

8 February 2008

Manager of Company Announcements  
ASX Limited  
Level 6, 20 Bridge Street  
SYDNEY NSW 2000

**By E-Lodgement**

**Renounceable Rights Issue**

Matilda Minerals Limited advises that the attached letter relating to a renounceable rights issue is being posted to overseas shareholders today.

Yours faithfully



**Barry Bolitho**  
Executive Chairman

8 February 2008

Dear Shareholder

As you may be aware, Matilda Minerals Limited (**Company**) is currently undertaking a renounceable rights issue (**Rights Issue**) without disclosure to eligible shareholders pursuant to s708AA of the Corporations Act 2001 (Cth). The Company expects that the Rights Issue will close on 12 March 2008.

The underwritten Rights Issue is open to existing shareholders in Australia and New Zealand on the basis of 1 new Share for every 4 Shares held on the record date, at an issue price of 40 cents per new Share, to raise approximately \$6.7 million.

The Company has determined, pursuant to Listing Rule 7.7.1(a) of the Listing Rules of ASX Limited (**ASX Listing Rules**), that it would be unreasonable to make offers under the Offer Document to all countries outside of Australia and New Zealand. Accordingly, in compliance with ASX Listing Rule 7.7.1(b), the Company wishes to advise you that it will not be extending the rights issue to you.

In compliance with ASX Listing Rule 7.7.1(c) and section 615 of the Corporations Act 2001 (Cth) and subject to ASIC approval of nominee, the Company has appointed Euroz Securities Limited (**Nominee**) as nominee for foreign holders of the Company's securities. The Company advises these foreign holders that the Nominee will arrange for the sale of the rights that would have been given to these foreign holders, and if they are sold, for the net proceeds to be sent to the foreign holders.

Please note it is possible that no net proceeds will be available for distribution to foreign holders, after the costs of the sale have been paid to the Nominee. We will inform you in due course of the outcome of the sale of your rights.

Should you have any queries please contact the Company Secretary, Ms Shannon Caporn on +61 8 9322 7600.

Yours faithfully



**Barry Bolitho**  
Executive Chairman