

1 July, 2014

ASX Release

Significant gold discovery confirmed at Lingokoto with mineralisation intersected over 1km

New results point to potential for a bulk-tonnage gold system



Highlights

- First-stage aircore drilling extends the strike length of near-surface gold mineralisation at Lingokoto to 1km
- Zones of parallel anomalism up to 90m wide
- Bedrock mineralisation corresponds to the 1.5km-long soil anomaly; both the anomaly and the known mineralisation remain open along strike
- Results received for the first 2900m of the current ~5000m aircore drill program include:
 - *First aircore traverse – 360m SW of discovery RAB traverse reported last year:*
 - ❖ 90m wide zone of gold anomalism with consecutive holes returning:
 - ❖ 12m @ 2.14g/t Au within a broader intercept of 18m @ 1.65g/t Au EOH
 - ❖ 12m @ 0.97g/t Au
 - ❖ 6m @ 1.52g/t Au; and
 - ❖ 6m @ 1.01g/t Au
 - ❖ Other anomalous zones including 9m @ 1.19g/t Au and 9m @ 1.05g/t Au
 - *Second aircore traverse – 980m SW of discovery RAB traverse reported last year:*
 - ❖ 3m @ 4.81 g/t Au within a broader intercept of 12m @ 1.61g/t Au
 - ❖ 3m @ 3.51 g/t Au
 - ❖ 3m @ 2.07g/t Au
 - ❖ 6m @ 1.47g/t Au

- **All results to date are from shallow depths below surface and in weathered bedrock**
- **More results to come from ongoing aircore drilling program; deeper RC drilling to test underlying bedrock in subsequent program**

Erin Resources Ltd (ASX: ERI) is pleased to advise that fresh drilling results have confirmed that its Lingokoto gold project in Senegal is emerging as a substantial gold system, with mineralisation now outlined over a 1km strike length and open to the south-west.

The results, which come from the first systematic drilling program at Lingokoto, have extended the known mineralisation 980m to the south-west of the initial RAB intersections that included a near surface result of 6m at 51.5gpt (see ASX release dated January 29, 2014).

Lingokoto is 80-per cent owned by Erin, which has a market capitalisation of \$3.4 million based on its last traded share price of 1.4c.

The latest assays show that the mineralisation runs in two parallel zones up to 90m wide, recorded within 35m of the surface and mostly in weathered bedrock (Figure 1).

The ongoing aircore drilling program, which is expected to be completed within a fortnight, is the first systematic work to follow-up an initial RAB traverse at Lingokoto. That traverse revealed the existence of wide zones of strongly anomalous gold in weathered bedrock.

As well as confirming mineralisation over a significant length and width, the latest results highlight the potential for additional mineralisation to be identified in infill and extensional drilling as well as in fresh rock below the weathered material drilled to date.

This fresh rock will be tested as part of a follow-up RC drilling program.

Importantly, the mineralisation outlined follows the path of the 1.5km-long soil anomaly. Both the soil anomaly and the mineralisation remain open to the south-west.

Initial Drilling Results Confirm Significant Discovery

The aircore line 360m to the south-west of the initial RAB traverse intersected zones of up to **18m at 1.66g/t end-of-hole** (including **12m at 2.14g/t**). Results from adjacent holes include **12m at 0.97g/t**, **6m at 1.52g/t** and **6m at 1.01g/t** (Figure 2). The same line also intersected results such as **9m at 1.19g/t** and **9m at 1.05g/t** in other anomalous zones.

