19 January 2018

Cassenha Hill Copper Project – Progress Report

Rift Valley Resources Limited ("the Company") (ASX: RVY) is pleased to provide a progress report on the 2017 drilling program at its Cassenha Hill Copper Project in Angola.

Drilling activities ceased at the closure of the exploration camp for the rain season in late December 2017. Nine diamond drill holes for 803.5m were completed in the 2017 program. Drilling targeted extensions to a zone of oxide copper mineralisation on Cassenha Hill (Figures 1 to 3). The mineralised zone is defined by geological mapping, sampling of surface trenches and underground workings, and encouraging intersections from the Company's previous drilling program.

Previously reported diamond drilling results of up to **24m at 1.49% copper from 84m** (including 9m at 3.11% copper from 87m from hole CHD006) were returned from the Company's 2015/2016 drilling program*. Previous channel sampling of underground workings returned up to **84m at 0.81% copper** (including 6.4m at 3.6% copper) from Adit 2.

The Company has now received assay results for the first 6 of the total 9 hole program, which at a 0.25% copper lower grade cut-off include:

Drill hole	**Intersection**
CDH010:	6m at 0.72% copper from 9m and
	6m at 0.51% copper from 48m
CDH013:	5m at 0.57% copper from 15 metres and
	3m at 0.94% copper from 32m and
	5m at 0.34% copper from 41m

Oxide copper mineralisation occurs as azurite (Figure 1) and malachite within a sub vertical structural zone of brecciated quartz veining and magnetite-rich alteration bands approximately 20 metres in horizontal width.

Significant upside for additional copper mineralisation remains as drilling has tested just 400m of the high tenor copper and gold in soils anomaly that extends over a total strike length of 1,700 metres (Figure 7) along a zone of quartz-magnetite-barite veining and alteration that can be traced over 4.5 kilometres (Figure 8).

*ASX Announcement "Extensive copper mineralisation with associated gold at Cassenha Hill – Angola" of 11 April 2016.

Technical Report

Assay results from the first six of the total nine hole diamond drilling program completed in late 2017 have been received and confirm the continuity of oxide copper mineralisation within a 20m wide brecciated quartz vein zone.

Assay results from a further three holes are awaited.

The Cassenha Hill Copper Project is located within the Company's 70% owned Ozango licence in Angola, which is also host to the company's flag ship Longonjo Magnet Metal Project, together with several early stage gold prospects.

Combined with previously reported drill results, the channel sampling of underground workings and surface trenches, oxide copper mineralisation grading 0.5% to 1.5% has now been demonstrated over a total strike length of approximately 400 metres. Higher grade zones (up to 9m at 3.11% copper) occur within this envelope. Two main zones of copper mineralisation have been identified:

1) A subvertical zone of brecciated quartz veining with barite and narrow zones of magnetite alteration

2) A shallow dipping copper rich clay horizon hosted by fine grained siltstone and shale

Figures 1 and 2: Azurite copper oxide mineralisation in brecciated quartz. Field of view of the photo of brecciated quartz vein with azurite outcrop on right is approximately 5 metres.

Table 1 lists new drill intersections at a ≥0.25% copper lower grade cut-off and JORC Sections 1 and 2 summarise additional program details. Some intervals of core loss within the mineralised zone occurred in this highly broken and brecciated ground and two holes had to be abandoned before reaching target depth due to drilling difficulties. Results are presented on a surface geology plan (Figure 4) and illustrative drill sections shown in Figures 5 and 6.

