and mass recovery.

Key points:

- Up to 28% Fe upgrade for sample 1 where the average head grade at 45% Fe increased to 58% Fe with a mass recovery of 63%.
- Up to 73% reduction in silica and 79% reduction in alumina levels were achieved in sample 1.
- Samples 2 and 3 saw modest upgrades in iron by up to 14% from average grade >55% Fe to 63% Fe with low impurity levels reporting to 2.2% alumina and 4.8% silica and low levels of phosphorous at 0.07%. The mass recoveries for both samples exceeded 70% and sample B2 up to an outstanding 82%.

Regolith Detrital Materials

Nine preliminary surface samples were taken at Cassowary North for size classification and assay to determine the potential upgrade of detrital material to a saleable product by dry-screening and washing out the finer fractions, including the high alumina clay fractions.

Of the nine samples, five returned saleable grades higher than 57% Fe with acceptable silica and aluminium levels. Further bulk sampling will be undertaken and a protocol for drilling and sampling developed prior to further drilling to quantify the detrital material.

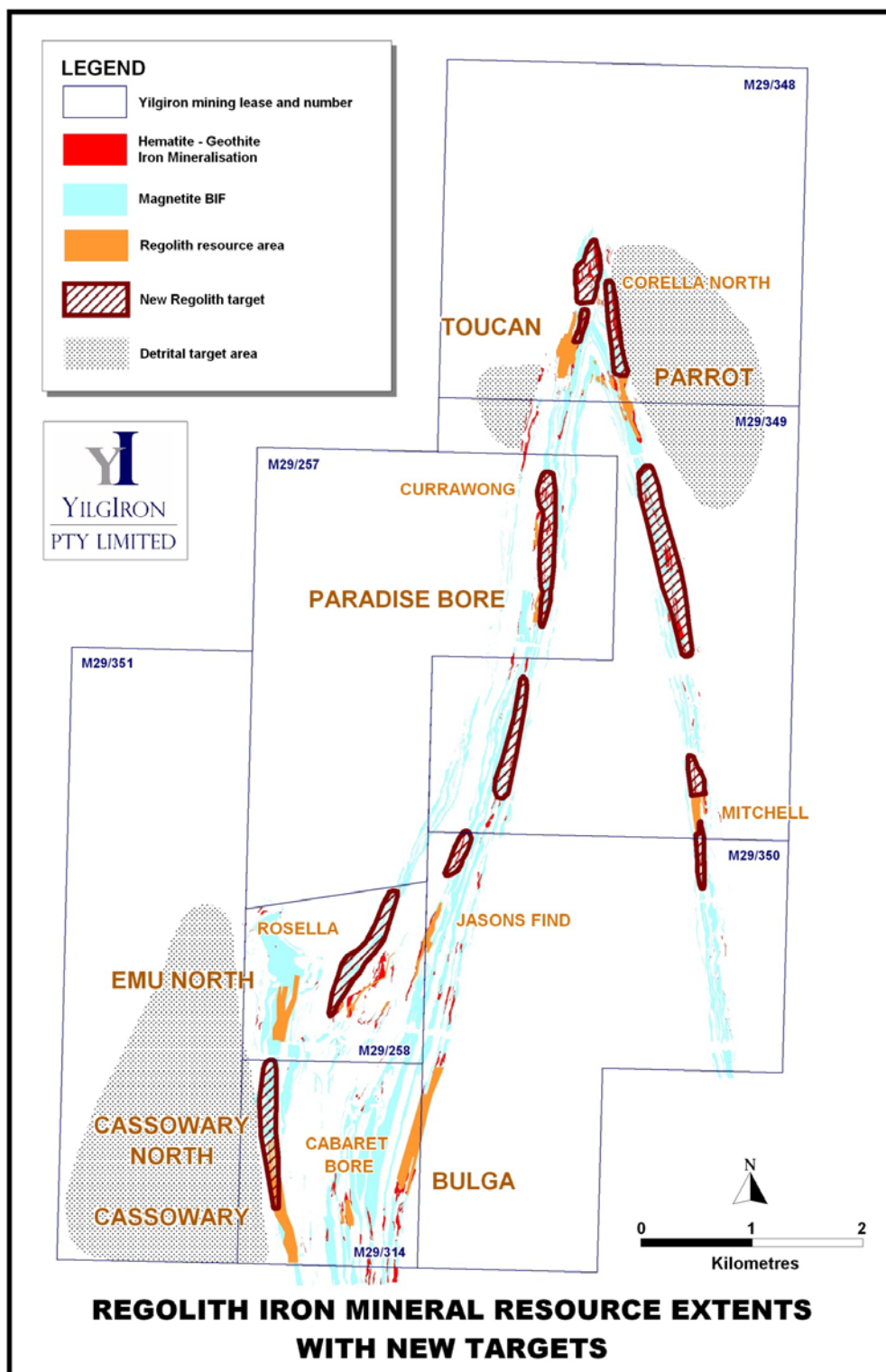
Davis Tube Recovery ("DTR") Results at 40 Micron including High Tenor Magnetite.

