



## **ASX/ RELEASE**

**19 April 2017**

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### **Board of Directors:**

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Non- Executive Chairman

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Non-Executive Director

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# **QUARTERLY ACTIVITIES REPORT**

**For the Period Ending 31 March 2017**

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## **HIGHLIGHTS**

### **TANZANIA 100%**

#### **MIYABI GOLD PROJECT**

- **New resource at the DALAFUMA DEPOSIT** - The Mineral Resource increased by over 40,000oz to 208,000oz at a grade of 3.6g/t.
- **Miyabi Project Mineral Resource now at 745koz Au**

### **ANGOLA 70%**

#### **OZANGO PROJECT**

- **Stream Sediment Programme completed**
- **Airborne magnetic data acquired and geological modelling and interpretation completed.**

#### **CORPORATE**

- **Rights Issue to raise \$2.26m (before costs)**
- **Board changes**

## TANZANIA

### MIYABI GOLD PROJECT, (RIFT VALLEY 100%)

#### Mineral Resource Update

An updated Mineral Resource estimate was prepared for the Dalafuma deposit during the quarter to incorporate the results from recent drilling completed at the deposit during the December quarter. The updated Mineral Resource is shown in Table 1. The current Miyabi Project Mineral Resource Inventory is shown in Table 2 and the location of the deposits is shown in Figure 1.

**Table 1: Dalafuma December 2016 Mineral Resource Estimate**

<b>Classification</b>	<b>Tonnes</b>	<b>Au g/t</b>	<b>Au Ounces</b>
Indicated	692,000	5.2	116,000
Inferred	1,112,000	2.6	92,000
<b>Total</b>	<b>1,804,000</b>	<b>3.6</b>	<b>208,000</b>

**Table 2: Miyabi Gold Project Mineral Resource Inventory (0.5g/t Au Cut-off)**

<b>Deposit</b>	<b>Indicated</b>		<b>Inferred</b>		<b>Total</b>		
	<b>Tonnes</b>	<b>Au</b>	<b>Tonnes</b>	<b>Au</b>	<b>Tonnes</b>	<b>Au</b>	<b>Au</b>
	<b>t</b>	<b>g/t</b>	<b>t</b>	<b>g/t</b>	<b>t</b>	<b>g/t</b>	<b>Ounces</b>
Dalafuma	692,000	5.2	1,112,000	2.6	1,804,000	3.6	208,000
Faida	3,322,000	1.4	2,248,000	1.2	5,570,000	1.3	241,000
Kilimani	2,704,000	1.3	1,029,000	1.4	3,733,000	1.3	157,000
Ngaya			1,688,000	1.1	1,688,000	1.1	58,000
Shambani	494,000	1.8	1,585,000	1.0	2,080,000	1.2	81,000
<b>Total</b>	<b>7,213,000</b>	<b>1.8</b>	<b>7,662,000</b>	<b>1.4</b>	<b>14,875,000</b>	<b>1.6</b>	<b>745,000</b>

\*Rounding errors may occur

The Dalafuma Mineral Resource estimate was prepared by Payne Geological Services Pty Ltd ("PayneGeo") using the following parameters:

- The lodes of the Dalafuma deposit strike at approximately 045-050° and are sub-vertical to steep NW dipping. The deposit has a strike length of 500m and a vertical extent of 240m.
- 26 RC drill holes were used in the Mineral Resource estimate for a total of 3,298m of drilling. Holes were angled grid north or grid south and drilled on a regular grid with hole spacing of 40m on 50m spaced cross sections.

