



MILLENNIUM

MINERALS LIMITED

ABN 85 003 257 556

18 November 2009

The Manager
Company Announcements
Australian Securities Exchange Ltd

Via electronic lodgment

Dear Sir,

PRIVATE PLACEMENT & NOTICE OF RIGHTS ISSUE

Millennium Minerals Limited (ASX: MOY) ('the Company') is pleased to inform the market that it has today placed 60,777,590 shares to sophisticated investors, within the meaning of s708 of the Corporations Act 2001, through a private placement at 4.5 cents per share, raising the sum of \$2,734,992. BGF Equities Pty Ltd ('BGF') is the lead manager of this placement and the shares placed have been issued to their clients. The new shares will rank pari passu with all existing ordinary fully paid shares of the Company.

The Company also advises that it has resolved to proceed with a pro rata non-renounceable Rights Issue of one (1) for every four (4) shares held at the issue price of 4.5 cents per share, being the same price as the placement completed today through BGF.

The key features of the intended Rights Issue are as follows:

1. Issue price of 4.5 cents for each new share to be issued by the Company;
2. New shares issued through the private placement announced today will participate in the Rights Issue;
3. The Rights Issue is non-renounceable; and
4. The shares issued will come with one three year attached option for every two new shares subscribed for at a strike price of 7.5 cents. The Company will seek listing of these options on the ASX in the New Year.

The intended Rights Issue is expected to result in the issue of 116,490,381 new shares in the Company and will raise an estimated \$5,242,067 if the issue is fully subscribed. The key dates for

the intended Rights Issue will be notified to the market once they have been determined by the Company, which is expected within the next 4 trading days.

Funds raised by the private placement and the intended Rights Issue will be applied towards:

1. Undertaking budgeted exploration drilling to test the potential for depth and strike extensions to existing deposits and to convert additional Inferred resources to the Indicated category so that the mineral resources can be assessed for Ore Reserve determination ahead of final mine planning;
2. Undertaking first pass drill evaluation of the large adjacent Golden Eagle south west prospect to assess the resource potential and heap leach amenability;
3. Establishing a contractual base for engineering and construction of the process plant and infrastructure;
4. Tendering mining equipment, drill and blast, camp catering and reagent supply contracts;
5. Recruiting key personnel in project management, site management, mining, process and geology; and
6. For working capital purposes.

As stated above, the Company's main purpose for these capital raisings is to advance its Nullagine gold project to development. By way of background, the Company owns the 630km² Nullagine gold project in the Eastern Pilbara Province of Western Australia. The gold project has been the subject of an updated feasibility study, the results of which were announced to the market on 19 October 2009.

Yours faithfully,
Millennium Minerals Limited



Brian Rear
Chief Executive Officer