Figure 3: Cassenha Hill drill positions and sketch of mineralised zones looking north east

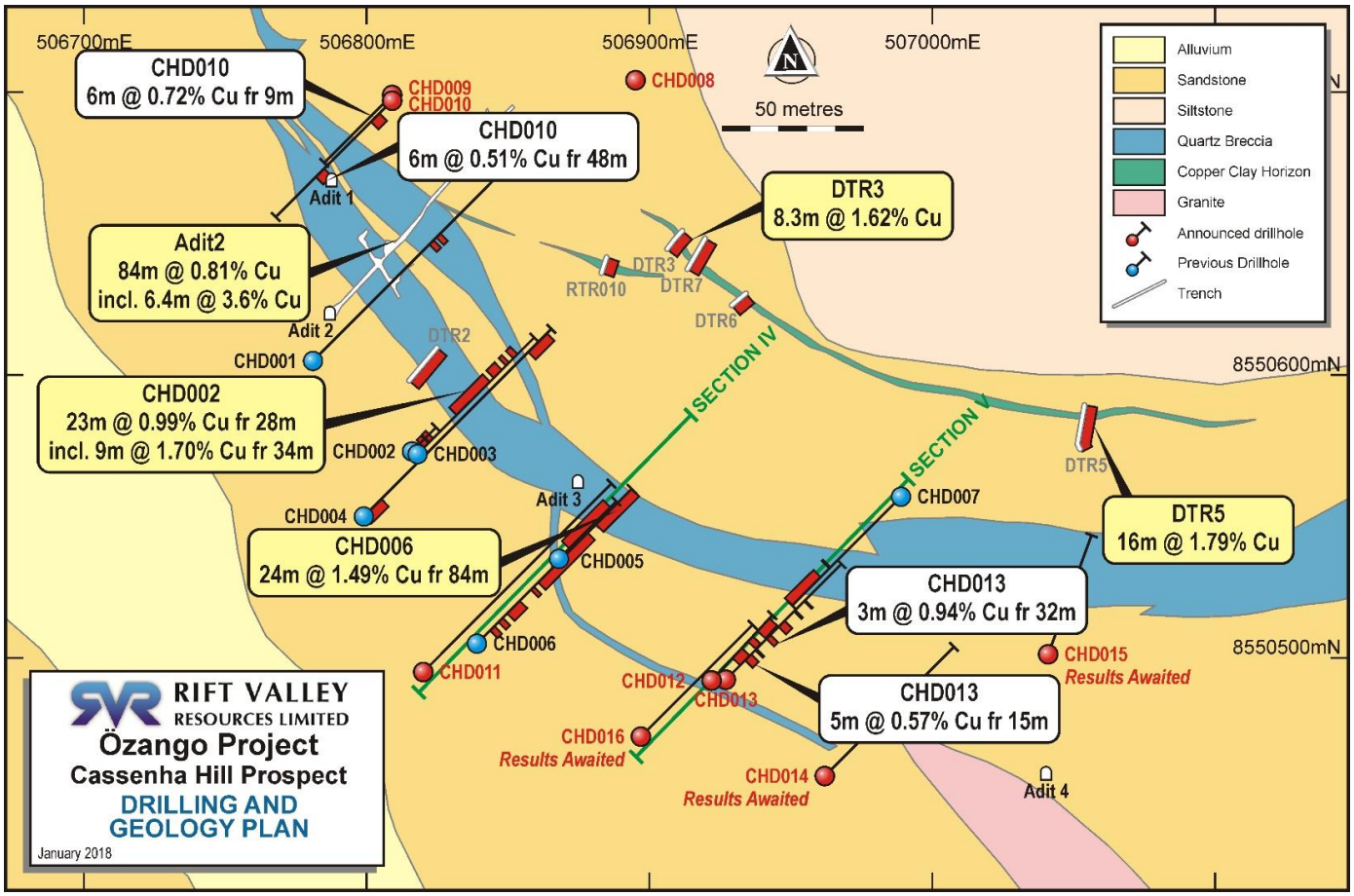

Figure 4: Drill hole location plan of Cassenha Hill with selected intersection highlights from new and previously reported drilling and historic sampling and geology over the 400m strike tested by drilling to date