- Samples were generally collected at 1m intervals from a rig mounted cyclone and split using a multi-tier riffle splitter.
- All Dalafuma holes were assayed using fire assay.
- Quality control data included the insertion of field duplicates, blanks and standards. This data was reviewed by PayneGeo and found to be satisfactory.
- RVY collars were surveyed in UTM using hand held GPS. Many of the holes were subsequently surveyed using DGPS. All holes were transformed to local grid for Mineral Resource estimation.
- The majority of the RVY holes have single shot reflex camera surveys or gyro surveys to determine hole deviation.
- Geological domains were constructed using a 0.4g/t Au cut-off grade.
- Samples within the wireframes were composited to even 1m intervals. A high grade cut of 40g/t was applied to the composites.
- Ordinary kriging interpolation was used to estimate block grades. A first pass search of 75m was used. This was expanded to 150m for the second pass.
- A Surpac block model was used for the estimate with block dimensions of 5m NS by 20m EW by 5m vertical with sub-cells of 1.25m by 5m by 1.25m.
- Bulk density values of 2.5t/m<sup>3</sup> for ferricrete, 2.2t/m<sup>3</sup> for oxide, 2.6t/m<sup>3</sup> for transition and 2.9t/m<sup>3</sup> or 3.0t/m<sup>3</sup> for fresh were used. The values were based on 196 density determinations from drill core from other Miyabi deposits.
- The portion of the Dalafuma main lode defined by the 40m by 50m spaced drilling was classified as Indicated Mineral Resource where good continuity of mineralisation was observed. The remainder of the resource was classified as Inferred Mineral Resource due to the sparse drilling or less defined continuity of mineralisation.
- The Mineral Resource has been reported at a 0.5g/t Au cut-off to reflect its potential for open pit mining.
- Metallurgical test work has not yet been completed for Dalafuma mineralisation. However the mineralisation is identical in style to the other Miyabi deposits where previous metallurgical test work show that the deposits are amenable to simple cyanide leaching in oxide and fresh rock.

