MOD RESOURCES LTD

ASX ANNOUNCEMENT

3 October 2017

ASX: MOD

T3 COPPER PROJECT CONTINUES TO GROW
Increased Strike Length & Upgraded Production Target

- **Wide zones of visible copper intersected 300m west and northeast of planned pit**
- **Copper mineralisation now extends over ~1.5km strike length and remains open**
- **Drilling stepped up with seven drill rigs now operating at T3**
- **Annualised T3 production target upgraded 25% to 2.5Mtpa with potential for expansion**
- **Excellent metallurgical testwork results**

MOD Resources Ltd (ASX: MOD) today announced excellent progress on the resource extension drilling program and open pit pre-feasibility study (PFS) at the T3 Copper Project in Botswana. The current phase of drilling at T3 commenced on 7 August 2017 (Figure 1).

The Company intersected wide zones (>50m estimated true width) of visible copper with multiple intervals of visible disseminated and local vein hosted copper sulphides in four recent diamond core drill holes at the western and eastern limits of drilling at T3. The visible mineralisation in holes MO-G-74D, MO-G-76D, MO-G-79D and MO-G-80D is well outside the mineral resource announced on 24 August 2017.

Assay results are required to determine the widths and grades of the visible copper sulphides reported in preliminary geological logging. Mineralisation is dominated by finely disseminated chalcocite with localised veins containing visible chalcocite and bornite (Figures 2, 3, 4, 5), including an unusual mottled vein occurrence of strong chalcocite/bornite mineralisation within a sandstone unit (Figure 4).

Importantly, these wide zones of visible sulphides occur down dip from narrow intersections of copper and lead/zinc mineralisation intersected at shallow depth in previous drilling. For example, the wide intersection of visible sulphides in MO-G-80D, located 300m west of the planned open pit occurs ~200m down dip from a 1m intersection of chalcopyrite intersected in water bore MO-G-WB06 (Figures 1, 3).

MOD's Managing Director, Mr Julian Hanna, said the recent drill holes open significant potential for further resource extensions along strike and below the planned pit, noting that assay results are awaited to confirm the mineralisation in MO-G-74D, MO-G-76D, MO-G-79D and MO-G-80D.

The first hole to test the eastern IP anomaly north of T3 (MO-3R-08D) was completed at 643.9m depth. MO-3R-08D intersected vein hosted chalcopyrite between approximately 590m and 595m down hole depth and the source of the IP anomaly has not yet been explained. The geology in the area of MO-3R-08D appears to have steepened along an interpreted major structure and further drilling is planned to test whether the target sequence is offset by this structure, north of MO-3R-08D.

This structure may be associated with a deeper 10km long canoe shaped EM conductive anomaly which extends either side of T3 (refer to announcement of 21 July 2017).

Drilling has been stepped up with two diamond drill rigs testing east and west along strike from the current resource, three drill rigs infilling the current resource and two RC drill rigs drilling diamond hole pre-collars and water bores to test the potential for a sustainable supply for plant processing water.

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Several holes in the current program have intersected very encouraging vein hosted mineralisation down dip from the planned pit (Figure 1) and assay results from these intersections will be announced soon. Drilling is planned to focus on this area as soon as the resource infill drilling is completed.