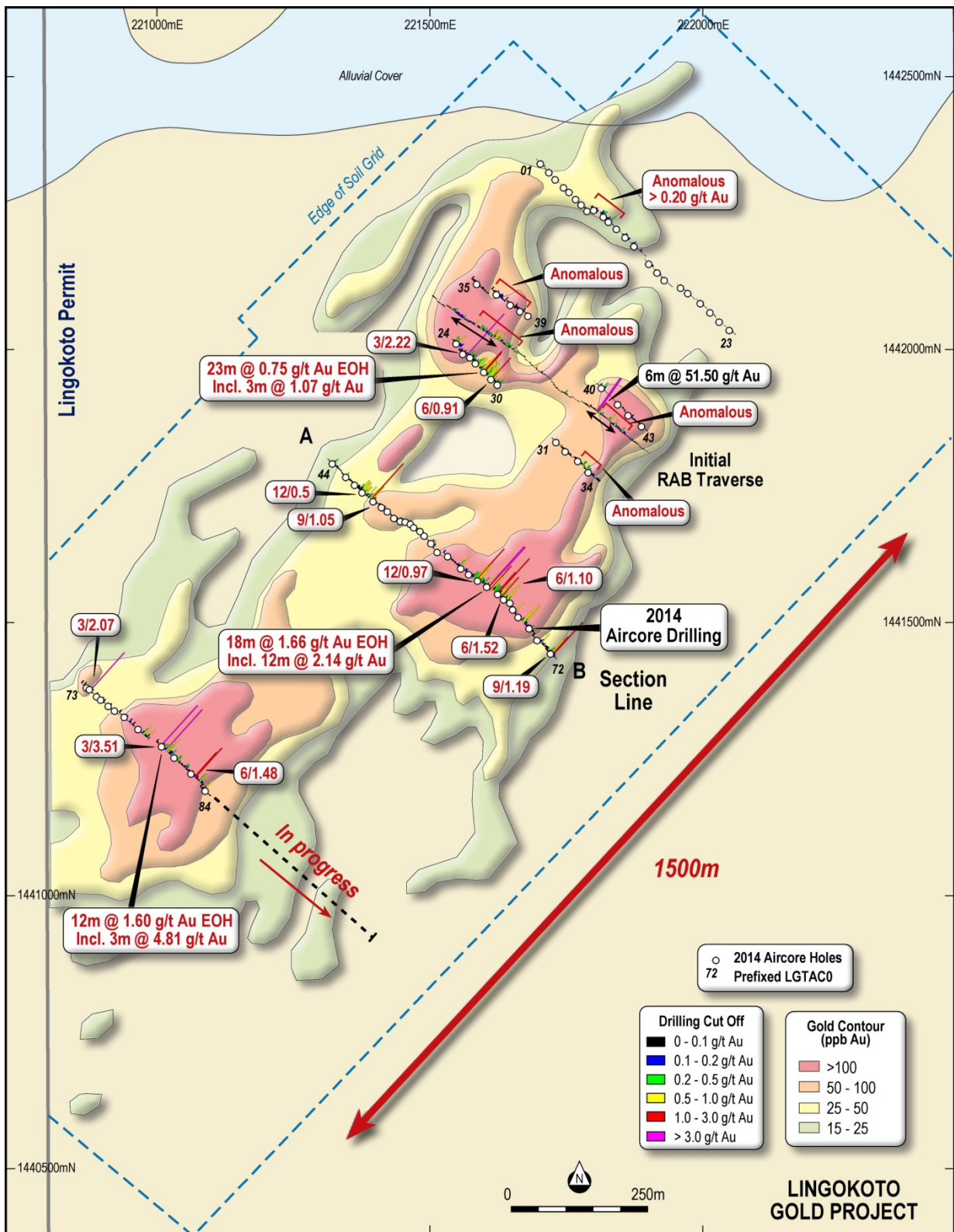


Figure 1. Lingokoto Gold Project – Aircore Collar Locations with Gold Intercepts. Initial RAB line and Soil Anomalism also shown.

The southern-most line drilled to date (980m south-west of the initial RAB traverse) has returned results of **3m at 4.81g/t**, **3m at 3.51g/t**, **3m at 2.07g/t** and **6m at 1.47g/t** in several anomalous areas. Drilling is continuing on this line.

An extensional traverse drilled 320m to the north-east of the original RAB line returned anomalous (>0.20g/t Au) gold results in the expected structural position.

