MANTLE MINING
ASX: MNM & MNMOA

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ASX Release **30 November 2010**

Bacchus Marsh Coal Dried Successfully.

Mantle Mining Corporation Limited (ASX: MNM) the Company, is pleased to advise of a successful drying trial on Bacchus Marsh coal.

Highlights:

- Hydrothermal treatment performed in Exergen's bench scale Autoclave (simulates pilot plant performance) in Melbourne,
- Subsequent dewatering and pressing to briquette undertaken at Exergen's pilot plant facility in Beaconsfield,Tasmania,
- Run of Mine (ROM) coal feed moisture content of 47% reduced by over 90% to a briquette moisture content of 5%,
- Based on the success of the laboratory trial, a (circa 20 tonne) bulk sample is currently being sourced for full pilot plant trialing.

Figure 1: ROM coal (47% moisture) and resulting briquette (5% moisture).

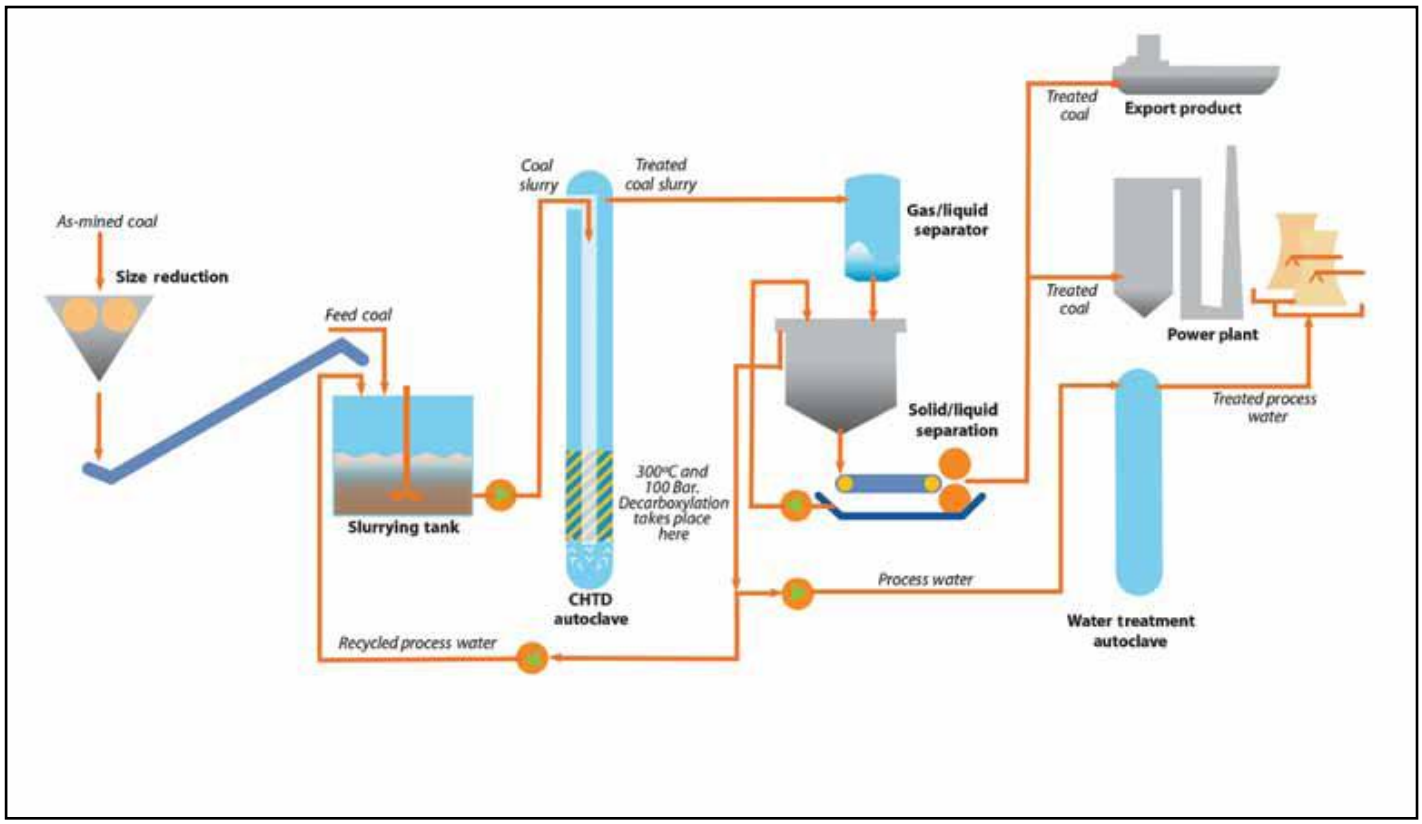

Figure 2: Exergen's Continuous Hydrothermal Dewatering (CHTD) process schematic is extremely simple.

Figure 3: Exergen's laboratory scale autoclave (3 kilogram batch).

Figure 4: Exergen's pilot plant autoclave (4 tonne per hour).

Exergen CHTD coal is a transformed coal giving a cleaner burning product with substantially lower emissions than its originally mined feed coal. Water is separated from the coal in the liquid state, eliminating the need to evaporate the water typical in competing technologies. As a result, the process releases vast quantities of water that can be treated for use in industry or agriculture.