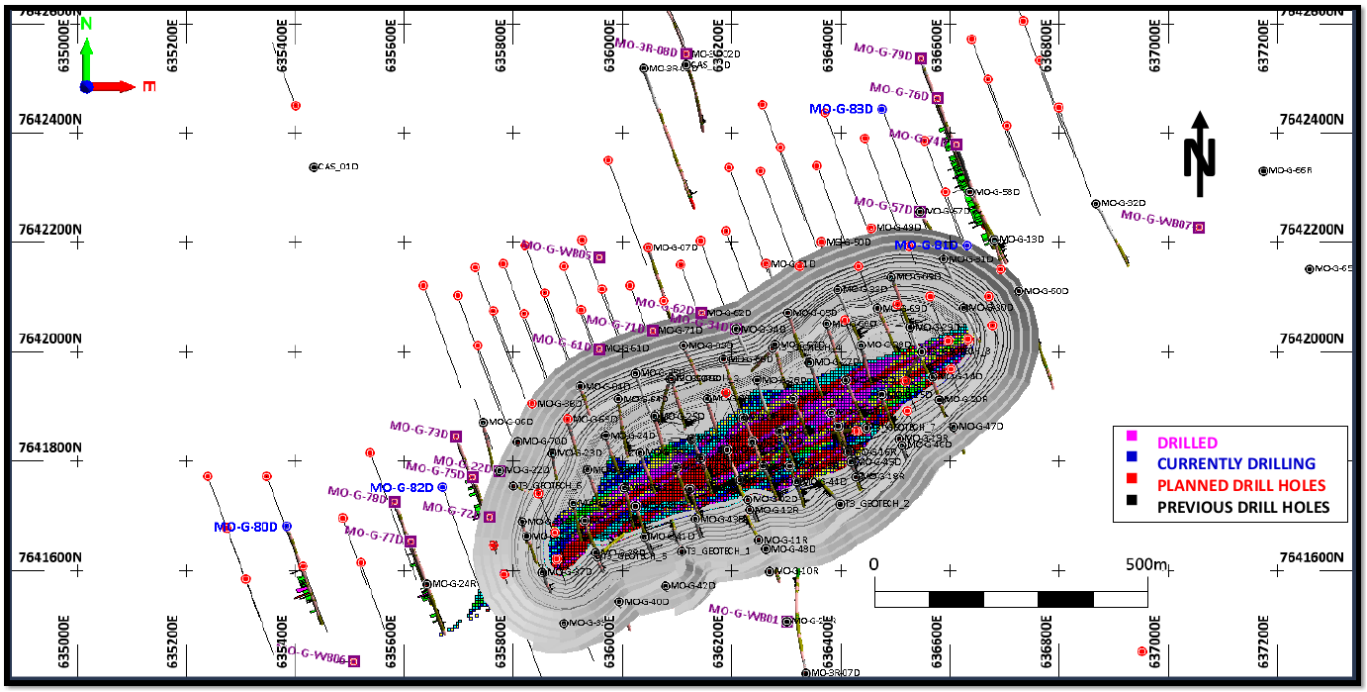

Figure 1: Planned open pit (scoping study design) showing current and planned resource infill and extension drill holes, including the location of the six holes described in this announcement.