Further Davis Tube Recovery ("DTR") testwork returned a best weight recovery of 62.3% with a concentrate grade of 71.1% Fe, indicative of an ultra clean magnetite specification. Analysis of selected DTR tails confirmed certain mineralisation includes a hematite component potentially enhancing overall Fe recoveries.

Results from the Echidna and Emu prospects provide support for neighbouring drill holes, confirming and complimenting the strike continuity of high tenor primary magnetite – micro-platy hematite mineralisation. **Drill hole MFC0303 intersected several high-grade zones, with primary grades up to 49% Fe and weight recoveries up to 60%, averaging 70.8% Fe over 100 metres** and presenting an ultraclean concentrate with very low contaminants.

Selective analysis of DTR tails (non magnetic residues) was undertaken where samples showed high primary iron grades, but relatively low DTR recoveries. These tails returned assays of up to 22% Fe. This non-magnetic iron mineral is confirmed as hematite and confirms a widespread geological observation of hematite alteration of magnetite. This will enable more efficient recoveries of iron oxides from this mineralisation.

Figure 2
 MT FORREST PROSPECT AREAS



Mineral Resource Inventory

In November 2011 a Mineral Resource update was undertaken to include drill data that was unavailable for the May 2011 update and the scout and infill drilling completed in October would also be included to bolster and upgrade the mineral resource. Optiro Pty Ltd was commissioned to update the iron inventory at Mt Forrest. Two estimations were completed and for the **magnetite mineralisation** within these areas the updated Mineral Resource is **estimated to be 831.7 Mt at 32.5% Fe** (Indicated and Inferred Category, Table 1). The **Regolith iron mineralisation was estimated to be 14.7 Mt at 45.4% Fe** (Indicated and Inferred Category, Table 2) reported above a 40% Fe cut-off grade and 5.5 Mt at 53.4% Fe reported above a 50% Fe cut-off grade. The residual CSA Mineral Resource has been depleted for areas where new Optiro information has overlapped the old information. The present depleted Mineral Resource is 521.1Mt at 31.4 % Fe (Inferred Category, Table 3). The Mineral Resource has been reported and classified using the guidelines of the 2004 JORC Code. The revised **total iron inventory now stands at 1.4 Bt @ 32.2% Fe** (Indicated and Inferred Category, Table 5).

Exploration has identified what is being described as high tenor magnetite occurrences within the Mt Forrest tenements iron formation. These occurrences exist in locally intensely altered iron formation where either secondary magnetite and or micro-platey hematite are formed or further alteration occurs to form martite. Reporting above a cut off of 40% Fe, **a total of 26.7 Mtonnes (Indicated and Inferred Category, Table 4) of high grade ore has been identified**. These high tenor positions are open at depth and along strike and pose an important target in their own right. The material also has great significance for the development of high grade goethite materials in the regolith environment closer to the surface.