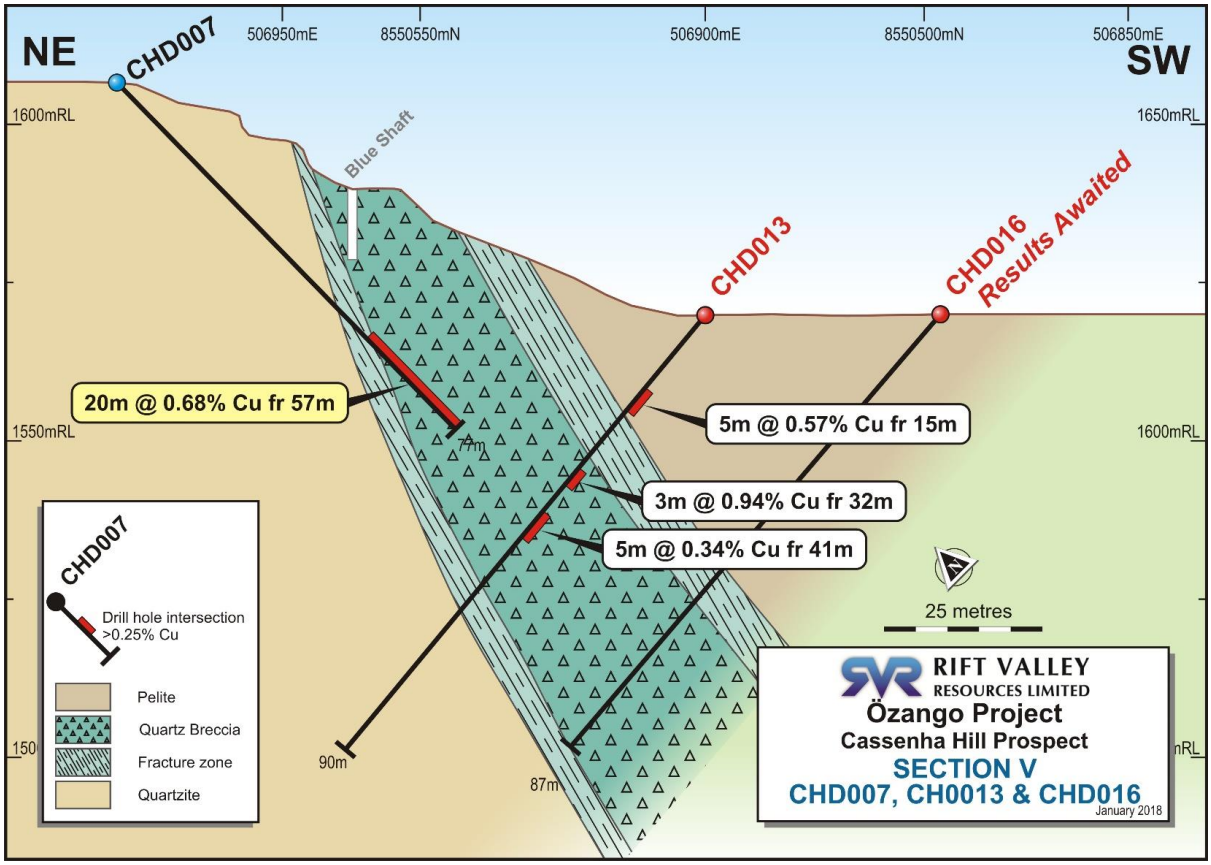

Figure 5: Drill hole cross section of new drilling looking north west (see Figure 4 for location) showing wide zones of oxide copper mineralisation associated with sub vertical brecciated quartz vein.