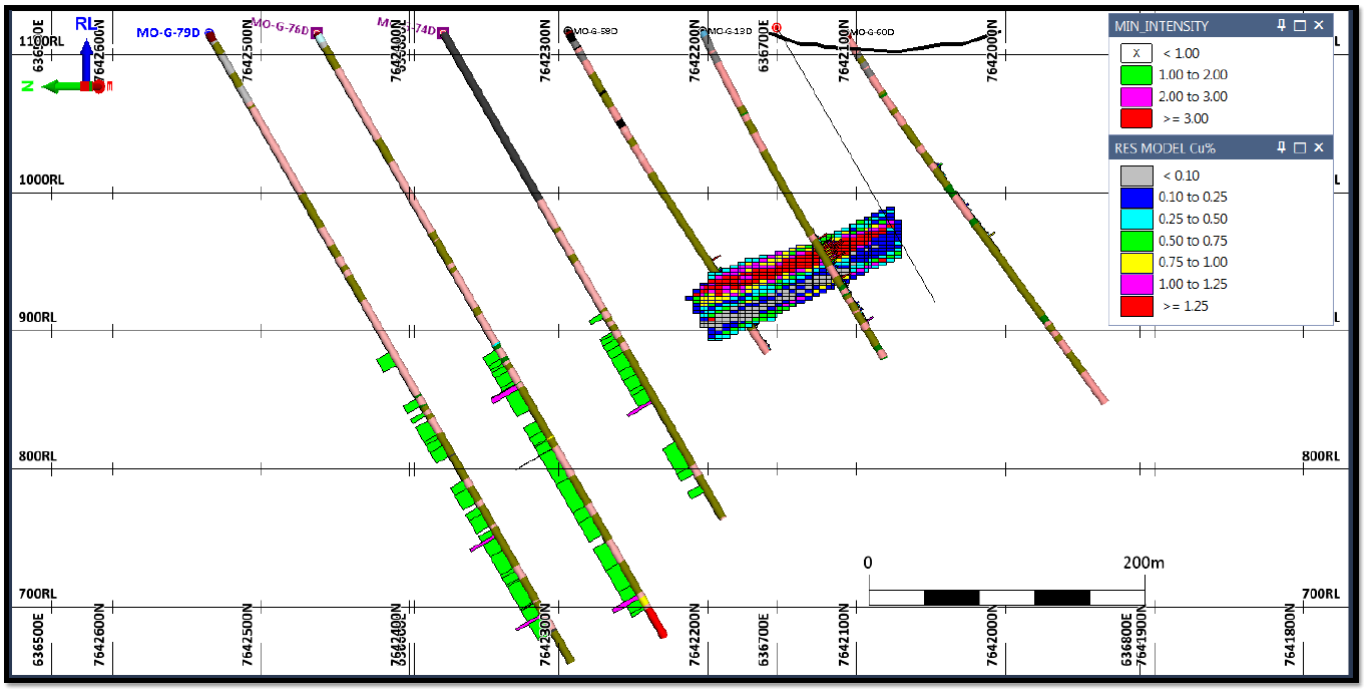

Figure 2: Cross section below **eastern end of resource**. Shows holes MO-G-74D, MO-G-76D and MO-G-79D with visible copper intervals (assays awaited). Note: colours do not denote Cu grade estimates.

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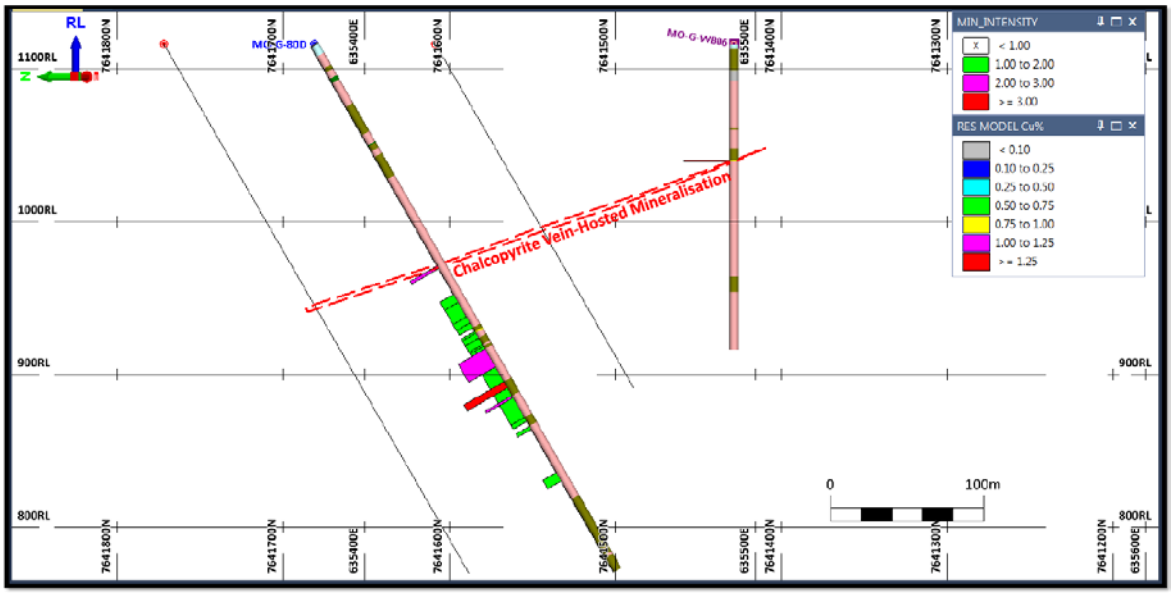

Figure 3: Cross section **300m west of resource,** down dip from MO-G-WB06. Shows holes MO-G-80D (in progress) with visible copper intervals (assays awaited). Note: colours do not denote Cu grade estimates.