Table 1
 MAGNETITE – RESOURCE – NOVEMBER 2011

Resource Category	Million Tonnes	Mean Fe%	Mean SiO ₂ %	Mean Al ₂ O ₃ %	Mean P%	Mean S%	Mean LOI%
Indicated	248.2	32.6	47.0	1.7	0.06	0.12	1.1
Inferred	583.5	32.4	47.1	1.5	0.06	0.17	1.0
Total	831.7	32.5	47.0	1.6	0.06	0.16	1.0

Table 2
 REGOLITH IRON – RESOURCE – NOVEMBER 2011

Resource Category	Thousand Tonnes	Mean Fe%	Mean SiO ₂ %	Mean Al ₂ O ₃ %	Mean P%	Mean S%	Mean LOI%
Indicated	12,338	45.5	23.0	5.2	0.06	0.07	6.1
Inferred	2,367	44.8	26.4	4.5	0.05	0.06	4.6
Total	14,706	45.4	23.5	5.0	0.06	0.07	5.8

Table 3
 MAGNETITE – RESIDUAL RESOURCE – NOVEMBER 2011

Resource Category	Million Tonnes	Mean Fe%	Mean SiO ₂ %	Mean Al ₂ O ₃ %	Mean P%	Mean S%	Mean LOI%
Inferred	521.1	31.4	48.7	1.7	0.04	0.07	2.7

Note: Some inconsistencies due to rounding may occur.

Table 4
HIGH TENOR MAGNETITE RESOURCE

Resource Category	Million Tonnes	Mean Fe%	Mean SiO ₂ %	Mean Al ₂ O ₃ %	Mean P%	Mean LOI%
Indicated	10.4	40.8	38.6	0.8	0.05	0.0
Inferred	16.3	42.9	35.5	1.3	0.05	0.1
Total	26.7	42.1	36.7	1.1	0.05	0.0

Table 5
TOTAL MT FORREST IRON RESOURCES

Resource	Million Tonnes	Mean Fe%	Mean SiO ₂ %	Mean Al ₂ O ₃ %	Mean P%	Mean S%	Mean LOI%
Magnetite	1,352.5	31.5	46.9	1.6	0.05	0.12	1.6
Regolith iron	14.7	45.4	23.5	5.0	0.06	0.07	5.8
Total	1,367.5	32.2	47.4	1.7	0.05	0.12	1.6

Note: Some inconsistencies due to rounding may occur.

Competent Person Statement:

Michael Andrew is a member of the Australasian Institute of Mining and Metallurgy (MAusIMM) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to 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". Michael Andrew is a full-time employee of Optiro Pty Ltd, and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Mr Andrews consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Gold

A total of 2939 composites were generated from the RC drilling for iron undertaken by Mindax from December 2009 to February 2011. Ten metre composites were prepared by Spectrolabs Pty Ltd from existing sample pulps. These were assayed by Ultratrace Laboratories in Perth using aqua regia methodology. Results are being finalised.

Gold mineralisation was first discovered in the early 1990's as small narrow discontinuous concentrations located near surface and after drilling was completed, at depth in narrow quartz veins hosted within quartz magnetite banded iron formations. In places significant quantities of higher grade gold mineralisation makes up sub-economic quantities. At Paradise Bore a Mineral Resource of 400,000t @ 2.8g/t for 36,000oz (JORC Inferred) has been identified and there are significant drill intercepts and gold in soil anomalies along the west limb of the synform.

A small amount of check assaying has been conducted on recently drilled iron holes (DSO and Magnetite) at Toucan. This work returned significant assays including:

- 21m @ 4.81g/t Au from 64m in drillhole MFC0005
- 4m @ 6.7g/t Au from 56m in drillhole MFC0002

This gold program has been driven by the observation of significant wide spread alteration in the recent drilling and the potential for gold in the overburden to be removed in accessing iron ores. Any gold mineralisation in such a situation could contribute significantly to the early revenues that might flow from iron mining in the area.