The core to Exergen's CHTD technology (patents held worldwide) is a vertical autoclave that uses gravitational head pressure and a small amount of energy to transform the molecular structure of brown coal to remove up to 80% of its moisture content (Figure 4). Exergen's bench autoclave (Figure 3) simulates results from coal trials in the pilot plant and is considered representative of commercial scale outcomes.

Figure 5: Pilot plant slurry pump.

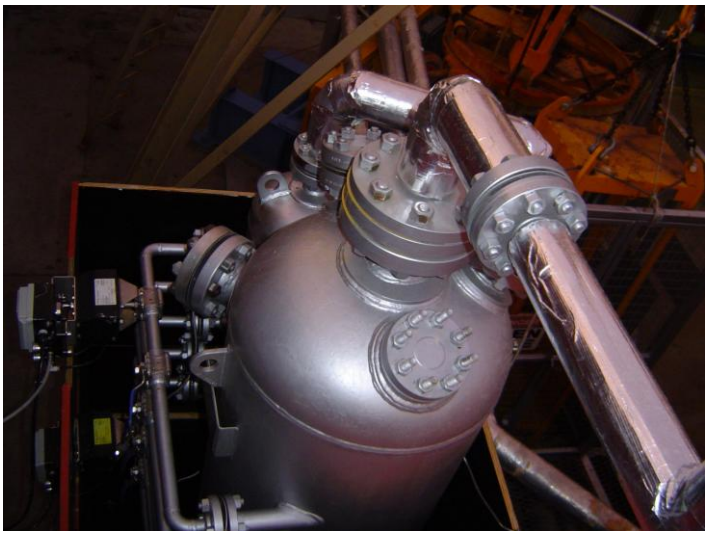

Figure 6: Pilot plant gas/liquid separator.

CHTD has been proven at 4 tonnes per hour scale in Exergen's Beaconsfield Pilot Plant in Tasmania. Victorian and Indonesian coals with moisture contents ranging between 35% and 65% have already been successfully trialled. The process is simple, continuous and can be readily up-scaled to a feed rate of thousands of tonnes per hour.

Based on the success of the initial batch HTD processing in Exergen's bench scale autoclave, Mantle and Exergen are currently finalising the delivery of a large (20 tonne) bulk sample of Bacchus Marsh coal for processing through the Beaconsfield pilot plant.

Bulk sample delivery is targeted for mid December with trials commencing immediately thereafter.