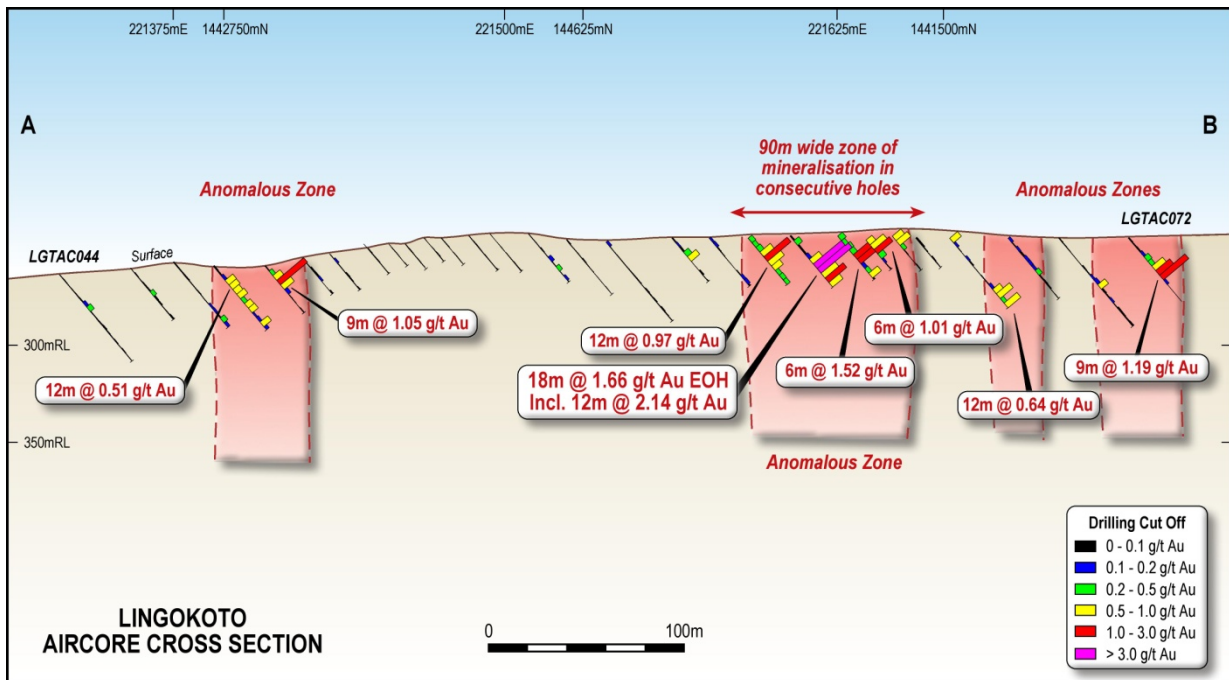


Figure 2. Gold Intercepts on Aircore Traverse 360m SW of Initial RAB Line

Erin also completed four short validation drill lines flanking mineralised parts of the initial RAB traverse, which have confirmed bedrock mineralisation in this area. A 70m-wide zone of anomalism has results to **24m at 0.75g/t EOH** including **6m at 1.07g/t**; and **3m at 2.20g/t** (Figure 1).

All assay results are from three metre composite samples. Significant assay results above a 0.5g/t Au cut-off grade are set out in Table 1 below.

Drilling is at an early stage and initial observations are that gold anomalism is predominately hosted by saprolitic clays below a laterite profile. Observed lithologies include greywacke, volcanoclastic sediments, diorite, quartzite and zones of sericite-silica-tourmaline-pyrite alteration.



Figure 3. Variably silicified and pyrite altered sediments at Lingokoto Project

Erin Executive Chairman Brett Mitchell said that while the exploration was still in its early days, the results already showed that Lingokoto was emerging as a substantial mineralised system.

“It is important that the continuity of the mineralised zones is starting to emerge over more than 1km of strike and that ore-grade results have been obtained on consecutive wide-spaced drill lines,” Mr Mitchell said.

“There is strong potential to extend the known mineralisation to the south-west, where the soil anomaly extends for at least another 500m, and also into the underlying fresh rock.”

The region to the east of the permit contains several 1moz-plus gold deposits, including Randgold Limited’s Loulo goldmine (more than 12Moz gold) which sits 24km east from the Lingokoto discovery.

These results are from the first 2900m of an approximate 5000m aircore drilling program to be completed before the wet season. Drilling is continuing on step out lines, and will be completed in the next two weeks.

Table 1 Lingokoto Aircore Drilling Results (>0.50g/t Au)