Heritage and Environment

As was reported in the Quarterly Report for June 2011, an application was lodged under s.9 and s.10 of the Aboriginal and Torres Strait Islander Heritage Protection Act 1984 (Cth) by the GLSC on behalf of the Ngalia Group seeking urgent heritage protection over the Richardson Ranges that includes Mt Forrest. The Minister did not act on the urgency of the s.9 application but has progressed an enquiry as he is obliged to under s.10 of the Act. His ministerial decision on the matter remains pending.

Mindax is in full compliance with its obligations under State legislation, has an agreement with the sole registered Native Title applicant over the area and has amassed considerable ethnographic and archaeological information over the area. A heritage management plan with Ngalia and other claimant groups including the registered Native Title applicant has operated successfully for some time. The Ngalia Group have a long history of this type of activity in the wider Goldfields region and the matter is not at this stage considered to pose a significant threat to the Project.

Environmental baseline work continues to advance. Summer Level 2 Flora and Fauna survey was completed. No new declared rare flora was identified in this work.

The fauna survey report is pending however, like the Autumn survey, there were no listed or threatened species present in the project area. Micro subterranean faunal studies are progressing but to date have not indicated any issues.

Infrastructure

The Company continues to make solid progress on approvals, infrastructure planning and negotiations with infrastructure providers.

In October, the first of 12 Miscellaneous Licence applications that constitute an infrastructure corridor from Mt Forrest to Menzies was granted.

Mindax continues with planning so that it is in a position to mine DSO in 2013-14 and magnetite in 2015-16.

Scoping Study

A combined scoping study is being finalised during January looking at goethite-hematite and magnetite scenarios, the recent resource upgrades, metallurgical testwork and the evolving mine to Esperance Port infrastructure situation.

YILGARN-AVON JOINT VENTURE – Mukinbudin, Kellerberrin, Quairading Projects (Uranium, 75% and operator)

Resource Estimation

Optiro Pty Ltd has estimated the Mineral Resource for the uranium mineralisation at the Mukinbudin Project to be **3.2Mlbs at 0.02% U₃O₈** using a 100ppm (0.01%) U₃O₈ cut-off. This resource is classified as Inferred and has been reported in accordance with the JORC Code 2004. The mineral estimate currently consists of 1.1Mlbs at 0.03% U₃O₈ at the Jindarra Prospect and 2.1Mlbs at 0.02% U₃O₈ at the Yandegin Prospect. This is the first time a uranium resource has been estimated on a prospect in the Wheatbelt of WA. It should be noted that both the Jindarra and Yandegin Prospects have not been closed off 'upstream'. Table 6 below shows the Mineral Resource as estimated by Optiro. Tables 7 and 8 provide a breakdown of the resources at Jindarra and Yandegin at a variety of cut-off grades.

Table 6
RESOURCE TABULATION BY PROSPECT AT 100PPM U₃O₈ CUT-OFF

Prospect	Category	Tonnes [Mt]	Metal [t]	Grade [%]	Grade [ppm]	U ₃ O ₈ [Mlbs]
Jindarra	Inferred	1.86	500	0.03	273	1.12
Yandegin	Inferred	4.36	950	0.02	221	2.12
Total	Inferred	6.22	1,450	0.02	237	3.25

Table 7
JINDARRA RESOURCE TABULATION AT A VARIETY OF CUT-OFF GRADES

U ₃ O ₈ cut-off [ppm]	Tonnes [Mt]	Metal [t]	Grade [%]	Grade [ppm]	U ₃ O ₈ [Mlbs]
100	1.86	500	0.03	273	1.12
200	0.77	350	0.05	454	0.77
300	0.31	250	0.08	765	0.52

Table 8
YANDEGIN RESOURCE TABULATION AT A VARIETY OF CUT-OFF GRADES

U ₃ O ₈ cut-off [ppm]	Tonnes [Mt]	Metal [t]	Grade [%]	Grade [ppm]	U ₃ O ₈ [Mlbs]
100	4.36	950	0.02	221	2.12
200	1.88	600	0.03	321	1.33
300	0.96	400	0.04	402	0.85