For further information:

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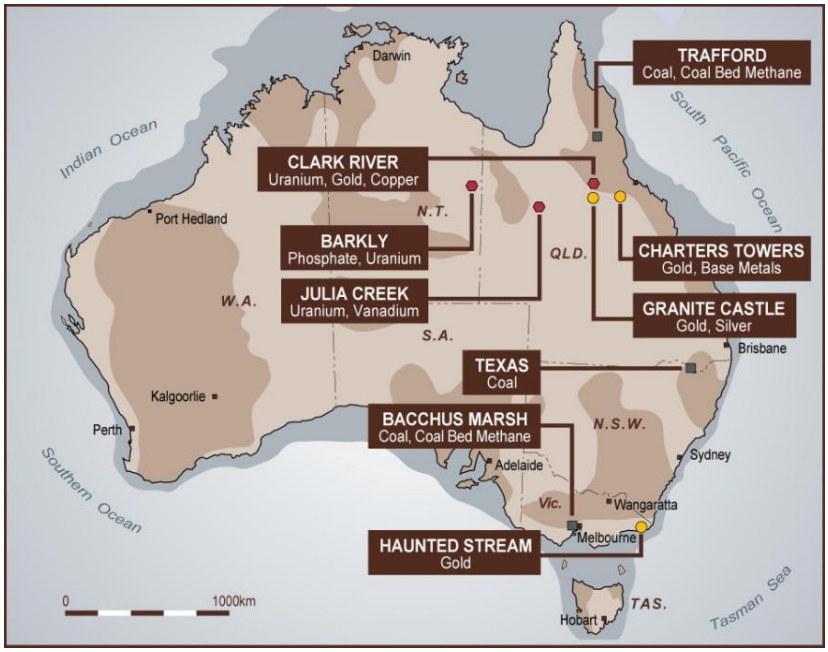
MANTLE MINING CORPORATION LIMITED's COMPANY PROJECT PORTFOLIO:



- Bacchus Marsh Coal & CBM (VIC)
- Haunted Stream Gold (VIC)
- Trafford Coal & CBM (QLD)
- Texas Coal (QLD)
- Granite Castle Gold & Silver (QLD)
- Charters Towers Gold (QLD)
- Barkly Phosphate (NT)
- Julia Creek Uranium (QLD)
- Clarke River Uranium (QLD)

The Bacchus Marsh Coal & CBM Project area contains a historic deposit of brown coal. The Company has executed a non-binding MOU with Exergen Pty Ltd to develop the deposit utilising Exergen's patented coal drying technology to upgrade the coal for export. Exergen's partners include Tata Power, Itochu, Thiess and Sedgman.

The Haunted Stream Gold Project area is prospective for gold/copper including many historical, high-grade, gold mines along the Haunted Stream fault corridor. Anomaly 4 is a major target for possible deep vein gold or porphyry copper-gold mineralisation. A deep drilling program has intersected multiple shear zones with visible base metals.

The Trafford Coal & CBM Project area contains a historic deposit of black coal. The Company is negotiating with the traditional custodians of Mt Mulligan towards an Indigenous Land Use Agreement (ILUA) and has commenced proceedings in QLD's Supreme Court to enforce an agreement for the assignment of the tenements.

The Texas Coal Project area is prospective for both thermal and coking coals of a similar quality to Surat and Bowen Basin coals. The tenements are adjacent to the NSW border and along strike from known coking coal deposits and exciting new thermal coal drilling intercepts located variously to the south and north.

At the Granite Castle Gold & Silver Project, the Granite Castle deposit is hosted in a single 600m long shear. Over 6km of additional shears have been located, with drill holes and/or rock chip samples at similar grades to the main shear. The Company is currently undertaking detailed preparation work for drilling the next most prospective shears.

The Charters Towers Gold Project area contains the Great Britain deposit as well as a number of historic mines, including Day Dawn West, immediately west of Citigold's (ASX: CTO) proposed "City" mining area. The Gromac/Puzzler area is prospective for deposits of copper, gold, silver and molybdenum.

The Barkly Phosphate Project area sits in the Georgina Basin strategically located between Minemaker's (ASX: MAK) Wonarah deposit and Phosphate Australia's (ASX: POZ) Highland Plains deposit. The Company has completed broad spaced scout drilling over its large tenement holdings.

The Clarke River Project area is prospective for uranium, base and precious metals. The Company is planning for preliminary scout reconnaissance to be followed by targeted drilling.

The Julia Creek Project area has been sufficiently tested and is in the process of being relinquished.