Hole Number	E UTM 29*	N UTM 29*	RL	Dip	Azimuth	Total Depth (m)	From (m)	To (m)	Intercepts (>0.50g/t)
LGTAC026	221566	1441995	128	50	132	25	6	9	3m @ 2.22g/t Au
LGTAC028	221591	1441968	125	50	132	32 incl.	9 15	32 18	23m @ 0.75g/t Au EOH 3m @ 1.07g/t Au
LGTAC029	221604	1441955	126	50	132	26 and	6 18	12 24	6m @ 0.64g/t Au 6m @ 0.91g/t Au
LGTAC030	221616	1441945	130	50	132	24	15	18	3m @ 0.71g/t Au
LGTAC047	221369	1441748	144	50	132	41 and	9 36	21 39	12m @ 0.51g/t Au 3m @ 0.54g/t Au
LGTAC048	221389	1441732	144	50	132	30	6	15	9m @ 1.05g/t Au
LGTAC061	221549	1441609	158	50	132	28	12	15	3m @ 0.62g/t Au
LGTAC063	221580	1441587	158	50	132	30	9	21	12m @ 0.97g/t Au
LGTAC064	221597	1441575	159	50	132	33 incl.	15 18	33 30	18m @ 1.66g/t Au EOH 12m @ 2.14g/t Au
LGTAC065	221617	1441562	159	50	132	28 and	12 6	18 9	6m @ 1.52g/t Au 3m @ 0.63g/t Au
LGTAC066	221627	1441552	157	50	132	19	3	9	6m @ 1.01g/t Au
LGTAC067	221639	1441546	159	50	132	22	0	6	6m @ 0.7g/t Au
LGTAC069	221654	1441520	140	50	132	45	33	45	12m @ 0.64g/t Au EOH
LGTAC071	221689	1441478	140	50	132	57	30	33	3m @ 0.5g/t Au
LGTAC072	221713	1441453	140	50	132	41	18	27	9m @ 1.19g/t Au
LGTAC074	220870	1441388	119	50	132	28	21	24	3m @ 2.07g/t Au
LGTAC081	221002	1441284	122	50	132	49 and incl.	15 33 33	18 45 36	3m @ 3.51g/t Au 12m @ 1.6g/t Au 3m @ 4.81g/t Au
LGTAC083	221056	1441234	125	50	132	65	30	36	6m @ 1.48g/t Au
LGTAC084	221082	1441202	125	50	132	63	12	15	3m @ 0.5g/t Au

* modified UTM grid Zone 29N

Background

Erin holds 640km² of exploration permits in Senegal and a portfolio of 7 strategically located permits (Figure 3). All the Company's projects lie within the Kedougou inlier that extends over eastern Senegal and along the country's western border with Mali. There are 4 multi-million ounce gold deposits that have recently been discovered within 25 kilometers of Erin's projects and in Senegal: Loulo (12m oz), Masawa (3.6m oz), Petowal (1.6m oz) and Oromin (3.7m oz).

About 30M oz of gold has been discovered in Senegal over the last 10 years and the Kedougou inlier hosts over 45M oz of gold in resources. This inlier forms a part of the Birimian shield, which covers most of West Africa and hosts over 280M oz of gold.

Senegal only recently commenced industrial scale gold mining and production at Sabodala mine in 2009. The country's mining code, introduced in 2003, is based on mining codes found in Australia and Canada.

