

FUNDY MINERALS LTD  
(PLUS: FUND)

Directors' Dealings  
Directors Receive Shares in Lieu of Fees  
Issue of Equity

The Board of Fundy Minerals Ltd ("Fundy" or "the Company"), the Canadian and West African exploration company, announces that in accordance with an existing service contract, it has issued 9,915,553 shares, representing 0.56 per cent of the enlarged issued share capital in lieu of directors' fees amounting to CAD40,958.73 owed to Southwood Partners

8,856,285 shares have been placed with Starvest plc at a price of 0.25 pence per share. Following this transaction, Southwood Partners beneficially owned by Jeffrey Michel, Chairman and CEO will directly and indirectly, have an interest in 9,746,706 Ordinary shares representing 6 per cent (previously 5.7 per cent.) of the issued share capital of the Company.

The Directors, in aggregate, own 12,736,706 shares, representing 7.84 per cent (previously 7.65 per cent) of the issued share capital.

The Company has also been notified that Starvest plc now has an interest in 21,893,785 Ordinary shares representing 13.48 per cent (previously 8.55 per cent) of the issued share capital.

The Company has approved the issue and allotment of 9,915,553 new ordinary shares in the Company.

As a result, Fundy's issued share capital will comprise 162,423,980 ordinary shares of common stock of par value C\$0.01 each. All of these Ordinary Shares carry voting rights. The above figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or change to their interest in, Fundy under the FSA's Disclosure and Transparency Rules.

The Directors of the Issuer accept responsibility for this announcement.

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Forward Looking Statements - Certain information regarding Fundy Minerals Ltd. set forth in this document, including management's assessment of Fundy Minerals Ltd's future plans and operations, contains forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond Fundy Minerals Ltd.'s control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, the lack of availability of qualified personnel or management, stock market volatility and ability to access sufficient capital from internal and external sources. Fundy Minerals Ltd.'s actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that Fundy Minerals Ltd. will derive there from. This is intended for informational purposes only.

**This is not a solicitation for the purchase or sale of securities**