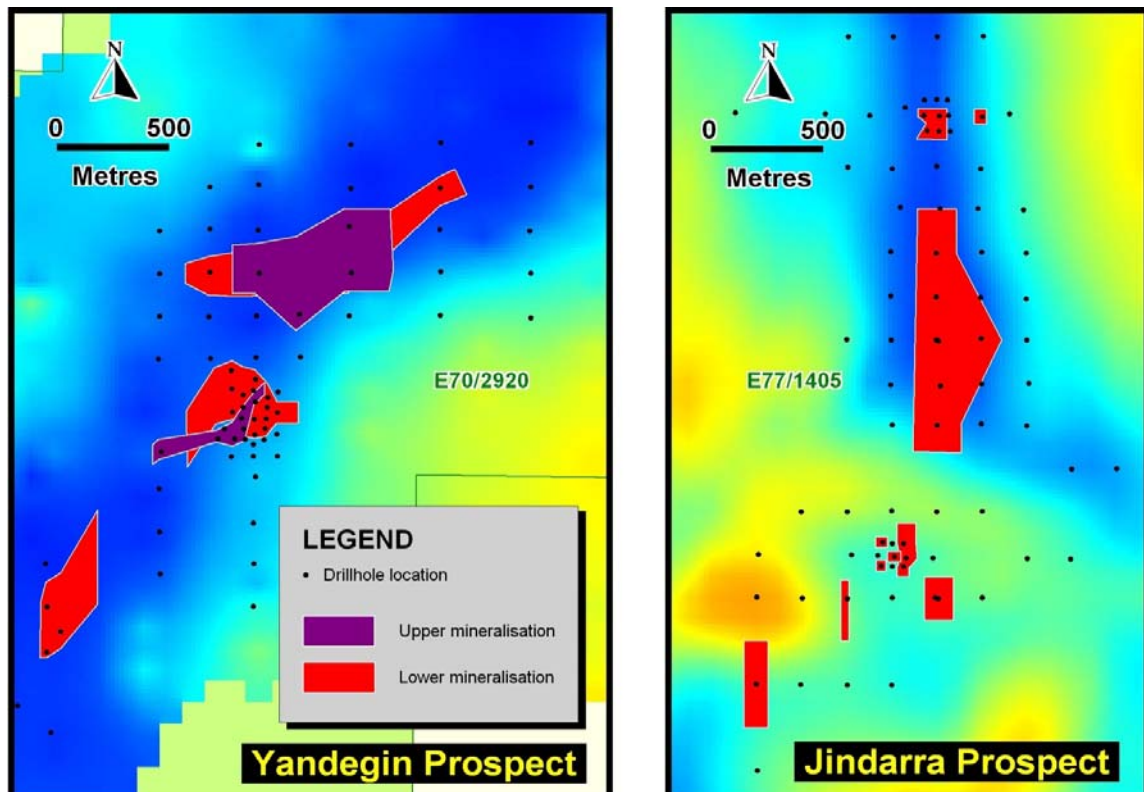
Note: Numbers may not add up due to rounding (Optiro)

It should be noted that the high grade intercepts of 1m @ 0.07% U₃O₈, 2m @ 0.05% U₃O₈ and 6m @ 0.04% U₃O₈ (including 1m @ 0.09% U₃O₈) reported in May 2011, 1,500m to the north of Jindarra are not included in the Jindarra resource as no infill drilling has yet been completed.