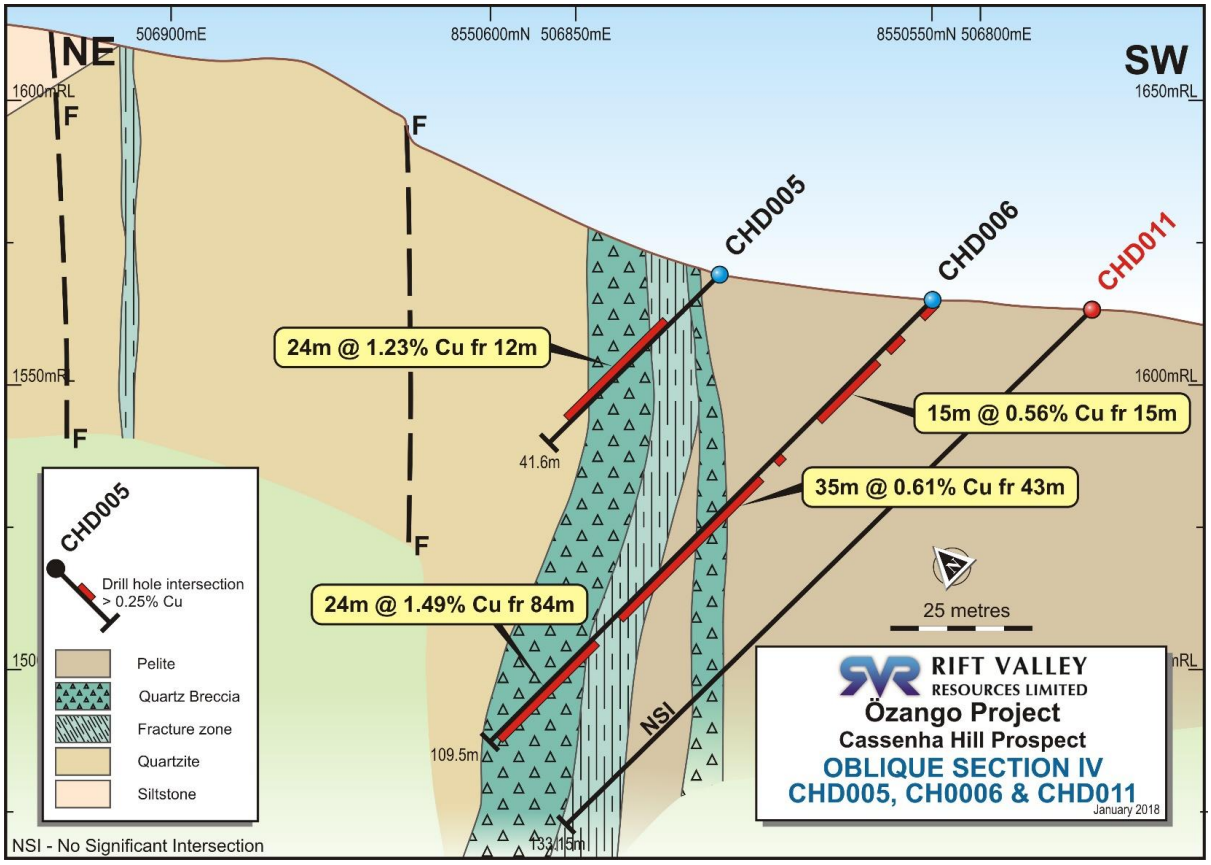

Figure 6: Drill hole cross section of previously reported drilling looking north west showing wide zones of oxide copper mineralisation associated with sub vertical brecciated quartz vein.

Next steps for Cassenha Hill Copper

Significant potential remains for additional copper (gold) mineralisation to be discovered within Rift Valley's large Ozango Project:

1) Immediate extensions to the copper mineralisation intersected by drilling at Cassenha Hill within the high tenor copper-gold soil anomaly
2) Along the large regional structure defined by mapping and rock sampling
3) Associated with other areas of mapped Proterozoic sediments within the greater Ozango Project area.

The Company will evaluate these target areas for copper-gold mineralisation to add to that already discovered at Cassenha Hill with the aim to locate sufficient mineralisation to support a copper-(gold) mining operation at Ozango.

<u>Copper in Soils Anomaly</u>

The area tested by drilling and the sampling of underground workings and surface trenches comprises approximately 400m of strike within a high tenor copper and gold in soil anomaly that extends over a total strike length of 1.7 kilometres (Figure 7).