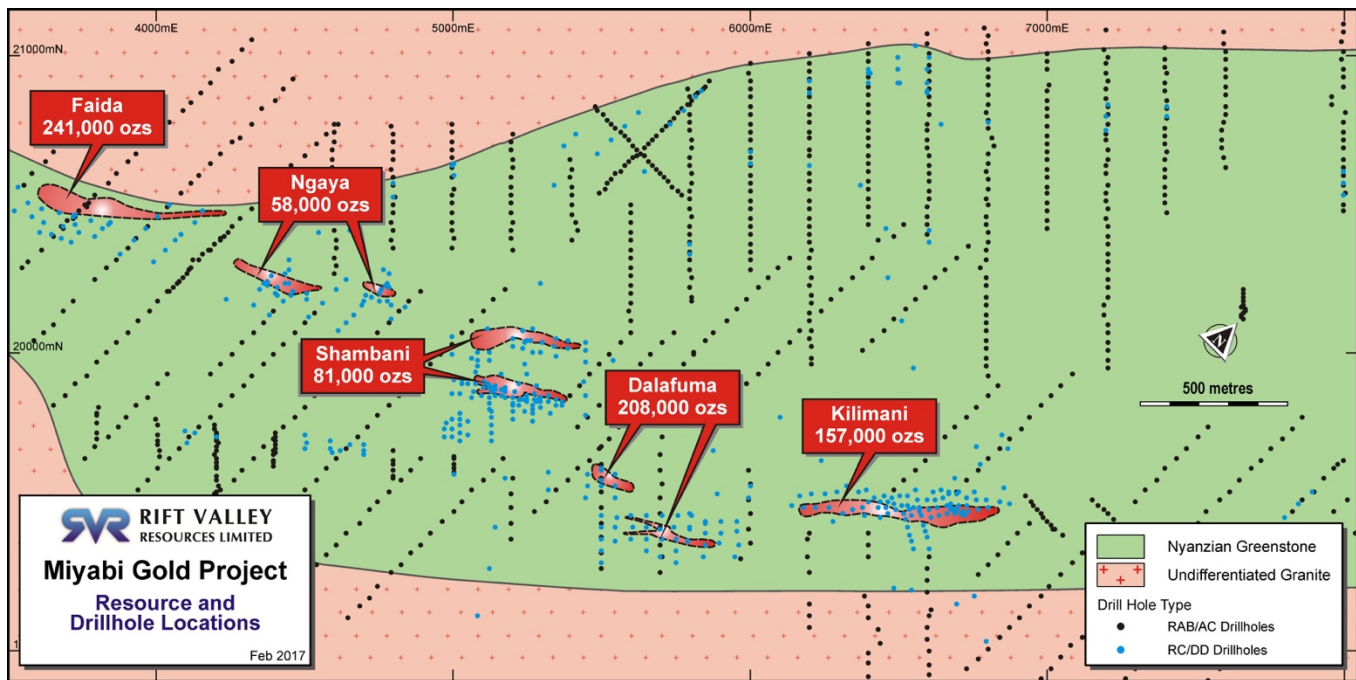


Figure 1: Miyabi Mineral Resources

## Future Work

The increased Mineral Resource inventory at the Miyabi project has confirmed the Company's belief that further shallow gold mineralisation remains to be discovered at the project.

The geological understanding gained from the recent work at Dalafuma has allowed company geologists to re-evaluate previous work carried out throughout the entire project area and a number of high priority targets have