Competent Person Statement:

Dr Katrin Kärner is a member of the Australasian Institute of Mining and Metallurgy (MAusIMM) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to which she 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". Dr Katrin Kärner is a full-time employee of Optiro Pty Ltd, and consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

Figures 3
 YANDEGIN AND JINDARRA RESOURCE OUTLINES



Conceptual Exploration Target

The amount of drilling now completed within the Mukinbudin Project and the successful identification of two mineralised prospects has allowed a Conceptual Exploration Target (CET**) to be devised for the Mukinbudin Project. This conceptual target has been set as;

10 to 25 million pounds U_3O_8 at a grade of 0.05% - 0.15% U_3O_8 .

This exploration target has been set to accurately define the realistic potential that the project has to host mineralisation and the economic parameters (pounds & grade) required for a successful mining project. Not enough is currently known about the Kellerberrin or Quairading Projects to add their potential to this CET. Sandstone hosted uranium mineralisation is the deposit style being targeted.

****Conceptual Exploration Target (CET):**

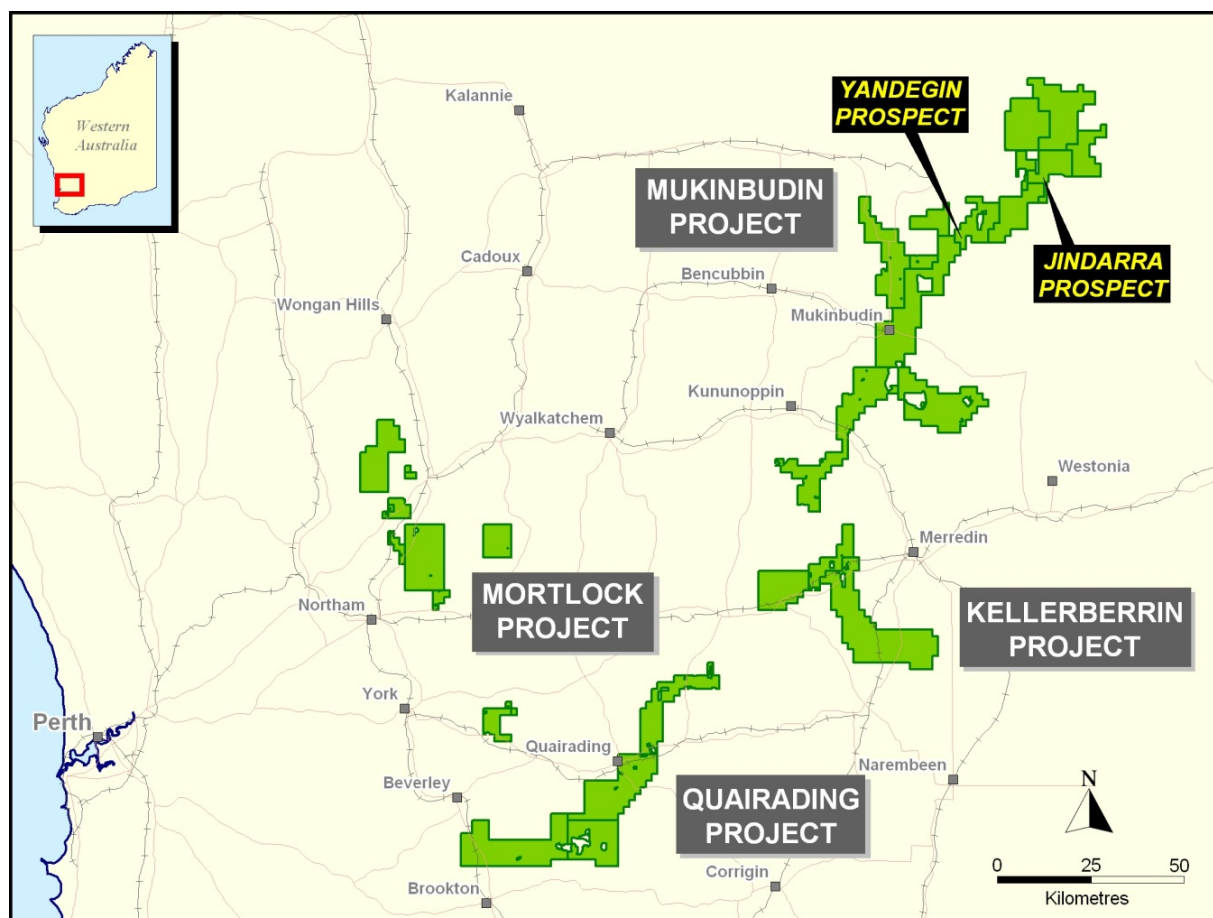
The nature of the exploration target means that the potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

No fieldwork was undertaken on the uranium projects during the quarter.