Figure 4: Drill core from MO-G-80D at current **western limit of T3 drilling** showing strong chalcocite/bornite mineralisation within sandstone host at approximately 255m down hole depth.

Figure 5: Drill core from hole MO-G-76D at **eastern limit of T3 drilling** showing strong chalcocite vein mineralisation within mudstone at approximately 346.6m down hole depth.

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Update on Pre-Feasibility Study (PFS)

Production Targets

Mining and process engineering studies have commenced using a revised ore processing rate of 2.5 Mtpa, a 25% increase on the Scoping Study production target. This upgrade is in response to the growth in the T3 Mineral Resource estimate (announced 24 August 2017), the expected increase in the mineable inventory and the strength in the copper price since the Scoping Study was announced.

The process plant will be designed to allow for a possible future expansion up to 4.0 Mtpa. This expansion capacity gives optionality in the event that there are further upgrades to the T3 resource and possible supplementary ore supply from the nearby T1 project.

Metallurgical Testwork

Results have been received for locked cycle testwork on composite samples for the three main T3 ore domains (Chalcocite, Bornite and Chalcopyrite). Locked cycle testwork results (Table 1) are more indicative of a production scale metallurgical response relative to the batch testwork results, which were used in the Scoping Study. Ore intervals from a total of 22 drill holes were used to prepare representative composites for the PFS testwork program.

Results for copper were excellent with recoveries ranging from 93.3% to 96.3% into concentrate grades containing 33.1% to 48.6% Cu. Silver recoveries and concentrate grades were also very good, notably in chalcocite and bornite ores which host most of the high grade silver mineralisation. Penalty elements were at acceptable levels e.g. arsenic ranged from 254ppm to 1905ppm.

Domain	Copper		Silver		Mass
	Recovery	Grade	Recovery	Grade	Recovery
	%	%	%	g/t	%
Chalcocite	93.43	48.59	88.97	850	2.31
Bornite	96.25	43.57	92.16	668	3.15
Chalcopyrite	93.34	33.15	82.56	199	3.15

Table 1: Locked Cycle testwork results from composite samples of three T3 ore types.

Water Bore Testing

A series of large diameter water bores are being drilled across the T3 Project site to allow comprehensive testing and modelling of groundwater quality and quantity. These water bores and associated modelling will be used to develop a potential water supply for the project and refine the open pit design currently underway. All six water bores drilled to date have encountered water and results are being evaluated. Applications for water extraction will be prepared once sustainable yields are calculated and T3 water requirements are finalised.

Environmental Approvals and Stakeholder Engagement

Three new exploration access agreements have been executed for farms associated with EM targets surrounding T3 and at MOD's 100% owned T1 deposit. In addition, the exploration access agreement for the farm on which the T3 Project is located has been extended to 30 April 2018.

This is an important step towards gaining approval from the Department of Environmental Affairs (DEA) for drilling high priority EM targets along the T3 Dome and also demonstrates the widespread support for Tshukudu Metal's exploration activities in Ghanzi District.

In parallel, Tshukudu Metals is developing stakeholder engagement policies and commencing baseline social studies to enable consistent and fair treatment of all stakeholders associated with exploration and development activities in Botswana.

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Baseline flora, fauna and biodiversity studies are ongoing during the dry season and are expected to be completed in the current quarter. Preparations are also underway to commence the formal EIA process in Botswana soon after completion of the Pre-feasibility Study expected in December 2017.

-ENDS-

For and on behalf of the Board.

Julian Hanna
Managing Director

Mark Clements
Executive Chairman and Company Secretary

Margie Livingston
AMN Corporate
+61 438 661 131
margie@amncorporate.com

About MOD Resources

MOD Resources Ltd (ASX: MOD) is an Australian-listed copper company actively exploring in the Kalahari Copper Belt, Botswana. MOD owns 70% of a UK incorporated joint venture company, Metal Capital Limited with AIM-listed Metal Tiger Plc (30%).