been identified for further drilling. These include extensions to existing resources as well as strong gold anomalies within previous geochemical sampling programs. The significance of barren transported ferricrete over these target areas was not previously understood and many prospective parts of the project have been tested with either soil sampling or shallow RAB drill holes, neither of which would have been effective.

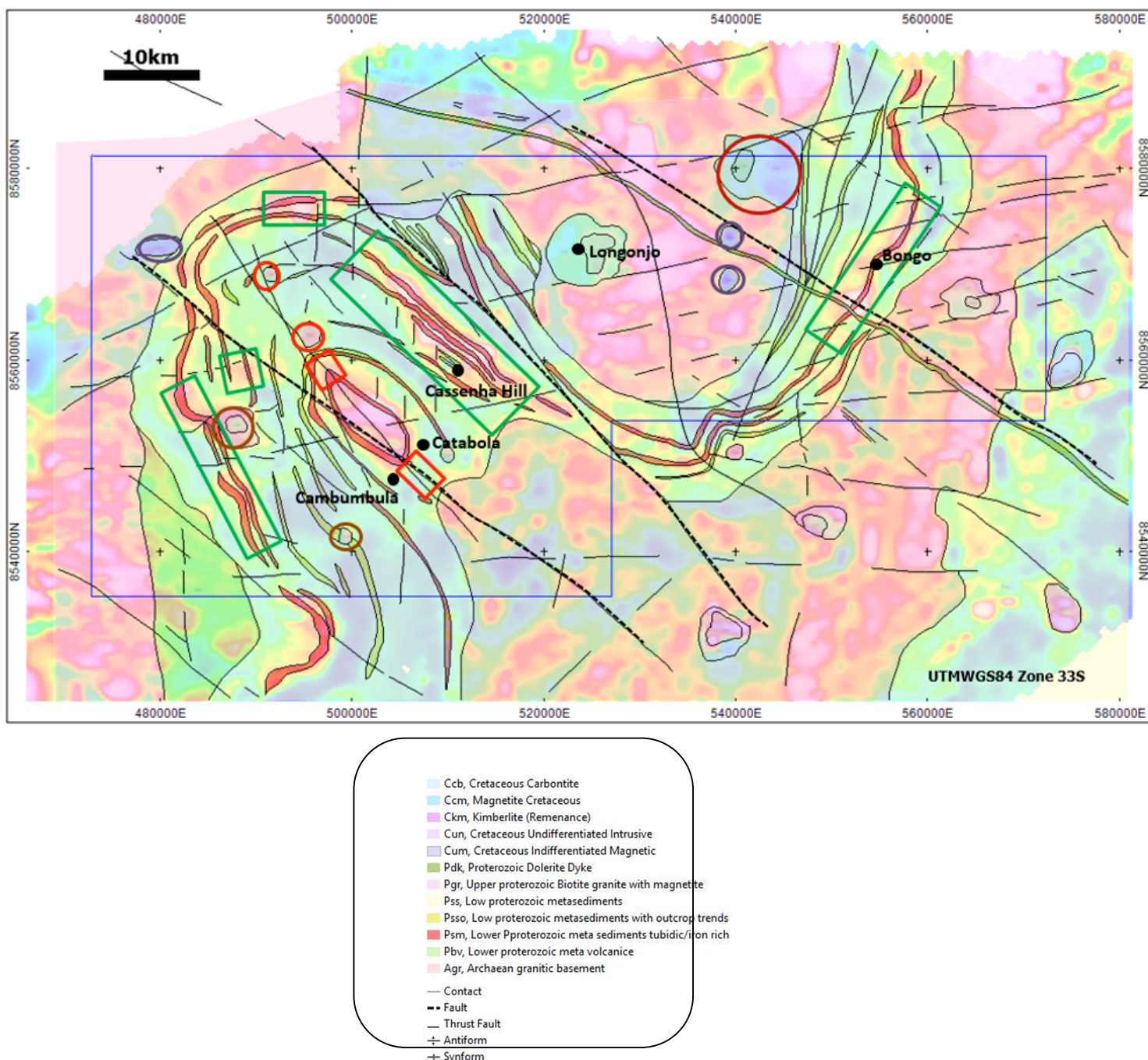
## ANGOLA (RIFT VALLEY 70%)

