

## MOD EARNS 80% OF SAMS CREEK GOLD PROJECT

### HIGHLIGHTS

- **80% JV interest confirmed in the 1.0Moz Sams Creek porphyry hosted gold deposit in NZ**
- **Existing resource remains open along strike and down-dip from previous drilling**
- **Recent remodelling of the resource using a 2.0g/t gold cut off has identified potentially significant, higher grade mineralisation within the Main Zone Deposit**
- **Main Zone includes 58 previously announced drill hole intersections with >5m down hole widths of >2.0g/t gold. These include numerous high grade intervals listed in Table 2**

The Board of MOD Resources Ltd (**ASX:MOD**) is pleased to announce the Company has earned 80% interest in the Sams Creek Gold Project in New Zealand from OceanaGold (New Zealand) Limited.

OceanaGold has confirmed its acceptance of the 20% increase in MOD's interest in the Sams Creek Joint Venture after MOD demonstrated it had already met the 80% milestone in the Joint Venture Agreement by spending a total of >NZ\$6.0M on the Project based upon past expenditure relating to the existing mineral resource.

MOD and OceanaGold have executed the 80% Implementation Agreement to submit to New Zealand Petroleum and Minerals for consent to transfer the new interests in the Joint Venture.



Figure1: Sams Creek mineralised porphyry in drill core. Assays for this interval average 4.1g/t gold

Sams Creek is a substantial porphyry hosted gold deposit with potential for extensions along strike and down dip below the existing mineral resource announced on 9 October 2013 (Table 1 & Figures 2, 3 and 4). The increase in MOD's interest to 80%, the relatively high New Zealand gold price (~NZ\$1,750/oz), lower operating costs in New Zealand compared to Australia and well established infrastructure in the area provide further encouragement of the potential at Sams Creek.

MOD's recent resource drilling, metallurgical and scoping study activities have been focused on the high grade Mahumo Copper/Silver Project in Botswana, with considerable success. The majority of MOD's activities continue to be directed towards Botswana whilst activity at Sams Creek has been scaled back to include a low cost re-interpretation of the drill hole data and an informal review of the resource model.

The review involved applying a 2.0g/t cut-off grade to the Sams Creek 2013 resource model (Figure 2 & Table 1). This has produced encouraging early results and identified potentially extensive higher grade gold mineralisation within the Main Zone deposit.

MOD has commenced discussions with independent consultants to remodel the resource using the 2.0g/t cutoff grade and provide a report complying with the terms of the JORC Code (2012). The aim will be to determine continuity, grade and tonnage of the higher grade mineralisation.

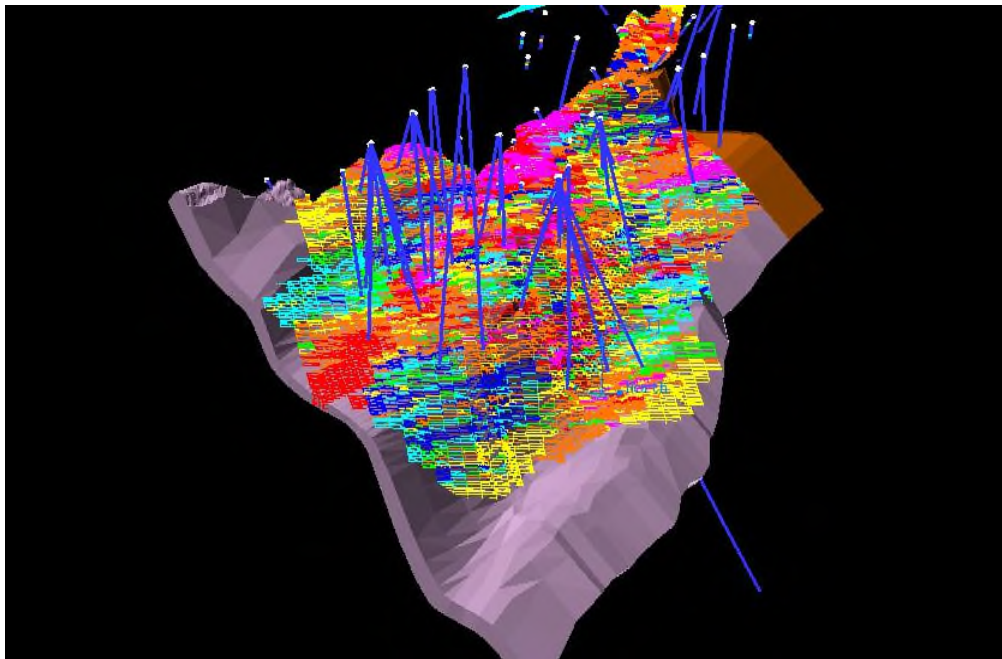


Figure 2: 3D wire frame model of Sams Creek Resource showing drill hole traces (looking west)