Metal Capital's wholly owned subsidiary, Tshukudu Metals Botswana (Pty) Ltd (Tshukudu) is the Botswana operating company which owns the T3 copper/silver deposit where a discovery RC drill hole intersected 52m @ 2.0% Cu and 32g/t Ag from shallow depth in March 2016.

MOD announced a substantial maiden copper/silver resource at T3 on 26 September 2016. Total cost of discovery of T3 and delineation of the maiden resource was an exceptionally low US$1.7 million, equivalent to only US 0.22 cents/lb copper contained within the resource.

On 6 December 2016, MOD announced the results of its scoping study for an open pit mine at T3. A pre-feasibility study (PFS) commenced in early 2017 and is due for completion in December 2017.

MOD announced an updated resource of 36.6 Mt at 1.14% Cu containing 409kt copper on 24 August 2017. The revised resource has led to a 16% increase in copper and also contains 14.8Moz silver.

MOD is continuing with the strategy to increase mineral resources and complete a PFS for a potential open pit mine and processing plant at T3 and conduct a substantial regional exploration program exploring for satellite deposits at other priority targets around T3.

Competent Person's Statement

The information in this announcement that relates to Geological Data and Exploration Results at the Botswana Copper/Silver Project is reviewed and approved by Jacques Janse van Rensburg, BSc (Hons), Business Development Manager for MOD Resources Ltd. He is registered as a Professional Natural Scientist with the South African Council for Natural Scientific Professions (SACNASP) No. 400101/05 and has reviewed the technical information in this report. Mr Janse van Rensburg has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and the activity, which it is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Mr Janse van Rensburg consents to the inclusion in this announcement of the matters based on information in the form and context in which it appears.

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No New Information

To the extent that this announcement contains references to prior exploration results and Mineral Resource estimates, which have been cross referenced to previous market announcements made by the Company, unless explicitly stated, no new information is contained. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Exploration Targets and Results

This announcement refers to Exploration Targets as defined under Sections 18 and 19 of the 2012 JORC Code. The Exploration Targets quantity and quality referred to in this announcement are conceptual in nature. There has been insufficient exploration at Exploration Targets mentioned in this announcement to define a Mineral Resource and it is uncertain if further exploration will result in the Exploration Targets being delineated as a Mineral Resource. This announcement includes several drill hole intersections, which have been announced by MOD Resources Limited previously.

Forward Looking Statements and Disclaimers

This announcement includes forward-looking statements that are only predictions and are subject to risks, uncertainties and assumptions, which are outside the control of MOD Resources Limited.

Examples of forward looking statements included in this announcement are: 'Assay results are required to determine the widths and grades of the visible copper sulphides reported in preliminary geological logging.' and 'The geology in the area of MO-3R-08D appears to have steepened along an interpreted major structure and further drilling is planned to test whether the target sequence is offset by this structure, north of MO-3R-08D.' and 'This structure may be associated with a deeper 10km long canoe shaped EM conductive anomaly which extends either side of T3 (refer to announcement of 21 July 2017).' and 'Several holes in the current program have intersected very encouraging vein hosted mineralisation down dip from the planned pit (Figure 1) and assay results from these intersections will be announced soon. Drilling is planned to focus on this area as soon as the resource infill drilling is completed.' and 'The process plant will be designed to allow for a possible future expansion up to 4.0 Mtpa. This expansion capacity gives optionality in the event that there are further upgrades to the T3 resource and possible supplementary ore supply from the nearby T1 project.' and 'Baseline flora, fauna and biodiversity studies are ongoing during the dry season and are expected to be completed in the current quarter. Preparations are also underway to commence the formal EIA process in Botswana soon after completion of the Pre-feasibility Study expected in December 2017.'

Actual values, results, interpretations or events may be materially different to those expressed or implied in this announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements in the announcement as they speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and ASX Listing Rules, MOD Resources Limited does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward-looking statement is based.