The recently acquired airborne magnetic data from an historical, regional (1km spaced) survey over the Ozango project were processed and interpreted with 30m resolution DTM data by the company's geophysical consultant Barry Bourne of Terra Resources Pty Ltd. A geological interpretation of the project areas at 1:150 000 scale, referenced to existing geological data, has been compiled (figure 2).

In addition to the geophysics, the concession wide stream sediment programme, initiated in 2015 was completed over the Ozango project. This first pass collected 516 samples to complete a geochemical screen over the 3,760km<sup>2</sup> concession on a nominal 5km<sup>2</sup> catchment area. Ultrafine (-63 µm) samples were collected at site and submitted for multi element analysis, as received. Sampling

was prioritized to target structures and deformation zones, interpreted from satellite imagery, in the initial stages before completing the remainder of the project area.

Rift Valley is very pleased with the outcome of the geophysical interpretation and the results from the stream sediment programme. The company is now advancing the exploration of the Ozongo Project. This work demonstrates that the Ozongo Project has the potential to host further copper and gold exploration targets and has also evidenced the potential strike of the Cassenha Hill and Cambumbula copper mineralization. The identification of controlling structures will assist the next exploration campaigns.



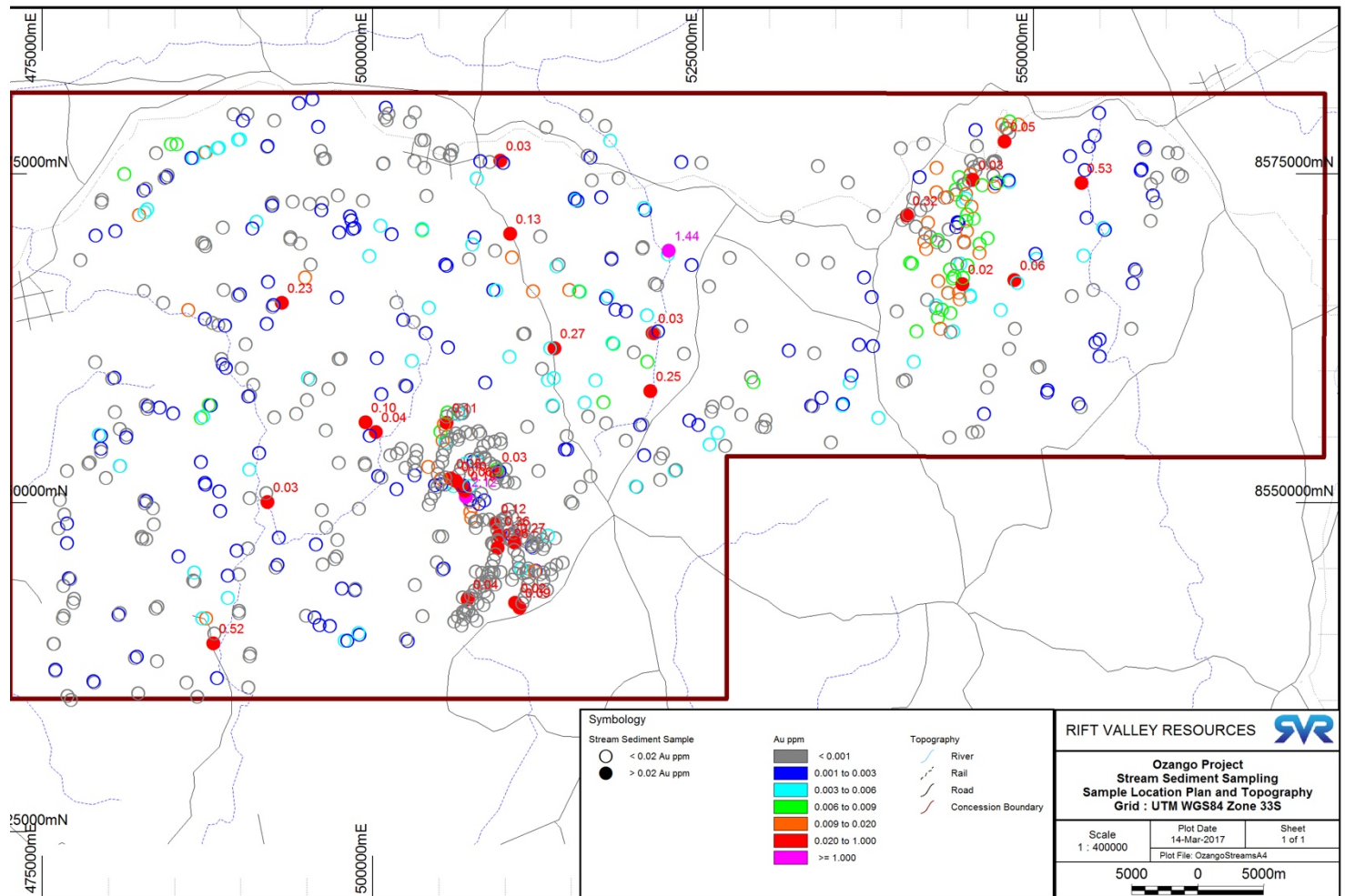
**Figure 2. Airborne magnetic interpretation with target areas.**

The stream sediment samples have returned strongly anomalous values for a range of elements over the concession. The gold values around the Bongo area, for instance peaked at over 2 grams per tonne which is more than 200 times the background values typical of the terrane. The minimum and maximum values returned for every element assayed for, as well as an average of all assays received, are tabulated below (table 3). A sample location plan illustrating gold values is included as Figure 3.