Resource Category	Cut-Off g/t Au	Tonnes (Mt)	Grade g/t Au	Contained 000's oz Au
Indicated	0.7	10.1	1.77	575
Inferred	0.7	10.4	1.31	439
<b>TOTAL</b>	<b>0.7</b>	<b>20.5</b>	<b>1.54</b>	<b>1,014</b>
Indicated	1.0	7.9	2.03	515
Inferred	1.0	5.8	1.70	315
<b>TOTAL</b>	<b>1.0</b>	<b>13.7</b>	<b>1.89</b>	<b>830</b>
Indicated	1.5	5.0	2.48	402
Inferred	1.5	2.5	2.33	187
<b>TOTAL</b>	<b>1.5</b>	<b>7.5</b>	<b>2.43</b>	<b>588</b>

Table 1: Sams Creek - Current Mineral Resource at different cut off grades (announced 9 October 2013)

**Table 2: Main Zone - Includes all Drill Hole intersections >5m down hole widths and average grade >2.0g/t gold**

Notes to Table 2:

- 1) Drill hole intersections in Table 2 are down hole widths.
- 2) Drill holes and intersections included in Table 2 are shown on Figures 2 & 3 (announced: 9 October 2013).
- 3) Drill hole collar coordinates, azimuth & inclinations are provided in previous announcements (including those announced: 24 April 2012; 31 October 2012; 16 May 2013, 17 July 2013, 19 September 2013).
- 4) JORC Code (2012) Assessment Criteria - Table 1 relating to the above drill holes in Table 2 was included with the Sams Creek resource announcement (announced: 9 October 2013).
- 5) There are no material changes to this information since it was announced previously, other than applying the 2.0g/t gold cut-off to the drill hole intersections.

Main Zone - Drill hole Intersections (>5m @ >2.0g/t Au)				
Hole	From (m)	To (m)	Interval (m)	Au g/t
DDH82SC07	15.6	23.1	7.5	3.56
DDH82SC09	22	42	20	3.15
DDH83SC13	63	69	6	5.42
DDH83SC15	18	24	6	11.11
DDH84SC16	1	27	26	4.2
DDH84SC16	93	100	7	5.74
DDH84SC16	161	200	39	3.85
DDH84SC16	203	208	5	4.1
DDH84SC16A	1.2	27	25.8	4.41
DDH84SC17	5	17	12	2.95
DDH84SC17A	2	13	11	3.97
DDH84SC17A	20	26	6	4.59
DDH84SC18	10	15	5	7.76
DDH84SC19	61	67	6	4.2
DDH84SC19	79	105	26	3.25
DDH84SC19	131	137	6	7.22
DDH84SC19	143	159	16	2.99
DDH84SC19	162	173	11	3.25
DDH84SC19	177	200	23	2.77
DDH84SC19	203	212	9	3.16
DDH84SC21	133	145	12	2.42
DDH84SC25	140	148	8	2.29
DDH84SC25	153	160	7	2.42
DDH84SC25	172	178	6	2.9
DDH84SC25	202	218	16	5.37
DDH86SC35	9	16	7	5.17
DDH86SC36	0	25.5	25.5	4.78
DDH87SC40	116	122	6	3.06
SCDDH044	183	204	21	3.26
SCDDH044	247	255	8	3.41
SCDDH045	76	108	32	3.06
SCDDH048	192	212	20	4.36
SCDDH048	220	228	8	2.97
SCDDH050	231	237	6	2.48
SCDDH050	260	265	5	4.02
SCDDH059	300	305	5	2.55
SCDDH060	177	183	6	3.51
SCDDH061	142	152	10	4.27
SCDDH063	245	254	9	4.01
SCDDH079	135	146	11	3.91
SCDDH080	255.4	275	19.6	6
SCDDH081	1	10	9	6.73
SCDDH082	76	88	12	3.98
SCDDH083	197	212	15	2.67
SCDDH083	216	221	5	3.45
SCDDH083	227	237	10	3.02
SCDDH083	250	260	10	4.24
SCDDH086	2	7	5	3.05
SCDDH087	28.5	34	5.5	2.42
SCDDH088	130	138	8	2.73
SCDDH088	143.9	153	9.1	8.51
SCDDH088	157	163	6	2.95
SCDDH089	259	268	9	2.48
SCDDH090	325	332	7	2.57
SCDDH091	347	353	6	5.07
SCMDH029	32	47	15	3.72
SCMDH029	63	81	18	3.79
SCMDH030	11.2	27	15.8	3.84



Figure 3: Interpretative Longitudinal Projection of Main Zone Deposit  
Showing drill hole numbers and intersections >1.5g/t gold (announced 9 October 2013)

