



ASX/ RELEASE

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Board of Directors:

Stephen Dobson
Non- Executive Chairman

Geoff Gilmour
Managing Director

Greg Cunnold
Technical Director

Akram Aziz
Non-Executive Director

Tel +61 8 9221 00 90
Fax +61 8 9221 00 95

ABN 86 121 985 395

QUARTERLY ACTIVITIES REPORT

For the Period Ending 30 June 2017

HIGHLIGHTS

ANGOLA 70%

OZANGO PROJECT

- **Drilling Commenced at Longonjo Magnet Metals Project**
- **Amec Foster Wheeler appointed Scoping Study Manager**
- **High Priority multi element targets defined from Geochemistry interpretation**

CORPORATE

- **Completion of Rights Issue and Placement to raise a total of \$2.6m**

ANGOLA (RIFT VALLEY 70%)

Scoping Study

During the quarter Rift Valley appointed AMEC Foster Wheeler (AFW) to undertake a Scoping Study (Study) of the Longonjo Magnet Metals project in Angola. AFW was selected based on their market leading experience in rare earth projects including Arafura Resources' Nolans Project and most recently Peak Resources' Ngualla Rare Earth Project

The Study encompasses all aspects of the project from mining to tails disposal and product shipment and will incorporate:

- Preparation of a Mineral Resource Estimate compliant to the 2012 JORC Code based on the previous AC drilling and the current diamond drilling program
- Review and interpret the previous and ongoing metallurgical testwork being undertaken on the new DD drill composites
- Develop a mechanical equipment list along with a mass and energy balance based on metallurgical testwork
- Determine infrastructure requirements
- Identify locations for the tailings disposal facility
- Prepare a high-level project execution schedule
- Estimate capital and operating costs to an accuracy of $\pm 40\%$

The Study has already commenced with AFW's Principal Resource Geologist traveling to site for an inspection of the drilling program.

Diamond Drilling

A local drilling contractor, Moto Engil, commenced drilling at Longonjo in May (Figure 1). Vertical holes will twin previous air core (AC) drill holes with large diameter (PQ - 116mm) diamond drill core as identified on Figure 2. Triple tube barrels are being used to ensure maximum core recovery.

Holes will be drilled to a nominal depth of 50 metres, exceeding the depth of previous AC holes which were to 'blade refusal' (typically 30 metres). It is expected that this will provide the first 'fresh' material from the Longonjo carbonatite mineralisation and enhance the geological model. Two holes were selected to extend down to 100 metres, to inspect mineralogy from the sulphide zone and test the depth extents of rare earth mineralization.

A total of approximately 600 metres of drill core will be produced from the campaign. The core will be cut and composited into two metre intervals on site for delivery to Australia for analysis and to provide the samples for the continued metallurgical testwork program.



