

## **PRESS RELEASE**

**Symbol TSX: MDN**

### **MDN REPORTS ITS FINANCIAL RESULTS FOR THE SECOND QUARTER**

**Montreal, August 11, 2010** – MDN Inc. (“MDN”) reports today that it filed its interim financial results today for the three- and six-month periods ended June 30, 2010. The interim financial statements and management discussion and analysis can be found on the Company’s website ([www.mdn-mines.com](http://www.mdn-mines.com)) and on SEDAR ([www.sedar.com](http://www.sedar.com)).

### **HIGHLIGHTS FOR THE SECOND QUARTER AND SIX-MONTH PERIOD**

Net revenue for the second quarter was \$42,569 compared to \$2,849,265 for the same period in 2009. This decrease was attributable to lower gold production and the reinvestment of available cash in an ongoing intensive exploration program at the Tulawaka mine.

The net loss for the second quarter was \$1,457,009 or \$0.015 per share. The loss included \$644,000 in non-recurring expenses related to a now-defunct long-term plan for compensation, on termination of the contract of a Company employee, as well as \$481,000 relating to an income tax reassessment for prior years, which did not entail a cash outlay.

As at June 30, 2010, the Company had \$15.4 million in cash and investments, in addition to \$1.1 million in tax credits receivable, primarily related to the development of the Crevier project.

In the first half of 2010, the Tulawaka gold mine produced 27,513 ounces of gold, representing a production decrease attributable to an equipment shortage that resulted in less tonnage hoisted to surface. Lower-grade ore from the surface stockpiles was milled to make up for the shortfall in underground ore, resulting in a lower-than-forecast head grade that was partly offset by a higher milling rate. The underground ore grade nevertheless remains high, at 9.15 g/t Au.

MDN’s 30% interest in Tulawaka generated a share equivalent to 8,254 ounces of gold in the first half of 2010. Although gold production was down for the period, African Barrick Gold remains confident that underground mine production will return to normal in the second half of 2010, once the issue of mine equipment availability has been addressed.

MDN and the operator of the Tulawaka mine have agreed to conduct an intensive exploration program aimed at extending the mine life. Results for the underground and surface drilling programs indicate that the life of the Tulawaka mine will be extended.

Feasibility study preparation for the Crevier project, an advanced niobium-tantalum development project held 67.5% by MDN, is on schedule. The resource update includes a 5.38% increase in niobium grade and a 17.6% increase in tantalum grade. In addition, 50% of the initial indicated resource is now classified as measured. These positive results, combined with rising market prices, particularly for tantalum, set the stage for even more promising economic study parameters.

The exploration program at Ikungu continues to show good gold intersections and continuity over more than 2.5 km. A 5,000-m drilling program began in the third quarter, aimed at testing the vertical continuity of the near-surface high-grade lenses to a depth of 300 metres.

In the second quarter, MDN entered into an agreement with SOQUEM to acquire the MCGOLD gold exploration project in Chibougamau, Quebec. The agreement grants MDN the option to acquire a 50% interest in the project in consideration of a schedule of payments and exploration expenditures of up to \$5.25 million over five years. SOQUEM is scheduled to start drilling in the third quarter.

## SUMMARY OF OPERATING RESULTS

<b>For the three months ended June 30, 2010 and 2009</b>	2010	2009
<i>(thousands of dollars, except per share amounts)</i>		
Revenue	\$ 43	\$ 2,849
Administrative expenses	\$ 1,058	\$ 871
Foreign exchange gain (loss)	\$ 127	\$ (200)
Income (loss) attributable to owners of the Company	\$ (1,457)	\$ 1,153
Basic and fully diluted net income (loss) per share	\$ (0.015)	\$ 0.012
Weighted-average number of outstanding shares (in thousands)	<b>97,126</b>	95,277

The Company was required to amend and restate the financial statements for the first quarter of 2010 after realizing that it had inappropriately opted to apply new Section 1582 of the CICA Handbook, *Business Combinations*, in relation to the acquisition of Crevier Minerals Inc. and the interpretation of a contract signed with an former Company employee. The Company filed the restated first quarter financial statements on SEDAR at the same time as the second quarter financial statements.

### About MDN

MDN Inc.(TSX:MDN) is a mining exploration and development company with sufficient financial resources to develop its projects in Québec and Tanzania. The Company also remains active in the search for new business opportunities that can increase shareholder value. In addition to its 30% participating interest in the Tulawaka gold mine, MDN is the operator and owner of a majority interest in mineral licenses totalling 715 km<sup>2</sup> in the vicinity of the Tulawaka mine. MDN Inc. also holds a 67.5% interest in Crevier Minerals Inc. which owns a NI 43-101 niobium-tantalum resource in the Lac-Saint-Jean area of Quebec. MDN has an option to increase its equity participation in Crevier Minerals Inc. to a maximum of 87.5%. Additional information is available on MDN's website at [www.mdn-mines.com](http://www.mdn-mines.com).

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**Forward-Looking Statements** All statements in this release, other than statements of historical fact, that address events or developments that the Company expects to occur, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements are discussed in greater detail in the Company's most recent Annual Information Form filed on SEDAR, which also provides additional general assumptions in connection with these statements. Investors and others who base themselves on the Company's forward-looking statements should carefully consider the factors mentioned in the Annual Information Form as well as the uncertainties they represent and the risk they entail. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this press release should not be unduly relied upon. These statements speak only as of the date of this press release.