**ASX RELEASE** **5 MAY 2016**

# BOTSWANA COPPER/SILVER PROJECT UPDATE
# COPPER EXTENDED ALONG STRIKE AND BONANZA 994.3g/t SILVER INTERSECTED AT T3

## HIGHLIGHTS

- **MO-G-15R** intersected **15m @ 1.8% Cu from 56m**, **5m @ 4.8% Cu from 95m (including 3m @ 7.2% Cu from 96m)** and **15m @ 1.4% Cu from 111m**, approximately 100m east of MO-G-12R. MO-G-15R also intersected **11m @ 31.6g/t Ag from 113m** depth

- **MO-G-16R** intersected **9m @ 1.2% Cu from 53m** and **2m @1.8% Cu from 89m**, approximately 200m east of MO-G-12R

- **MO-G-17R** intersected **6m @ 1.5% Cu from 81m (incl. 3m @ 343g/t Ag from 81m ),** and **7m @ 2.0% Cu from 128m (incl. 4m @ 34g/t Ag from 131m)** ~50m down dip from MO-G-16R

- **MO-G-17R** includes an intersection of **1m @ 994.3g/t Ag (>30 oz/t Ag) from 82m** within a 3m wide high grade Copper (2.0% Cu) and anomalous Molybdenum (366ppm Mo) interval from 81m

- **MO-G-18R** intersected **1m @ 1.8% Cu from 20m** and **2m @ 1.2% Cu from 48m** approximately 50m up dip from MO-G-16R. MO-G-18R **ended in mineralisation (1.5% Cu)** at 50m

- **MO-G-14R** intersected **1m @ 3.3% Cu from 76m, 5m @ 1.1% Cu from 87m** and **2m @ 1.9% Cu from 121m**, approximately 100m west of MO-G-12R

- Several Cu zones reported above appear to **alternate with wide zones (up to 40m estimated true width) of highly anomalous Pb/Zn** with individual 1m assays up to 2.2% Pb and 1.3% Zn

- **Pb/Zn may potentially be an indicator for Cu at depth**, consistent with normal zonation of these elements. A 4-5km long, untested Pb and Zn soil anomaly extends east of current drilling at T3

*Note: The above RC drill hole intersections are interpreted to represent near true width estimates of mineralisation and are reported from down hole depths.*

The Board of MOD Resources Ltd (ASX: MOD) is pleased to announce further encouraging Cu and Ag assay results from five RC drill holes (MO-G-14R to MO-G-18R) on 100m spaced drill sections, extending east and west from Section #1 (Figures 1 and 2). Collar positions for these drill holes are plotted on Figure 1, listed in Table 1 and significant intersections are summarised in this release. RC hole MO-G-15R is also projected 100m west onto Section #1 (Figure 2).

The bonanza Ag assay result in MO-G-17R (**994.3g/t Ag**) is approximately eight times higher than any previous Ag assays reported from T3 and is a further indication of the very unusual style of mineralisation and wider potential at T3. Hole MO-G-17R is also the deepest and highest grade (Cu and Ag) of three RC holes drilled to date on a drill traverse 200m east of the original section (Figure 2). MO-G-17R remains completely open at depth and diamond drill hole MO-G-05D is in progress to test approximately 200m down dip from the high grade Cu/Ag/Mo intersected in MO-G-17R (Figure 1).

RC drilling is proving to be a very successful, low cost (~A$6,000 per hole) method for testing for Cu mineralisation at shallow depth within the host Upper Mineralised Sequence ('UMS'), prior to diamond drilling. RC drilling has intersected UMS in all drill holes along an 800m strike length at T3 to date.

The MOD and Metal Tiger Plc (LON: MTR) joint venture has recently reviewed the drilling program at T3 and at other targets along the interpreted 25km long T3 Dome. MOD has also increased the geological and support team based in Ghanzi to assist with the expansion of activities at T3 and maintain the momentum at other high priority exploration targets on other licences within the wider Kalahari Project.

The current phase of exploration at T3 consists of four main activities:

1. Diamond drilling to test potential extensions of UMS down dip from Cu intersections, on a 200m by 200m pattern to a vertical depth of 200m-300m. Four holes completed (MO-G-01D to MO-G-04D, assays awaited) and two holes in progress (MO-G-05D and MO-G-06D) (Figure 1)
2. Diamond drilling on 50m sections to infill around high grade RC intersections (eg 14m @ 3.4% Cu & 72.7g/t Ag, 5m @ 4.8% Cu and 7m @ 2.0%) within the UMS. Seven diamond holes are planned initially to a vertical depth of 150m to 200m depth (Figure 1)
3. RC drilling across four targets including: Cu soil anomalies 1-2km east of current drilling, Cu soil anomalies 1.5km southeast of current drilling (interpreted south limb of T3 Dome) and a Cu soil anomaly in an area of structural complexity ~3.5km northwest of current drilling
4. Substantial soil program with two sampling teams is also underway to verify the extensive Pb/Zn soil anomalies east of the current drilling and extend soil coverage for Cu and Pb/Zn along the T3 Dome and along another area of interest north of T3, interpreted from magnetics