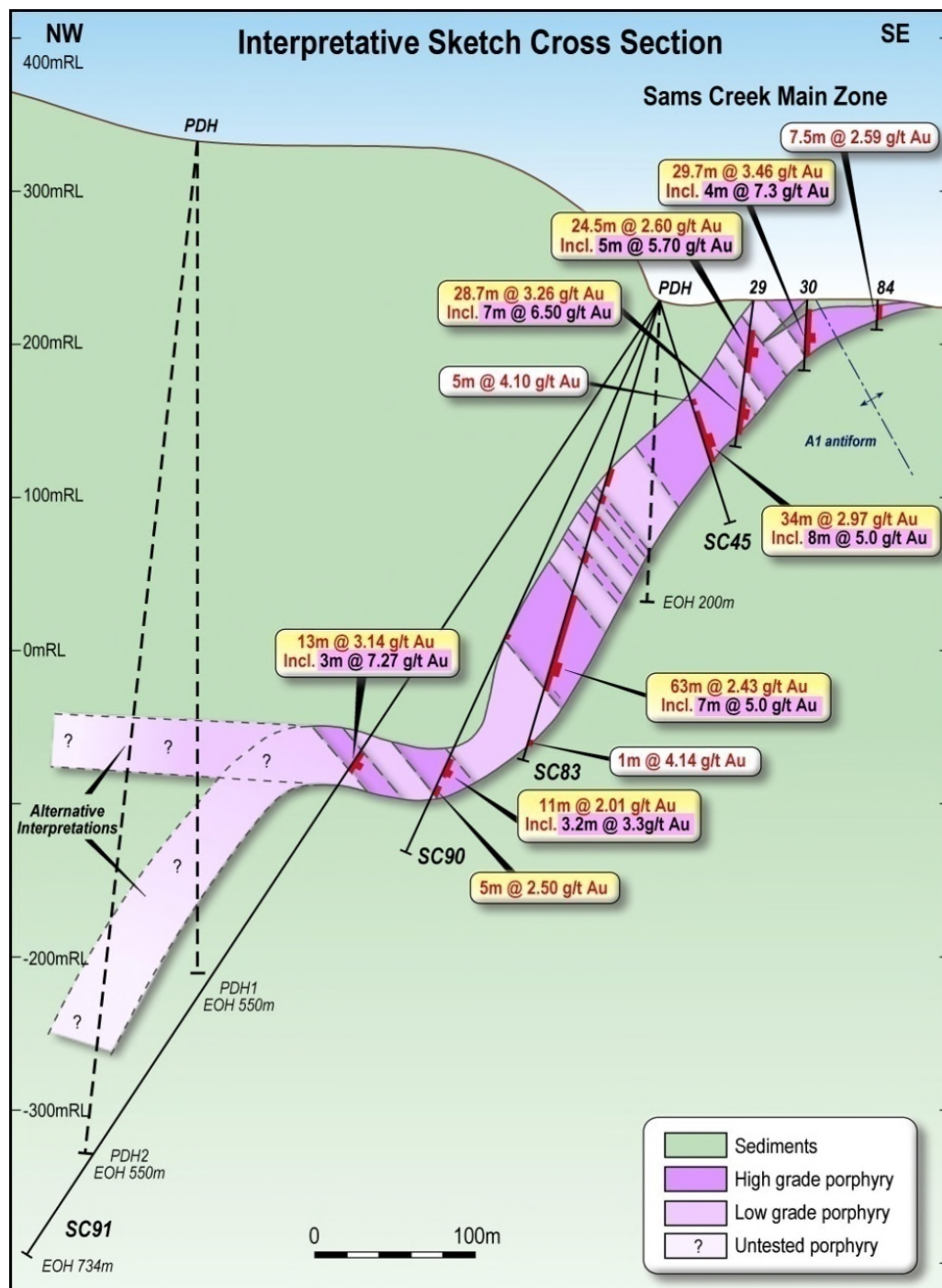


Figure 4: Interpretative Cross Section through Main Zone

(This interpretation has not been modified to show potential for continuity of high grades between drill holes)

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### **Competent Person's Statement**

The information in this announcement that relates to Mineral Resources, Geological Data and Exploration Results is based on information compiled by Mr Paul Angus, Project Manager of Sams Creek and a Director of MOD Resources Limited's subsidiary, Sams Creek Gold Ltd. Mr Angus is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the December 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Angus consents to the inclusion in this announcement of the matters based on his information in the form and context in which they appear.

### **Exploration Targets and Results**

This announcement includes reference to certain Exploration Targets, for example reference to potential extensions to the existing resource. There has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the Exploration Targets being delineated as a Mineral Resource.

### **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: 'Existing resource is completely open along strike and down-dip', and 'recent remodeling of the resource using 2.0g/t cut off has identified potentially significant, higher grade mineralisation', and 'encouraging early results and identified a potentially extensive higher grade gold zone within the large Main Zone deposit', and 'potential for extensions along strike and down dip below the current resource announced on 9 October 2013', and 'Recent developments at Sams Creek have potential to add value to what is already a significant gold deposit', and 'potential for higher grade gold mineralisation occurring within the existing 1.0Moz resource, which remains open beyond the current limit of drilling', and 'to consider the potential which may exist for underground mining', and 'range of options with a view to maximising shareholder value from the Sams Creek Gold Project'.

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