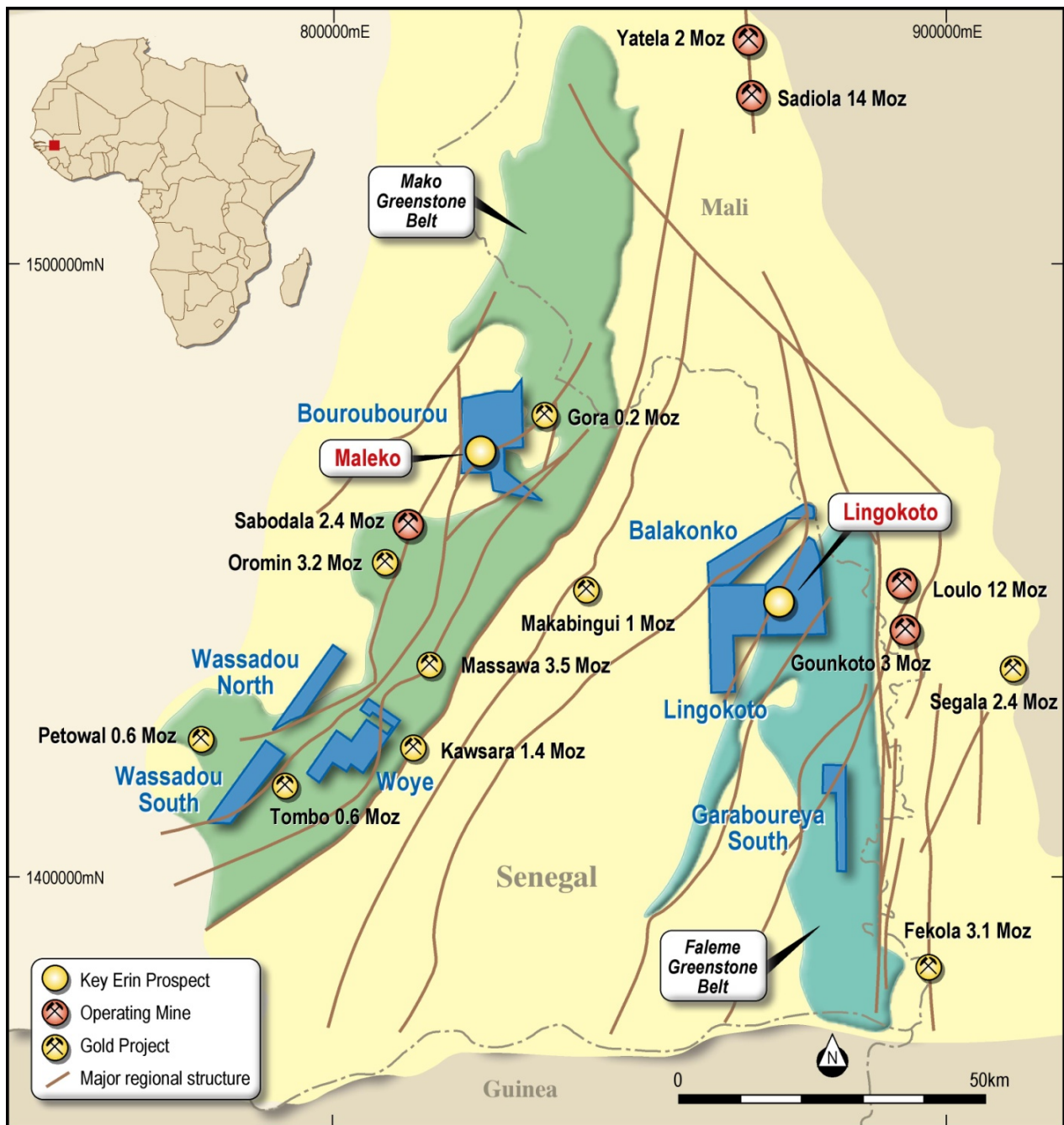


Figure 4. Regional Plan Senegal Permits and Location of Lingokoto Permit

Competent Persons Statement

The information in this document that relates to Exploration Results is based on information compiled or reviewed by Mr Nick Castleden who is a member of the Australian Institute of Geosciences. Mr Castleden is a full time employee of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Castleden consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

Competent Persons Statement continued

Exploration results referring to Lingokoto have been previously disclosed by Erin Resources in accordance with JORC 2012 in the announcements dated 29/01/2014 entitled 'High Grades Encountered in First Pass Drilling'. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement.

The exploration results relating to the other projects were previously prepared and disclosed under the JORC Code 2004 and have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. The Company confirms that the form and context in which the Competent Person's findings are presented here have not been materially modified from the original market announcement. Refer to www.erinresources.com for details on exploration results.

For and on behalf of the Board



Brett Mitchell
Executive Chairman

Media

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JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> • Aircore drilling • Aircore blade bit used to produce a 15 to 20kg sample which is split to obtain 2 to 3kg sample which is in turn pulverised to produce a 50g charge for fire assay
Drilling techniques	<ul style="list-style-type: none"> • <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	<ul style="list-style-type: none"> • Aircore drilling (reverse circulation method) completed by International Drilling Company (IDC) using aircore blade only and achieving hole diameter of 104mm (4^{1/4} inch).
Drill sample recovery	<ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> • <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> 	<ul style="list-style-type: none"> • Estimated sample size and sample condition (wet, moist, dry) recorded. • Clearing the hole at the end of each rod, frequently cleaning cyclone and hoses when the ground is wet or moist, stop the hole when the recovery becomes very weak. • No obvious correlation between recovery and grades

Criteria	JORC Code explanation	Commentary
Logging	<ul style="list-style-type: none"> • Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> • Logging (lithologies, alteration-oxidation, structures, veining, and mineralisation) carried by inspection of the material recovered. All material recovered was systematically geologically logged. • Logging is mostly qualitative and quantitative where required (percentage of sulphides, veins, intensity of deformation or alteration).
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> • No core drilling • 3m bulk samples of 2 to 3kg collected using a triple stages splitter. Samples were collected in pre-labelled plastic bags that are then placed into polyweave bags for dispatch to laboratory. • Sample are dried and crushed to -2mm, 1.5kg is collected from it using a single stage splitter, it is then pulverised in a LM2 to 95% passing 200 mesh. • 2 duplicates, 1 standard and 1 blank (Rocklabs) are inserted in each set of 100 samples
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> • Sample assayed for gold analysis only at SGS Bamako (Mali) with the lab code FAA505 method. This method consists in a 50g charge Fire assay for gold with AAS finish. Gold intercepts calculated with primary Au value (au repeat and au split excluded) with a lower cut off 0.5g/t. • Quality control procedures adopted consist in the insertion of duplicates, standards and blank and also external laboratory checks. The results demonstrated an acceptable level of accuracy and precision and cleanliness of the lab.
Verification of	<ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative 	<ul style="list-style-type: none"> • The sample register is first checked on the field while drilling