As previously announced, there is no outcrop at T3 to assist with determining the geological setting and geometry of the mineralisation. Preliminary interpretation of the drilling results suggests the occurrence of significant widths of Pb and Zn sulphides within the Kalahari hangingwall sequence (D'Kar Formation) may potentially be an indicator of Cu (and Ag) occurring at depth, consistent with the normal zonation of these elements. Current drilling at T3 is limited to the western end of a coincident 4-5km long, Pb and Zn soil anomaly identified by previous explorers. Infill sampling is in progress to verify the Pb and Zn anomaly and this should assist with targeting drilling to test the potential for Cu at depth.

MOD Managing Director Mr Julian Hanna said: "With the recent increase in drilling activity at T3, we are mindful of receiving assay results in a timely manner, not only for our shareholders but also for our geologists to interpret these results. MOD has already increased the drill core cutting rate at Ghanzi, improved efficiencies in exporting samples from Botswana to South Africa and changed laboratories in Johannesburg to reduce turnaround time."

Mr Hanna added "Due to the large number of high copper values at T3, many samples require repeat assays to meet appropriate QA/QC standards, should T3 progress to a resource estimate. Repeat assays can add several days to the normal analytical process."

Key results include:

**MO-G-14R:** Three narrow zones of Cu intersected approximately 100m west of MO-G-15R

- **1m @ 3.3% Cu from 76m** down hole depth, and
- **5m @ 1.1% Cu from 87m** down hole depth, and
- **2m @ 1.9% Cu from 121m** down hole depth

**MO-G-15R**: Three significant zones of Cu including one with high grade Ag, intersected approximately 100m east of MO-G-12R. These zones appear to correlate with MO-G-12R (Figure 2)

- **15m @ 1.8% Cu from 56m** down hole depth, and
- **5m @ 4.8% Cu from 95m (including 3m @ 7.2% Cu from 96m)**, and
- **15m @ 1.4% Cu from 111m (including 11m @ 31.6g/t Ag from 113m)**

**MO-G-16R**: Two zones of Cu intersected approximately 200m east of MO-G-12R

- **9m @ 1.2% Cu from 53m** down hole depth, and
- **2m @ 1.8% Cu from 89m** down hole depth

**MO-G-17R**: Two significant zones of Cu and Ag intersected ~50m down dip from MO-G-16R

- **6m @ 1.5% Cu from 81m (incl. 3m @ 343g/t Ag from 81m)** down hole depth, and
- **7m @ 2.0% Cu from 128m (incl. 4m @ 34g/t Ag from 131m)** down hole depth

**MO-G-18R**: Two narrow zones of shallow Cu intersected approximately 50m up dip from MO-G-16R

- **1m @ 1.8% Cu from 20m** down hole depth, and
- **2m @ 1.2% Cu from 48m** to end of hole. Ended in mineralisation (**1.5% Cu**)

| Drill Hole ID | Collar UTM East | Collar UTM North | Azi | Dip | EOH m |
|---|---|---|---|---|---|
| MO-G-10R | 636268 | 7641598 | 335 | -60 | 150 |
| MO-G-11R | 636247 | 7641653 | 335 | -60 | 199 |
| MO-G-12R | 636231 | 7641710 | 335 | -60 | 130 |
| MO-G-13R | 636214 | 7641765 | 335 | -60 | 173 |
| MO-G-14R | 636118 | 7641743 | 160 | -60 | 170 |
| MO-G-15R | 636309 | 7641791 | 160 | -60 | 158 |
| MO-G-16R | 636409 | 7641816 | 160 | -60 | 150 |
| MO-G-17R | 636392 | 7641863 | 160 | -60 | 160 |
| MO-G-18R | 636425 | 7641770 | 160 | -60 | 50 |
| MO-G-19R | 636505 | 7641841 | 160 | -60 | 120 |
| MO-G-20R | 636584 | 7641913 | 160 | -60 | 140 |
| MO-G-21R | 636022 | 7641717 | 160 | -60 | 150 |
| MO-G-22R | 635928 | 7641692 | 160 | -60 | 180 |
| MO-G-23R | 635831 | 7641665 | 160 | -60 | 180 |
| MO-G-24R | 635641 | 7641575 | 160 | -60 | 175 |
| MO-G-01D | 636189 | 7641820 | 160 | -60 | 313.7 |
| MO-G-02D | 636225 | 7641728 | 160 | -60 | 283.6 |
| MO-G-03D | 636111 | 7642004 | 160 | -60 | 256.9 |
| MO-G-04D | 635923 | 7641937 | 160 | -60 | 263.7 |
| MO-G-05D | 636302 | 7642069 | 160 | -60 | current |
| MO-G-06D | 635735 | 7641871 | 160 | -60 | current |