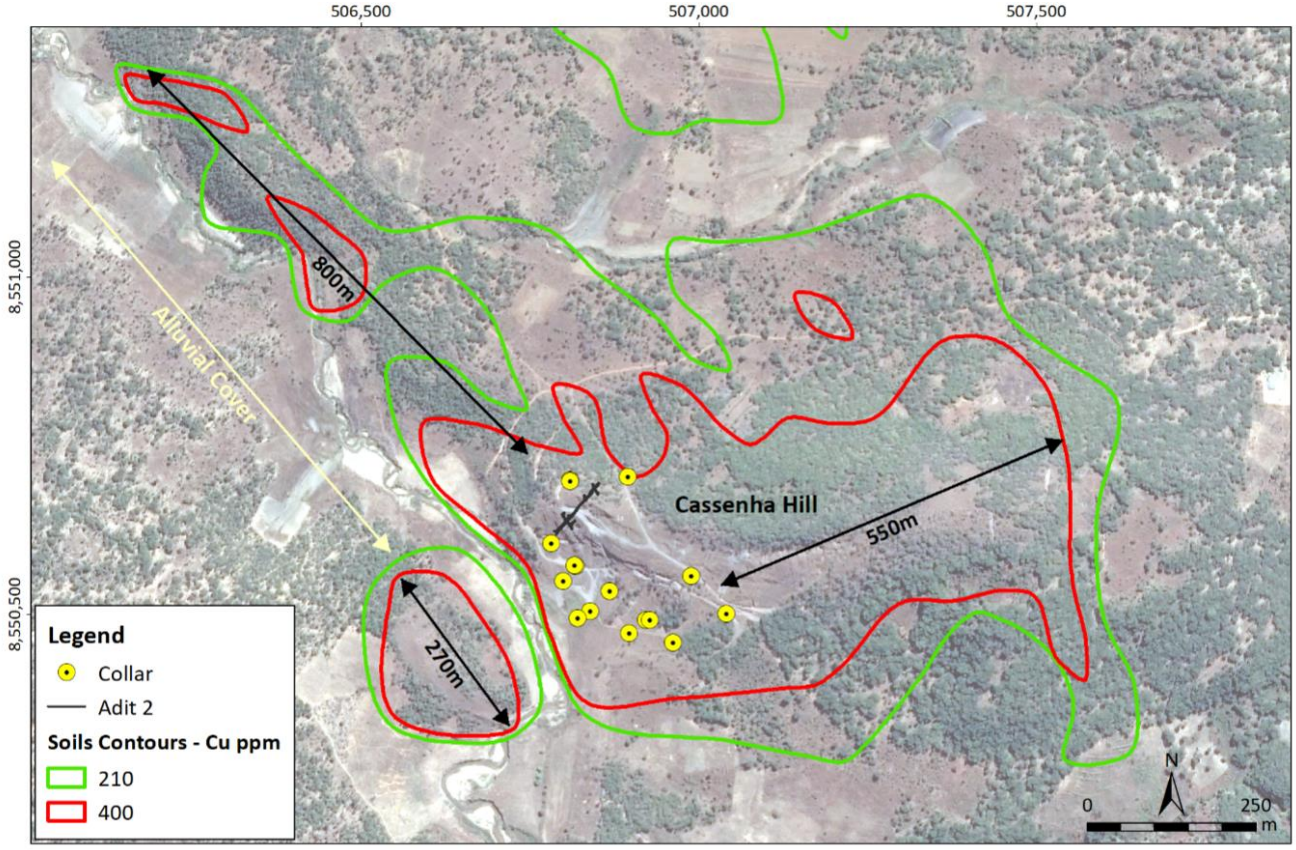

Figure 7: Cassenha Hill drilling over a 400m strike length within the high tenor copper in soil anomaly that extends a further 800m to the north and 550m to the east and currently untested by drilling. Note potential for untested parallel mineralised positions beneath alluvial cover.

Only a small portion of the total target area has been drill tested to date, offering significant potential to locate additional mineralisation in the immediate area of Cassenha Hill.

