

Press release
TSX Symbol: MDN

MDN REPORTS ITS FINANCIAL RESULTS FOR Q3 2011 Profitable Third Quarter

Montreal, November 7, 2011 - MDN Inc. (“MDN”) is pleased to release its interim financial report for the third quarter ended September 30, 2011. The interim financial report and management discussion and analysis can be found on the Corporation’s website (www.mdn-mines.com) and on SEDAR (www.sedar.com).

The Corporation’s revenues net of financial expenses for the quarter amounted to \$3.6 million, including US\$3.4 million from the available cash declared at the Tulawaka mine, payable under the terms of the joint venture agreement with African Barrick Gold.

The Corporation recorded a net income of \$2.0 million or \$0.02 per share attributable to its shareholders, compared to a net loss of \$494,000 or \$0.005 per share for the same period in 2010.

The [Tulawaka](#) gold mine in Tanzania produced 20,160 ounces of gold in the third quarter of 2011, up 29% from 15,646 ounces in the third quarter of 2010. This production increase resulted directly from the mining of higher-grade stopes underground, supported by improved mine equipment availability. This translated into a milled grade of 6.8 g Au/t compared to 4.1 g Au/t for the same period last year, as well as better recovery.

Total cash costs were \$749 per ounce sold, unchanged from the same period last year. Cash costs for the year to date are \$707 per ounce, 4% higher than for the same period last year.

In 2010, the two partners in the Tulawaka mine agreed to carry out an intensive exploration and development program aimed at extending the mine life. The program is still underway, and continues to generate good results. In the third quarter, the extension of the mine life was confirmed up until the end of 2012, and ongoing drilling indicates that it could yet be extended beyond 2012.

MDN INC. **2011** 2010
SUMMARY OF OPERATING RESULTS
For the three months ended September 30

<i>(In thousands of dollars, except per share amounts)</i>		
Revenues, net of financial expenses	\$ 3,574	\$ (72)
Administrative expenses	\$ 818	\$ 588
Net income (loss) attributable to the shareholders of the Corporation	\$ 1,984	\$ (494)
Basic and fully diluted net income (loss) per share	\$ 0.02	\$ (0.005)
Number of shares outstanding (in thousands)	99,976	98,444

The Corporation had \$9.8 million in working capital at September 30, 2011, compared to \$8.3 million at June 30, 2010.

“The combination of the high gold prices and higher gold production allowed MDN to once again receive a royalty payment from the Tulawaka mine. This royalty payment, coupled with tighter cost control, translated into an operating profit for the quarter and the first nine months of the year,” noted President and Chief Executive Officer Serge Bureau.

Exploration

In the third quarter of 2011, exploration in Tanzania consisted primarily of drilling on the Ikungu property and sampling at the Nikonga property. In Quebec, work involved exploration on the Samaqua property and planning of the MCGold drilling program.

Ikungu: In the third quarter of 2011, MDN did 2,376 metres of diamond drilling and 731 metres of reverse circulation drilling. A total of 2,312 samples were sent to the laboratory, and all the assay results were received.

Compilation of the results for the 53 holes drilled so far along a four-kilometre strike length of the Ikungu structure has outlined four zones with higher gold grades and a minimum horizontal thickness of two metres. These zones are formed by the gold-bearing intervals around holes IKD-45 (8.6 g/t Au over 14.78 m) on Section 2230mE, IKD-48 (3.11 g/t Au over 9.50 m) on Section 2830mE and IKD-51 (3.39 g/t Au over 7.05 m) on Section 3190mE.

The marked thickening of the structure at depth indicates good potential for the identification of resources in these areas.

Nikonga: MDN carried out initial surface sampling during a mapping program. The results are considered very encouraging, with the eastern sector returning grades ranging from 4 g/t gold to a maximum value of 33 g/t gold. The high gold grades (over 20 g/t gold) and geological settings of this property are reminiscent of the situation at Ikungu when MDN acquired the project in 2008.

MCGold: In the third quarter, management prepared for the next drilling program on this project. Drilling began on October 17, 2011, and will include 10 holes from 200 to 400

metres long for a total of 3,250 metres of drilling on eight sections. The program will test the western extension of the resource over a distance of more than one kilometre at regular intervals.