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Drill Hole ID	WGS84_34S_E	WGS84_34S_N	RL	EOH (m)	Azi	Dip
MO-3R-08D	636116.000	7642544.000	1115.000	643.90	340	-70
MO-G-22D (EXT)	635775.136	7641782.468	1115.956	289.55	160	-60
MO-G-34D (EXT)	636207.867	7642041.078	1116.468	352.60	160	-60
MO-G-57D (EXT)	636545.327	7642256.369	1116.705	541.48	160	-60
MO-G-61D	635958.000	7642005.000	1116.000	304.63	160	-60
MO-G-62D	636145.000	7642071.000	1116.000	359.00	160	-60
MO-G-71D (EXT)	636055.409	7642038.329	1116.141	511.73	160	-60
MO-G-72D	635756.000	7641698.000	1116.000	232.52	160	-60
MO-G-73D	635695.000	7641846.000	1116.000	319.55	160	-60
MO-G-74D	636611.000	7642379.000	1116.000	406.83	160	-60
MO-G-75D	635725.000	7641771.000	1116.000	334.58	160	-60
MO-G-76D	636576.000	7642464.000	1116.000	505.80	160	-60
MO-G-77D	635612.000	7641652.000	1116.000	361.70	160	-60
MO-G-78D	635582.000	7641726.000	1116.000	400.75	160	-60
MO-G-79D	636546.000	7642536.000	1116.000	535.88	160	-60
MO-G-80D	635384.000	7641680.000	1116.000	In Progress	160	-60
MO-G-81D	636632.000	7642195.000	1116.000	In Progress	160	-60
MO-G-82D	635670.000	7641752.000	1116.000	In Progress	160	-60
MO-G-83D	636476.000	7642444.000	1116.000	In Progress	160	-60

Table 2: Parameters for recent diamond core drill holes included in this release (plotted on Figure 1).
Note: 'EXT' denotes previous drill holes which have been deepened.

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JORC Code, 2012 Edition
Table 1 Reporting Exploration Results from Botswana Copper/Silver Project
Section 1 Sampling Techniques and Data
(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. 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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g 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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	• Drill core was sampled in 1m intervals or as appropriate to align with the geological contacts. • All samples were geologically logged by a suitably qualified geologist on site. • Samples are submitted to ALS Laboratories in Johannesburg.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).*	• The diamond drilling referred to in this release was either drilled by HQ diameter drill core or NQ diameter drill core.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• Diamond drilling recorded recovery. Core recovery was good.

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Criteria	JORC Code explanation	Commentary

Logging	• *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.*
		• During the core logging geologists follow MOD's standard operating procedure for RC and Diamond logging processes. The metre interval (from and to) is recorded and the data below is described within the drill logs:
		  • Major rock unit (colour, grain size, texture)
		  • Weathering
		  • Alteration (style and intensity)
		  • Mineralisation (type of mineralisation, origin of mineralisation, estimation of % sulphides/oxides)
		  • Veining (type, style, origin, intensity)
		• Data is originally recorded on paper (hard copies) and then transferred to Excel logging sheets.
		• Logging is semi quantitative based on visual estimation.
		• For diamond drilling the geological logging process documents lithological and structural information as well as geotechnical data such as RQD, recovery and specific gravity measurements.

Sub-sampling techniques and sample preparation	• *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.*	• All NQ diameter core samples for the drill hole intersections were taken as half core samples. HQ diameter drill core samples were taken as quarter core samples. • MOD took photos of all core samples on site. • MOD has implemented an industry-standard QA/QC program. Drill core is logged, split by sawing and sampled at site. Samples are bagged, labelled, sealed and shipped to ALS laboratories in Johannesburg, SA. • Field duplicates, blanks and standards are inserted at a ratio of 1:10. ALS also has its own internal QA/QC control to ensure assay quality.
Quality of assay data and laboratory tests	• *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.*	• Field duplicates, blanks and standards are inserted at a ratio of 1:10 on site. • At the lab the split for analysis is milled to achieve a fineness of 90% less than 106 µm (or a fineness of 80 % passing 75 µm. Prep QC: At least one out of every 10 samples of every batch is screened at 75µm or 106µm, whichever is applicable, to check that 80% of the material passes. The % loss for samples screened should be <2%. • Analysis for Cu and Ag by HF-HNO3-HClO4 acid digestion, HCl leach and ICP-

