

Large scale miners and artisanal and small scale miners working together with government

May 15, 2008 09:00 ET

EDMONTON, ALBERTA--(Marketwire - May 15, 2008) - Mindoro Resources Ltd. (TSX VENTURE:MIO)(FRANKFURT:WKN 906167) is pleased to announce that a new program has been created to form cooperatives which will assist and regulate small scale mining activities on the Company's Tapian San Francisco Project in Surigao del Norte, Northern Mindanao, the Philippines. This initiative is being launched with the assistance of the Governor of the Surigao del Norte Province, the Mayor of Malimono Municipality and the Mines and Geosciences Bureau (MGB).

Artisanal (small-scale) miners have been mining epithermal gold in the area for several decades. However, high-grade copper mineralization has been discovered recently by artisanal miners on the Company's Masgad Prospect at Tapian San Francisco, which is thought to be related to a porphyry copper-gold system in the area (see ABOUT THE MASGAD PROSPECT, below). The discovery of this high-grade copper mineralization, combined with high copper prices, has led to the new and relatively unique phenomenon of artisanal miners now mining high-grade copper ore, which is transported to China for processing. Based on assay results provided by a local ore buyer, the artisanal miners are producing ore grading about 12 percent copper; photos of the artisanal miners and the high-grade copper are available on Mindoro's website. As shown on the map also available on Mindoro's website, the Masgad discovery is a new occurrence, unrelated to the discovery of similar high-grade copper prospects reported on May 12, 2008, from Mindoro's Agata Project, located 34 kilometers to the south.

The artisanal miners typically lack the financial means and regulatory knowledge to apply for small-scale mining permits on their own. As a result, these small-scale mining activities are currently unauthorized and unregulated, often employing both socially and environmentally questionable practices. Mindoro recognizes the importance of balancing the needs of the miners to earn a living and at the same time ensuring that the mining activities are conducted in a socially and environmentally responsible manner. To achieve this objective Mindoro, the Philippine Mines and Geosciences Bureau and other local government units have undertaken the initiative of creating small-scale mining cooperatives to assist and regulate the small-scale mining activities.

Under the small-scale mining strategy, Mindoro's Philippine partners have applied for small-scale mining permits over those areas where the activities are taking place. The Company has entered into an agreement with a qualified local small-scale mining contractor, who, upon issue of the appropriate permits, will become the authorized entity to undertake small-scale mining operations. Mindoro and the mining contractor, with the assistance of local government units, have initiated the formation of a cooperative to regulate the small-scale mining activities, allowing the small-scale miners to operate in a legal and responsible manner. Highlights of the operating agreement are as follows:

1. The small-scale mining contractor must meet the requirements of Presidential Decree No. 1899 (Establishing Small-Scale as a New Dimension in Mineral Development);
2. Only pick and shovel operations will be allowed; no chemicals, heavy equipment, or blasting will be allowed;
3. In cooperation with the Mines and Geosciences Bureau and other government agencies and local government units, all mining activities shall be under the supervision of Mindoro to ensure compliance with mining and environmental laws, rules and regulations and sound safety, health and environmental practices;
4. Fair compensation to landowners affected by the small-scale mining operations in accordance with relevant laws;
5. Mindoro and the mining contractor to organize and initiate social and environmental development and protection projects for the communities impacted by the small-scale mining operations; kicking off the program, 40 scholarships were recently awarded to local students;
6. Full cooperation will be extended to the appropriate government agencies in their monitoring and

regulatory functions;

7. Mindoro and the mining contractor will endeavor to create a model small-scale mining operation that will benefit all stakeholders;
8. The agreement is limited to small-scale mining of copper ores and associated metals only; it does not include nickel laterite;
9. The rights and obligations under the agreement will not impair the rights of Mindoro or its partners to conduct exploration or large-scale mining activities within the mineral tenements; and
10. Mindoro and its Philippine partners shall receive a five percent royalty on all production of ore, which, in the case of Mindoro's share of the royalty, will help cover the costs of the development and monitoring programs.

Mindoro sees this as a mutually beneficial operation, with the artisanal miners earning a living and at the same time providing useful information on the potential for large-scale associated deposits at depth. The relatively small loss of ore at these shallow levels is not considered a detriment to potential large-scale mining operations.

Mindoro's participation in this unique program to assist and coordinate small-scale mining activities on its projects continues the Company's tradition of outstanding corporate responsibility. Mindoro's commitment to the Philippines encompasses over a decade of socially and environmentally innovative programs. Further information about the Company's social and environmental track record in the Philippines is available on the website of the Company's Philippine subsidiary, MRL Gold Phils., Inc, at www.mrlgold.com.ph.

ABOUT THE MASGAD PROSPECT

The Masgad Prospect is located on Mindoro's Tapian San Francisco Project in Surigao del Norte, Northern Mindanao. Massive chalcopyrite-pyrite-magnetite ores are being won at Masgad in a high-grading area hosted in serpentinitized ultramafic rocks. The Masgad Prospect is within an area previously targeted by Mindoro for its porphyry copper-gold potential. It is within the southern margin of a large hornblende-feldspar andesite porphyry intrusion, about six kilometers in diameter.

Artisanal miners are extracting high-grade copper ore in a zone that, where exposed, is five to six meters in width. Strike extent is unknown. Petrographic analysis conducted by an independent petrography consultant confirmed that the mineralization is porphyry-skarn related, with garnet (grossularite-andradite series) alteration with semi-massive to massive magnetite, pyrite, chalcopyrite, and hematite mineralization. Based on assay results provided by a local ore buyer, the artisanal miners are producing ore grading about 12 percent copper. The discovery of the high-grade copper showing by the artisanal miners will form a guide to ongoing evaluation of the porphyry target at Tapian San Francisco.

ABOUT MINDORO

Mindoro is a Tier 1 Issuer trading on the TSX Venture Exchange (MIO) and the Frankfurt Stock Exchange (WKN 906167). In addition to advancing the Agata nickel laterite project towards production, Mindoro has announced National Instrument 43-101 compliant resource estimates on both its Kay Tanda gold-silver project (Batangas region) and on its Agata nickel project (Surigao region). The company has also identified 22 porphyry copper-gold prospects in the Philippines and has an aggressive strategy of drilling multiple targets in 2008. Additional technical and investor information is available on Mindoro's website at www.mindoro.com.

This release may contain forward-looking statements including management's assessments of future plans and operations, and expectations of future production. These statements are based on current expectations that involve a number of risks and uncertainties, which could cause actual results to differ materially from those anticipated. These risks include, but are not limited to, the risks associated with the mining and exploration industry (e.g. operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production). The assumptions used in the preparation of such

statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.