Once the remaining assay results are received for the 2017 drilling program, further exploration programs will be planned to test the potential for a substantial copper-gold deposit with this wider area of soil anomalism, including within additional parallel structural positions (Figure 7) across the Bunge River and beneath alluvial cover.

Prospective Structure

Beyond the area tested by soil sampling to date, further untested potential remains to the northwest of Cassenha Hill along a structural zone of brecciated quartz-barite veining and magnetite alteration contact that has been traced for ~4.5 kilometres along a sediment – granite and currently remains open to the north, (Figure 8).

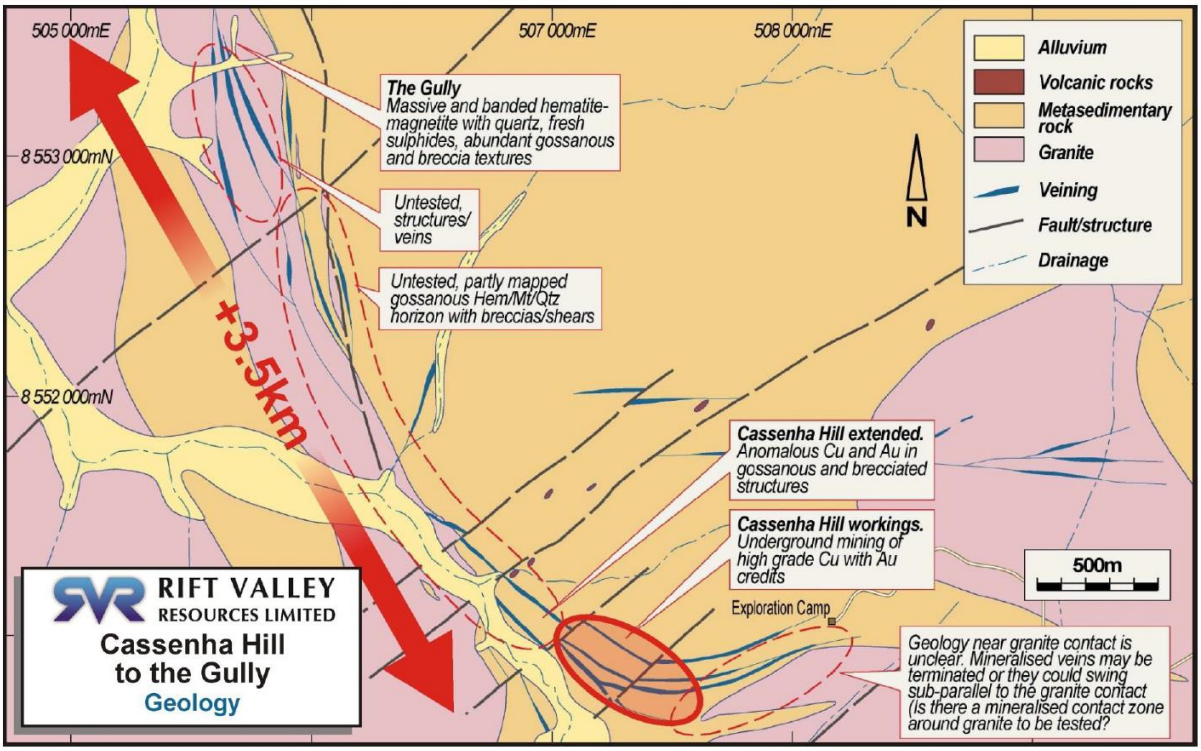

Figure 8: Cassenha Hill lies on a sparsely tested ~4.5 kilometre long structural zone of brecciated quartz-barite-magnetite along a Proterozoic sediment-granite contact

Regional Potential

Rift Valley's large regional Ozango licence position covers a total area of 3,760km^2 and offers the opportunity for additional Proterozoic sediment and structurally controlled copper mineralisation to be discovered with further work. Assay results from follow-up stream sediment samples collected in 2017 are pending and regional exploration programs will be designed to further evaluate any priority areas identified.