Samaqua: MDN controls 98 km² of ground covering a geophysical response similar to the one associated with the Niobec niobium mine. The magnetic signature lies 23 km southeast of the Crevier deposit and 130 km northwest of the Niobec mine. A prospecting program was carried out in July 2011. Carbonate- and nepheline-type syenite outcrops were found 300 metres south of the latest holes drilled on the Crevier property. Grades of 2,274 ppm Nb₂O₅ and 256 ppm Ta₂O₅ were obtained. These outcrops indicate that the Crevier dyke containing grades similar to those of the main deposit extends an additional 300 metres to the SE.

On the Samaqua and Crevier SE properties, there are dikes, generally striking NW-SE, that are enriched in barium (Ba), strontium (Sr) and zirconium (Zr). Compilation of the Ba grades shows groups of dikes in the vicinity of the circular magnetic anomaly and along the Crevier deposit extension. These could indicate the presence of a nearby alkaline or carbonatite intrusive.

Crevier Project Development

The feasibility study that started in early 2010 is progressing. However, a delay in the preparation and execution of pilot plant testing has caused a delay in the preparation of the overall feasibility study.

The main activities in the third quarter focused on metallurgical development and the search for a strategic partner.

Metallurgical development efforts were primarily focused on analysing the results of pilot testing and understanding and explaining the differences between the results of the pilot testing compared to the tests done in the laboratory. Additional work is required to explain the differences in niobium and tantalum recoveries and quantities of reagents used to process the ore.

The additional work done in the third quarter failed to satisfactorily explain the differences seen between laboratory testing done in 2010 by SGS Lakefield and the results obtained from pilot testing produced by the same consultant. Management feels that lower recoveries that vary from test to test and the addition of a substantial quantity of reagents at the floatation stage (resulting in a higher processing cost) need to be explained and corrected before moving on to the final stage of the feasibility study.

SGS, who is in charge of this part of the study, is recommending that a series of tests be added to the work program to better define some of the metallurgical parameters of the ore floatation process. This additional work will cause a delay in the schedule of the feasibility study as well as the overall project. These schedules will therefore be modified over the coming weeks.

“Despite this delay in the preparation of the feasibility study, management maintains its high level of confidence and interest in the development of the Crevier project. My experience in the mining industry tells me that it is better to take the required time at the planning and design stage, and thus ensure that we are successful once the mine goes into production,” said

Serge Bureau, President and Chief Executive Officer of MDN.

One of the objectives of the pilot trial was to produce an enriched niobium/tantalum concentrate. This aspect of the program was a success, and work can now proceed on development of the hydrometallurgy process, the second stage of processing after flotation. SGS Lakefield designed the work plan, approved by MDN, and work has now begun. This part of the program will allow the entire mineral processing circuit to be completed and refinery design and cost evaluation to begin.

MDN also pursued its search for a strategic partner to support the next stages of the Crevier project development, in collaboration with Price Waterhouse Coopers Corporate Finance (PwCCF).

The PwCCF offices in Asia, North and South America and Europe served as points of contact for the various investors contacted. Many confidentiality agreements were signed with various groups, and interested investors and groups are now reviewing the project.

Effective January 1, 2011, International Financial Reporting Standards (“IFRS”) replaced Canadian GAAP for companies having to report to the public. As a result, MDN began reporting under IFRS for interim and annual periods as of January 1, 2011, with comparative information for 2010 restated under IFRS.

Marc Boisvert, geological engineer, Vice President, Exploration, and a qualified person under National Instrument 43-101 has reviewed the technical and scientific information in this news release.

About MDN

MDN Inc. (TSX: MDN) is a mining exploration and development company with sufficient financial resources to develop its projects in Quebec and Tanzania. MDN is also 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 757 km² in the vicinity of the Tulawaka mine. MDN Inc. also owns a 72.5% interest in Crevier Minerals Inc. which owns an 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

The Tulawaka project is a contractual joint venture between MDN (30% interest) and Pangea Goldfields Inc. (70% interest), an indirect, wholly-owned subsidiary of African Barrick Gold plc, the project operator and owner through its subsidiary Pangea Minerals Ltd. Disclosure on the Tulawaka gold mine is based on information provided by the operator.

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Forward-Looking Statements Other than statements of historical fact, all statements in this release that address events or developments that the Corporation expects to occur are forward-looking statements. Although the Corporation believes that 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 Corporation'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 Corporation'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 Corporation 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 as such, the forward-looking statements in this press release should not be unduly relied upon. These statements speak only as of the date of this press release.