Figure 1 – Diamond Drill Rig on site at Longonjo, May 2017

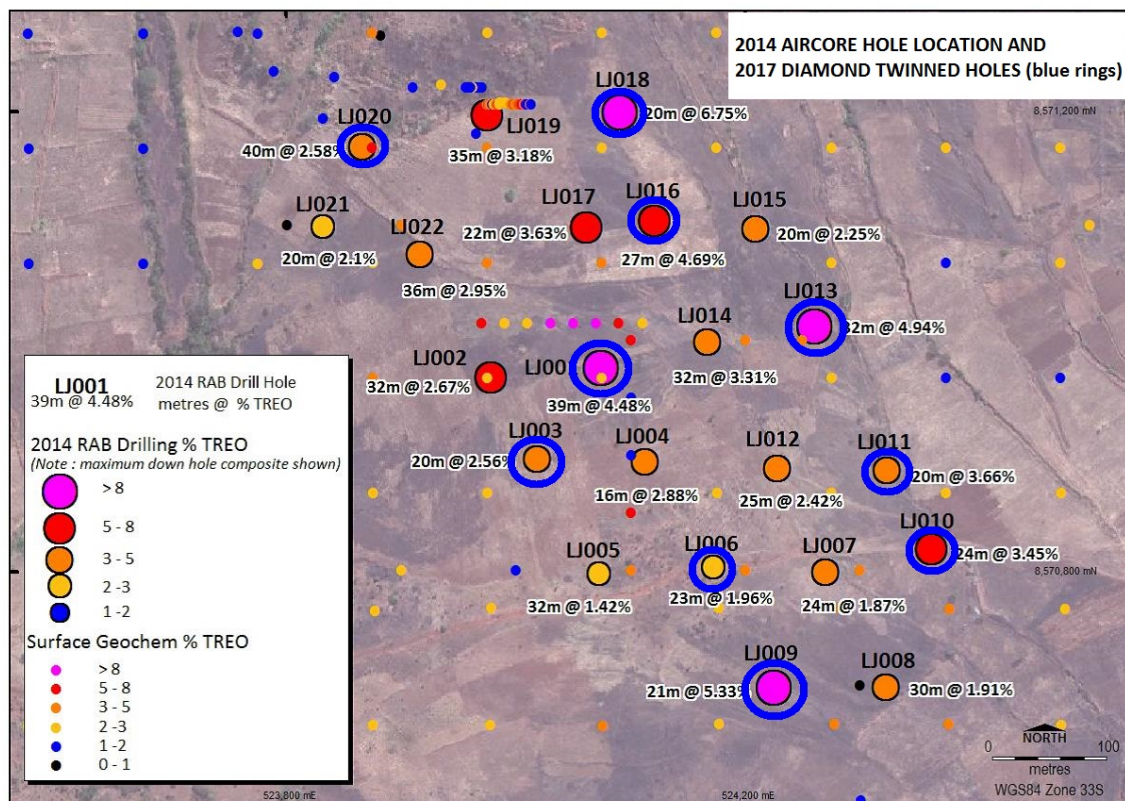


Figure 2 – Current Diamond Drill Hole Locations (blue ringed) with Respect to Previous Air Core Holes

Metallurgical Testwork

A detailed metallurgical testwork program has been scoped for implementation on the diamond drill core and composites.

Initially, the composites will be assayed and categorised using qualitative mineralogy (XRD). A bulk composite, typical on the mineralisation that will be seen in the first five to ten years of mining, will then be made for metallurgical testing. This composite will undergo quantitative mineralogy (QEMSCAN) to guide the testwork.

The testwork program will initially focus on the beneficiation stage, the process that physically upgrades the mined ore to a high grade, low mass mineral concentrate as shown in Figure 3. This will continue on from the previous work undertaken in the Desktop Study where concentrate grades of up to 19.44% REO were achieved.



Figure 3 – Stages of Rare Earth Processing

The concentrate produced from the beneficiation testwork will be used for the extraction testwork, again building on from the positive results reported in Desktop Study where extractions of the magnet metals praseodymium and neodymium exceeded 89%.

Once the drilling programme at Longonjo is completed the rig will mobilize to the Cassenha Hill prospect to test the extents of copper mineralization delineated in the maiden drilling programme during 2016.

Geochemistry Interpretation

Geochemical data derived from the concession wide stream sediment programme was interpreted during the quarter by LithosX Mineral Exploration Consultants

The aims of the interpretation were to outline:

- A. Significant anomalies in Au, Cu, Pb and Zn (the “ore minerals”);
- B. Magmatic minerals Ni, (Cr) Pt and Pd;
- C. Rare Earth Elements, in particular, those related to carbonatites;
- D. Typical lithological provenance of each sample sub- basin; and
- E. Large scale alteration systems (interpreted to surround potential ore systems with a very small footprint in the 1/25km² regional sampling), in both pathfinder element suites and alteration mineral assemblages.

The interpretation was completed during the quarter with numerous targets generated for follow up work. The targets include Cu rich systems, gold anomalies, possible VMS style polymetallic systems as well as a suite of Li-Be enriched felsic rocks, possible LCT pegmatites.

The high priority multi element targets have been prioritized for follow up work in the September quarter.

CORPORATE

RIGHST ISSUE AND PLACEMENT

During the quarter the Company finalised a non-renounceable rights issue to raise approximately \$2.264 million (before costs of the fundraising).

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. Therefore, the total funds raised was \$2.6m (before costs).

During the quarter, the Company held a General Meeting of shareholders which ratified previous shares and options issued, along with the approval of Performance Rights to the Chairman, Mr Stephen Dobson.

Securities in the Company as at 30 June 2017 was as follows:

- 738,778,046 fully paid ordinary shares
- 45,355,000 unlisted options exercisable at \$0.06 expiring 27 July 2018
- 32,500,000 unlisted options exercisable at \$0.035 expiring 5 May 2018
- 20,000,000 unlisted options exercisable at \$0.035 expiring 3 November 2018
- 5,000,000 unlisted options exercisable at \$0.04 expiring 2 November 2019
- 5,000,000 unlisted options exercisable at \$0.06 expiring 2 November 2019
- 3,000,000 performance rights
- 5,000,000 performance rights vest upon VWAMP \$0.06 for 90 days expiring 16 June 2019
- 3,000,000 Performance Rights vest upon raising of \$5m expiring 16 December 2018
- 2,000,000 Performance Rights vest on 16 June 2018
- 2,000,000 Options exercisable at \$0.05 on or before 6 April 2020

Unaudited Cash as at 30 June 2017 was \$1.806m.

ENDS

For further information please contact:

Geoff Gilmour

Managing Director

Rift Valley Resources Limited

Tel +61 8 9221 0090

Fax +61 8 9221 0095

info@riftvalleyresources.com.au

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 release that relates to Metallurgical Test-work is based on and fairly represents information compiled and / or reviewed by Mr Gavin Beer who is a Member of The Australasian Institute of Mining and Metallurgy and a Chartered Professional. Mr Beer is a Consulting Metallurgist and a full-time employee of Met-Chem Consulting Pty Ltd. Mr Beer has sufficient experience relevant to the activity which he is undertaking to be recognised as competent to compile and report such information. Mr Beer 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 30 June 2017

Country	Project Name	License Name	License no.	% Held at 31 March 2107	Change	% Held at 30 June 2017
Tanzania	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%
Angola	Ozango	Ozango Minerais SA	Nº013/03/09/T.P/A NG-MGM/2015	70%	-	70%