Criteria	JORC Code explanation	Commentary
sampling and assaying	<p>company personnel.</p> <ul style="list-style-type: none"> • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data. 	<p>is ongoing and double checked while entering the data on the computer. The sample register is used to process raw results from the lab and the processed results are then validated by software (MS Access, MapInfo/Discover). A hardcopy of each file is stored and an electronic copy saved in two separate hard disk drives.</p>
Location of data points	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • Collar located using a Garmin GPS with an accuracy <3m • Data are recorded in a modified WGS 1984, UTM_Zone 29 (northern hemisphere) projection. • Topographic control using the same GPS with an accuracy <10m
Data spacing and distribution	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. 	<ul style="list-style-type: none"> • Drill hole placed using “heel to toe” (distance to next hole depend on depth of previous one: each hole starts at the vertical of the end of the previous one) • All reported results are from 3m composite samples
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> • Aircore azimuth orientation perpendicular to NE trending aeromagnetic responses and soil anomalism, • “Heel to toe” drilling program is designed to achieve 100% geological coverage in vertically dipping geology • The orientation of mineralised structures is unknown. Sedimentary layering in nearest outcrop has near vertical dips
Sample security	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • Sample collected on the field brought back to the camp and placed in a storage room
Audits or reviews	<ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> • No external audit or review completed

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> • <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> • <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> • Lingokoto is an exploration permit with the number 10333 located at 150km north east to Kedougou (Senegal) at the border with Mali. It was granted to Afrigem Society RL (on December 2010) which is Erin Resources Limited's joint venture partner. • The licence has been secured by Erin which submitted a renewal request (granted on March 2014) on December 2013 for 3 more years. The expiry date of the tenement is December 2019
Exploration done by other parties	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • The previous owner (AGEM/IAMGOLD) had conducted soil geochemistry at regional and detailed scale on the eastern two third of the tenement. No previous exploration in the prospect area.
Geology	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • Drilling was targeting a strong (up to 11g/t) and consistent soil anomalies lying on an in situ cuirass (laterite) on sediments. The mineralisation is sitting adjacent to a regional contact between a sedimentary package to the SE and a late felsic intrusive to the NW. The prospect coincides with a NE trending structural corridor. • Mineralisation is mostly within weathered saprolite derived from fine to medium grained sedimentary rocks and volcanoclastics, intermediate intrusives, quartzite. Sericite +/- pyrite, and silica-tourmaline +/- pyrite alteration was noted in places.

Criteria	JORC Code explanation	Commentary
Drill hole Information	<ul style="list-style-type: none"> • <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> • <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> • Collar details for all intercepts above 0.50g/t Au are shown in Table 1 • Collar locations and hole numbers at start and finish of each traverse are shown on accompanying maps
Data aggregation methods	<ul style="list-style-type: none"> • <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> • <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> • Intercepts are reported as aggregate down hole lengths of 3m composite samples, using a cut-off grade of 0.50g/t Au • One sample of internal dilution was allowed in calculation of >0.50g/t Au intercepts
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’).</i> 	<ul style="list-style-type: none"> • All reported results are based on down hole length • The orientation of mineralised structures is unknown
Diagrams	<ul style="list-style-type: none"> • <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> • Appropriate maps and sections in accompanying text

Criteria	JORC Code explanation	Commentary
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> All gold value higher than 0.5g/t are shown in the accompanying table As there are a large number of drillholes in short-hole geochemical drilling programs, tabulation of all holes is not considered practicable Hole locations are shown on accompanying maps
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> Regional geology and geophysical survey (from Senegalese Department of Mines and Geology) and soil anomalism from regional and detailed grids have assisted with aircore drilling planning
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Next stage of exploration work will consist of infill drilling, followed by RC or diamond drilling to test continuity at depth.