Yilgarn-Avon – Sipa Joint Venture – Mortlock Project (Copper-Gold, 75% and operator)

No fieldwork was undertaken on this project during the quarter. A significant program of tenement rationalisation has occurred. However all priority targets have been retained.

Figure 4
 YAJV PROJECT AND PROSPECT LOCATIONS



Meekatharra North Project (Gold, 100%)

No fieldwork was undertaken on this project during the quarter. Discussions are underway with a potential Joint Venture partner for this project.

TENEMENTS

Tenements Applications:

L37/208 (water) - *Yilgiron Pty Ltd*

Tenements Granted:

L29/103 - *Yilgiron Infrastructure Pty Ltd*

Tenements Surrendered:

E70/2668 – *Mindax Energy Pty Ltd – Sipa Exploration NL*

E70/2520 – *Mindax Energy Pty Ltd – Sipa Exploration NL*

E70/3482 – *Mindax Energy Pty Ltd*

E70/3483 – *Mindax Energy Pty Ltd*

E70/2518 –(partial) *Mindax Energy Pty Ltd – Sipa Exploration NL*

E70/2519 – (partial) *Mindax Energy Pty Ltd – Sipa Exploration NL*

E70/2521 – (partial) *Mindax Energy Pty Ltd – Sipa Exploration NL*

E70/3616 – (partial) *Mindax Energy Pty Ltd*

E70/3617 – (Partial) *Mindax Energy Pty Ltd*

CORPORATE

Cash Reserves and Capital Raisings

As at 31 December 2011 the Company held cash reserves of approximately A\$3.2 million to fund its exploration program and for working capital.

2011 Annual General Meeting

The Annual General Meeting of Shareholders of the Company (AGM) was held on 17 November 2011. All resolutions set out in the notice of meeting dated 10 October 2011 were passed on the requisite show of hands.

Issue of Employee Shares and Options

On 11 October 2011 the Company issued to unrelated, arms length employees of the Company 600,000 ordinary shares and 3,500,000 unlisted options. The shares were issued pursuant to the Company's Employee Share Plan, the terms of which were approved at its 2010 AGM; and the unlisted options were issued pursuant to the Company's Employee Option Scheme, the terms of which were approved at its 2008 AGM and refreshed at its 2011 AGM.

Expiry of Options

The following options issued by the Company expired on 1 December 2011 without exercise:

1. 64,938,800 listed options (ASX code: MDXO) with an exercise price of \$0.75.
2. 3,000,000 unlisted options with an exercise price of \$0.75.

Capital Structure

The **current** issued capital of the Company is as follows:

Number Quoted	Class
171,114,576	Fully Paid Ordinary Shares.
19,000,000	Options with an exercise price of \$0.30, expiring 30 April 2012.

Number Not Quoted	Class
250,000	Employee options with an exercise price of \$0.53, expiring 1 August 2012.
300,000	Employee/consultant options with an exercise price of \$0.48, expiring 12 October 2012.
1,800,000	Director/consultant options with an exercise price of \$0.60, expiring 31 March 2012.
1,750,000	Employee options with an exercise price of \$0.45, expiring 30 September 2013.
1,750,000	Employee options with an exercise price of \$0.60, expiring 30 September 2014.

ASX CODES

MDX – listed ordinary shares.

MDXOA – listed options.

Yours sincerely,



GREGORY J BROMLEY
MANAGING DIRECTOR

The information in this report that relates to Exploration Results 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.

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