Rift Valley Resources Ozango Project								
Stream Sediment Sampling Summary Results - 773 samples								
Analyte_Units	AvgAnalyte	AnalyteMin	AnalyteMax		Analyte_Units	AvgAnalyte	AnalyteMin	AnalyteMax
Au_ppm	0.0133	-0.005	2.124		Na_%	0.1124	-0.01	0.9
Ag_ppm	0.1077	-0.1	4.9		Nb_ppm	15.0082	0.7	1000
Al_%	1.9315	0.32	7.4		Ni_ppm	7.9241	-1	47.3
As_ppm	1.6981	-1	35.6		P_ppm	197.0087	-100	5800
Ba_ppm	382.4097	28	10000		Pb_ppm	20.0243	3	672
Be_ppm	0.6868	-0.5	22.5		Pd_ppb	-0.5702	-1	7.4
Bi_ppm	0.4204	0.07	5.7		Pt_ppb	-0.2415	-0.5	10.2
Ca_%	0.1797	0.007	1.44		Rb_ppm	60.0193	3.7	221
Cd_ppm	0.0788	-0.05	0.94		S_%	-0.4481	-0.5	0.009
Ce_ppm	85.1238	14.5	2046		Sc_ppm	6.1705	-1	58.5
Co_ppm	5.4859	-0.1	35.8		Se_ppm	-1.6927	-2	4
Cr_ppm	35.7198	7.4	195		Sn_ppm	-1.8690	-3	24.51
Cs_ppm	2.3264	0.26	9.61		Sr_ppm	42.0899	2.2	2428
Cu_ppm	11.5648	1.2	78.7		Ta_ppm	0.8659	-0.05	18.5
Fe_%	2.6068	-0.01	15		Tb_ppm	0.5611	0.08	36.4
Ga_ppm	9.0804	1	37.8		Te_ppm	-0.0119	-0.1	0.8
Ge_ppm	0.2575	-0.1	1.3		Th_ppm	22.4722	0.8	2247
Hf_ppm	7.7061	0.5	80.4		Ti_%	0.5246	0.023	12.14
In_ppm	0.0131	-0.05	0.66		Tl_ppm	0.3448	-0.02	1.26
K_%	1.1598	0.06	4.78		U_ppm	3.6139	0.38	33.2
La_ppm	49.5566	4.8	6400		V_ppm	70.0842	-1	640
Li_ppm	10.2743	-1	51.8		W_ppm	1.7705	-0.1	33.2
Lu_ppm	0.2094	0.04	2.44		Y_ppm	13.3439	1.4	385
Mg_%	0.0984	0.008	0.47		Yb_ppm	1.4734	0.3	21.5
Mn_ppm	430.8299	22	10000		Zn_ppm	31.0049	2.5	757
Mo ppm	0.9122	0.1	41.6		Zr ppm	280.3738	17.5	2322

**Table 3 – Stream Sediment Sampling Results Summary**





**Figure 2. Stream Sediment Sample Location Plan with Gold Values**

The acquisition of aeromagnetic data coupled with the results from the multi element stream sediment programme has generated up to 12 additional high priority targets on the project area. Through geophysical and geological interpretation, the company has now prioritised these targets for investigation during the 2017 field season. The targets will be validated with surface geochemistry and field mapping. The company also plans to commence a resource diamond drilling programme and scoping study at the Longonjo Magnet Metal Project within the second quarter of 2017. This will be followed by resource delineation drilling at Cassenha Hill.

## CORPORATE

### RIGHST ISSUE

During the quarter the Company announced a non-renounceable rights issue to raise approximately \$2.264 million (before costs of the fundraising). The Company intends to use the funds raised under the Offer to fund further exploration at its Ozango Project in Angola, meet

various financial commitments on its assets in Tanzania (such as tenement fees and government charges) and for general working capital purposes.

39,009,578 Ordinary Shares in the capital of the Company ("Ordinary Shares") were accepted by shareholders (the "Rights Issue Shares") out of a total 90,568,325 Ordinary Shares on offer. The Rights Issue Shares were issued at \$0.025 each.

The remaining 51,558,747 Ordinary Shares (the "Shortfall Shares") were placed, at the boards discretion in April 2017. This brings the total amount raised under the Rights Issue (including the Shortfall) to approximately \$2.26 million (before costs).

The Company had a number of parties interested in the Shortfall and accordingly, the Company decided to complete a private placement of 13,381,441 ordinary shares at 2.5 cents to raise a further \$334,536. These shares were issued under the Company's placement capacity under ASX Listing Rule 7.1.

### **Strategic Review and Board Change**

During the quarter, Mr Graeme Clatworthy resigned as Non-Executive Director of the Company. Graeme will remain as a consultant to the company focusing on the company's Angolan operations and administration. Graeme will be spending extended periods in Angola to facilitate the Company's operations in country and to coordinate the company's efforts in the further delineation and expansion of its Angolan assets.

