



MACMIN SILVER LTD

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13th December 2006

Company Announcements Office
Australian Stock Exchange

Dear Sir,

ENTITLEMENTS ISSUE OVERSUBSCRIBED OPTIONS EXERCISED

Entitlements Issue

The 1 for 15 Entitlements Issue which closed last Friday 8 December was oversubscribed and a small number of applicants will not receive all the additional shares for which they applied. The Entitlements Issue is the largest ever undertaken by the Company and raised \$8.62 million before costs. The total of 28,736,427 shares and 14,368,214 free attaching MMNO listed options are scheduled to be issued on Monday 18 December 2006 following the clearing of funds received.

The success of the issue demonstrates the support that exists for the Company among its shareholders. The Board is very pleased by the result and extend their thanks to all participants for their continued commitment to the growth of the Company and development of its silver projects.

Funds raised will be used for an aggressive exploration plan in 2007, including an extensive programme of drilling at Mt Gunyan (1.5km north of Twin Hills) to determine the viability of applying for a mining licence at that prospect. If a suitable orebody can be defined at Mt Gunyan it is likely that the ore can be trucked to the existing processing facility at Twin Hills.

The Company's newest project at Tally Ho, via Mackay, will also be fast-tracked using funds from the issue for an ambitious campaign of surface exploration and drilling commencing early in 2007.

Appendix 3Y "Change of Directors Interest Notices" for 5 directors are attached.

Exercise of Unlisted Options

An Appendix 3B is attached in respect of the issue of 210,000 fully paid ordinary shares pursuant to the exercise of 210,000 unlisted options at 20 cents.

Yours faithfully,
MACMIN SILVER LTD

Garry Edwards
Company Secretary

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