For further information please contact:

Stephen Dobson
Executive Chairman
0414 166 560

Competent Person Statement

We advise in accordance with Australian Stock Exchange Limited Listing Rules 5(6) that the exploration results for the Cassenha Hill Project contained within this ASX Release is based on information compiled by Mr Dave Hammond who is a member of the Australian Institute of Mining and Metallurgy. Mr Hammond is a Director of Rift Valley Resources Ltd. Mr Hammond 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 "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserve" (the JORC Code, 2012 edition). Mr Hammond consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.

Table 1: Cassenha Hill Copper Project diamond drill intersections ≥0.25% Copper

Hole ID	East	North	RL	Dip	Azimuth	Hole Depth (m)	From (m)	To (m)	Interval (m)	Copper %
CHD008	506,895	8,550,704	1,648	-90	0	150	33	36	3	0.28
CHD009	506,809	8,550,699	1,643	-45	225	48	NSI			
CHD010	506,809	8,550,697	1,636	-45	225	82.3	9 48	15 54	6 6	0.72 0.51
CHD011	506,820	8,550,495	1,536	-45	45	133.15	NSI			
CHD012	506,922	8,550,492	1,610	-50	43	49	16.5 29 *33* 37	24 33 *37* 46.5	7.5 4 *4* 9.5	0.41 0.67 *NSR* 0.53
CHD013	506,927	8,550,492	1,592	-50	45	90	15 32 41	20 35 46	5 3 5	0.57 0.94 0.34
CHD014	506,962	8,550,458	1,622	-50	45	100.55	Results awaited			
CHD015	507,041	8,550,501	1,646	-45	20	63.5	Results awaited			
CHD016	506,897	8,550,472	1,618	-50	45	87	Results awaited			

* = hole ended in mineralisation. Intersections calculated using ≥0.25% copper lower cut, minimum width of 2 metres and a maximum of 2m internal dilution. NSI = No Significant Intersection. NSR = No Sample Returned: Total core loss in broken interval within mineralised zone. Analysis by SGS laboratory, Europe, by mixed acid digest and ICPMS and AAS for gold. Co-ordinate system is UTM WGS84 Zone 33S.

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.*	• Sampling was completed using diamond (DD) core drilling from surface.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	• Drill holes were located using a hand held GPS. Down hole surveys will occur with a down-hole system at a later date.
	• *Aspects of the determination of mineralisation that are Material to the Public Report.*	• Samples assayed at a commercial laboratory for Au, Ag, Bi, Cu, U, Ba and Co.
	• *In cases where 'industry standard' work has been done this would be relatively simple (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	• DD was used to obtain sample over the entire length with 1 metre half core collected. The 1 metre samples were sent to a commercial laboratory, crushed, then pulverized and split using a rotary splitter to produce a representative charge for analysis.
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).*	• Diamond Drilling (DD) was the method used for all holes reported. Holes were collared using PQ diameter core and reduced to HQ and subsequently NQ as depth and hole conditions necessitated. The core was not oriented.

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.*	• DD core recoveries are recorded as a percentage calculated from measured core versus drilled interval length. • DD core recovery was routinely monitored by the supervising geologist. Any issues arising were discussed with the drilling contractor and necessary adjustment made. • Overall DD recoveries varied from good in competent rock to poor (50%) in broken ground. Some short intervals of core loss were noted. There has been no work completed to determine if any relationship exists between recovery and grade.
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.*	• The core was logged by the supervising geologist to industry standards. All relevant features such as lithology, structure, texture, grain-size, alteration, oxidation state, veining style and mineralisation were recorded in the geological log. • All logging was quantitative where possible and qualitative elsewhere. All DD core was photographed. • All holes were logged in full
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.*	• DD core was cut using a diamond core saw. Half core was sampled on 1 metre intervals. • Report pertains to core samples only. • The preparation of samples follows industry practice. This involves oven drying, coarse crushing (3mm), pulverisation of total sample to 90% passing 80 micron. • At this stage of the exploration, field QC involves the review of laboratory supplied certified reference material, in house controls, blanks and standards. These QC results are reported by the laboratory with final assay results. • No field duplicates were taken.