Members of the Board also presented at pre-Indaba and Indaba conferences. The strong feedback from Stakeholders, Investors, Financiers and Government Representatives has reinforced the boards focus on the development of its Angolan projects.

The Longonjo Magnet Metals, Cassenha Hill Copper and Bonjo Gold projects will provide a strong base and value drivers for the Shareholders of Rift Valley.

Unaudited Cash as at 31 March 2017 was \$1.497m with a further \$1.285m received subsequent to quarter end.

**ENDS**

For further information please contact:

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## **COMPETENT PERSON STATEMENTS**

*We advise in accordance with Australian Stock Exchange Limited Listing Rules 5(6) that the exploration results contained within this report is based on information compiled by Mr. Greg Cunnold who is a member of the Australian Institute of Mining and Metallurgy. Mr Cunnold is a Director of Rift Valley Resources Ltd and has consented in writing to the inclusion in this ASX Release of matter based on the information so compiled by him in the form and context in which it appears. Mr Cunnold has sufficient experience relevant to the style of mineralisation and type of deposit under consideration to be qualified as a Competent Person as defined by the 2012 Edition of the "Australian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves".*

*The information in this report that relates the Exploration Results and Mineral Resources for the Miyabi gold project is based on information compiled by Mr Paul Payne, a full time employee of Payne Geological Services and a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Payne is a consultant to and a shareholder of Rift Valley Resources 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 Payne consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

**Tenement Information as at 31 March 2017**

Country	Project Name	License Name	License no.	% Held at 31 December 2016	Change	% Held at 31 March 2017
<b>Tanzania</b>	Kitongo	Ugambilo East	PL8441/2012	100%	-	100%
	Kitongo	Butonyongo Hill West	PL8699/2012	100%	-	100%
	Kitongo	Mwasato Hill West	PL9740/2014	100%	-	100%
	Kitongo	Busongo Court	PL9741/2014	100%	-	100%
	Kitongo	Kitongo West	PL10655/2015	100%	-	100%
	Kitongo	Ugambilo North	PL6385/2010	100%	-	100%
	Kitongo	Mwagimagi	PL6499/2010	100%	-	100%
	Kitongo	Mwamazengo SE (2)	PL6543/2010	100%	-	100%
	Kitongo	Mwamazengo South (2)	PL6631/2010	100%	-	100%
	Kitongo	Ugambilo	PL10067/2014	100%	-	100%
	Kitongo	Kitongo	PL10068/2014	100%	-	100%
	Kitongo	Mwamazengo	PL10069/2014	100%	-	100%
	Kitongo	Isengwa Hills North	PL10060/2014	100%	-	100%
	kitongo	Busongo Northeast	PL10065/2014	100%	-	100%
	Kitongo	Gulumungu	PL10656/2015	100%	-	100%
	Kitongo	Ntalebujika	PL10660.2015	100%	-	100%
	Miyabi	Miyabi Dyke	PL8933/2013	100%	-	100%
	Miyabi	Miyabi Northwest West	PL9696/2014	100%	(100%)	-
	Miyabi	Miyabi North	PL10908/2016	100%	-	100%
	Miyabi	Miyabi Airport New	PL10556/2015	100%	-	100%
	Miyabi	Mwabombo	PL10836/2016	100%	-	100%
	Miyabi	Miyabi Airport	PL6593/2010	100%	-	100%
	Nyang'ombe	Nyang'ombe BEAL	PL6502/2010	100%	-	100%
	Mtemi	Buziba, Geita	8391/2012	100%	-	100%
	Mtemi	Mwamazengo, Misungwi	8148/2013	100%	-	100%
	Mtemi	Mwamazengo, Misungwi	6630/10	100%	-	100%
	Mtemi	Mwamazengo, Misungwi	6542/2010	100%	-	100%
<b>Angola</b>	Ozango	Ozango Minerais SA	Nº013/03/09/T.P/A NG-MGM/2015	70%	-	70%