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Criteria	JORC Code explanation	Commentary
	• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	AES. ME-ICP61 as well as Nonsulfide Cu by sulfuric acid leach and AAS: Cu-AA05. • All reported results are down hole widths.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *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.*	• 15-20% QA/QC checks are inserted in the sample stream, as lab standards, blanks and duplicates.
Location of data points	• *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.*	• The collar coordinates of the drill holes were taken by DGPS and are reflected in Table 2. • Down hole surveys have been done on all diamond holes.
Data spacing and distribution	• *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.*	• Samples of drill core for assaying were throughout taken at a maximum of 1m intervals.
Orientation of data in relation to geological structure	• *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.*	• Drilling planned at right angles to known strike and at best practical angle to intersect the target mineralisation at approximately right angles.
Sample security	• *The measures taken to ensure sample security.*	• Sample bags were tagged, logged and transported to ALS laboratory in Johannesburg.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• MOD's sampling procedure is done according to standard industry practice.

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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	• *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.* • *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.*	• PL190/2008 is a granted Prospecting Licence held by 100% by Discovery Mines (Pty) Ltd which is wholly owned by Tshukudu Metals Botswana (Pty) Ltd which is wholly owned by Metal Capital Limited which is owned 70% MOD Resources Ltd and 30% Metal Tiger Plc. • In November 2016, the Minister of Minerals, Water and Energy extended the licence date to 31 December 2018
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Limited previous exploration in the area of drilling apart from widely spaced soil sampling conducted by Discovery Mines.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The visible copper mineralisation intersected in drill holes on PL190/2008 is interpreted to be a Proterozoic or early Palaeozoic age vein related sediment-hosted occurrence similar to other known deposits and mines in the central Kalahari Copper Belt
Drill hole Information	• *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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *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.*	• Information relating to the diamond drill holes described in this announcement are listed in Table 2. • All diamond drill holes are surveyed. • There is no material change to this drill hole information.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high-grades) and cut-off grades are usually Material and should be stated.* • *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*	• Significant copper and silver intersections will be compiled and reported by MOD when assay results are received from the laboratory

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Criteria	JORC Code explanation	Commentary
	examples of such aggregations should be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• True widths are estimated and are subject to confirmation by further drilling • Down hole widths are used throughout
Diagrams	• *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.*	• Figure 1: Plan of T3 showing current and planned resource infill and extension drill holes. • Two cross sections included as Figures 2 and 3 showing drill holes and approximate location of zones of visible mineralisation based on preliminary logging are referred to in this release. Assays are required to provide an estimate of the copper grades within these zones.
Balanced reporting	• *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.*	• The accompanying document is considered to be a balanced report with a suitable cautionary note
Other substantive exploration data	• *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.*	• All substantive data is reported
Metallurgical Factors or Assumptions	*The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical*	• A comprehensive metallurgical test work program is being conducted on composite samples of T3 drill core to determine a range of processing parameters to assist plant design, and evaluate concentrate grades and recoveries from the chalcopyrite, chalcocite and bornite ores. This comprises determination of physical parameters and detailed flotation testwork including optimisation, locked cycle and variability tests.

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Criteria	JORC Code explanation	Commentary
	assumptions made.	• This work has been undertaken by Independent Metallurgical Operations (IMO) in Perth. • Summary results of the T3 testwork program are included in this release
Further work	• *The nature and scale of planned further work (tests for lateral, 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.*	• Any further work on T3 and PL190/2008 will be dependent on results from RC and diamond drilling programs and along strike and down dip from the T3 deposit and on the open pit mine PFS currently in progress.

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