		• The sample sizes are considered more than adequate to ensure that there are no particle size effects. Repeatability of assays was good.
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.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The analysis was carried out by an accredited independent assay laboratory. The analytical technique for gold was fire assay with an AAS finish. All other elements were determined by ICPMS after a multi-acid digest. • Laboratory data only. No geophysical or portable analysis tools were used to determine assay values stored in the database. • Certified reference materials (CRM's) –standards and blanks - were submitted with the core samples on a 1 in 20 (5%) basis, as well as the laboratory's standard QA_QC procedures.
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.*	• Results have been verified by company management. • No twin holes undertaken. • Field data was logged directly into an Ocris logging package and uploaded to the main, secure, database in Perth once complete. All field data and assay data was verified and validated upon receipt. • No adjustments to the assay data have been made.
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.*	• All sample locations were surveyed using a hand held GPS, accurate to within 3-5m. • The grid system used is WGS84 Zone 33S. All reported coordinates are referenced to this grid. • Topography is a hill grading up from grid south to north with an RL variation of approximately 80m.

Data spacing and distribution	• *Data spacing for reporting of Exploration Results.*	• Drill hole spacing varies to accommodate the terrain. Planning was done on a nominal 80m line spacing.
	• *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.*	• Exploration results only being reported.
	• *Whether sample compositing has been applied.*	• No.

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.*	• The orientation of the target is reasonably well understood and the drilling orientation is considered oblique to the mineralisation. • No sampling bias is considered to have been introduced by the drilling orientation.
Sample security	• *The measures taken to ensure sample security.*	• Sample security is managed by the Company. After collection in the field the samples were transported by the Company directly to the assay laboratory. The assay laboratory audits the samples on arrival and reports any discrepancies back to the Company. No such discrepancies occurred.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No review of the sampling techniques has been carried out. The database is compiled by an independent contractor and is considered by the Company to be of sufficient quality to support the results reported. In addition, from time to time, the Company carries out its own internal data audits.

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.*	• Prospecting License 013/03/09T.P/ANG-M.G.M/2015. Rift Valley owns a 70% holding in the Project with Ferrangol (10%), an agency of the Angolan government, and other Angolan partners (20%).
	• *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.*	• The concession is in good standing and no known impediments exist.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous workers in the area include Black Fire Minerals and Cityview Corporation LTD to NI43-101 standards.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Cassenha Hill Project has copper and gold in soil anomalies located along the margin of Neoproterozoic granite and within a broad zone of magnetite altered metasedimentary Proterozoic rocks. The identified oxide mineralisation is hosted within sub vertical zones of haematite – magnetite alteration and quartz vein breccia units.

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:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.*	• Refer to the table in the body of the text.
	• *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*	• No material information was excluded.

	why this is the case.	
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.*	• Cut-off grade of 0.5%, 0.25% and 0.01% Cu were used with a maximum off 2 meters of internal dilution. No upper cuts have been applied.
	• *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.*	• No weighting has been used. Samples are minimum 1m lengths. Length weighted grade averages are presented.
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No metal equivalent values have been used for the reporting of these exploration results.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.*	• The orientation of mineralisation is measured from surface trenching and historical exploration adits.
	• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*	• Geometry of the mineralisation to drill hole intercepts is at a high angle.
	• *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').*	• The down hole widths have been clearly specified where used.

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.*	• An appropriate plan and section have been included in this release.
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.*	• Refer to tables in the body of this release.
Other substantive	• *Other exploration data, if meaningful and material,*	• Previously reported activities on the Cassenha Hill prospect include trenching, soil sampling, geological

exploration data	*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.*	mapping and underground adit sampling. Refer to previous ASX announcements for details.
Further work	• *The nature and scale of planned further work (e.g. 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.*	• Further drilling may be considered in 2018 once remaining drill results are received to test the full indicated strike length of the mineralisation. • Appropriate diagrams accompany this release.