Table 1: T3 - RC and diamond drill hole collar coordinates and survey parameters

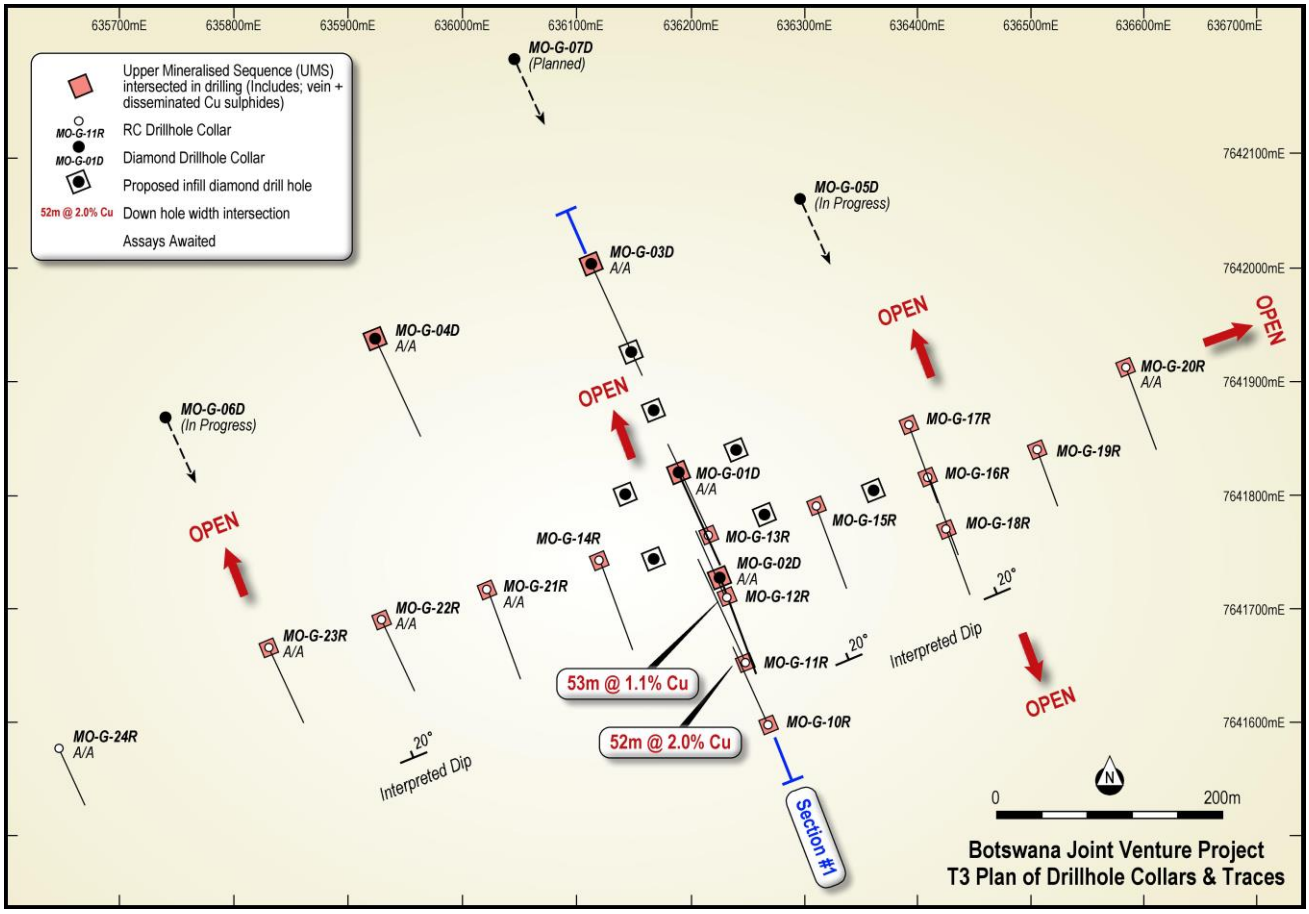


Figure 1: T3 plan of drill hole collars and traces. Proposed infill diamond drill holes shown as open squares

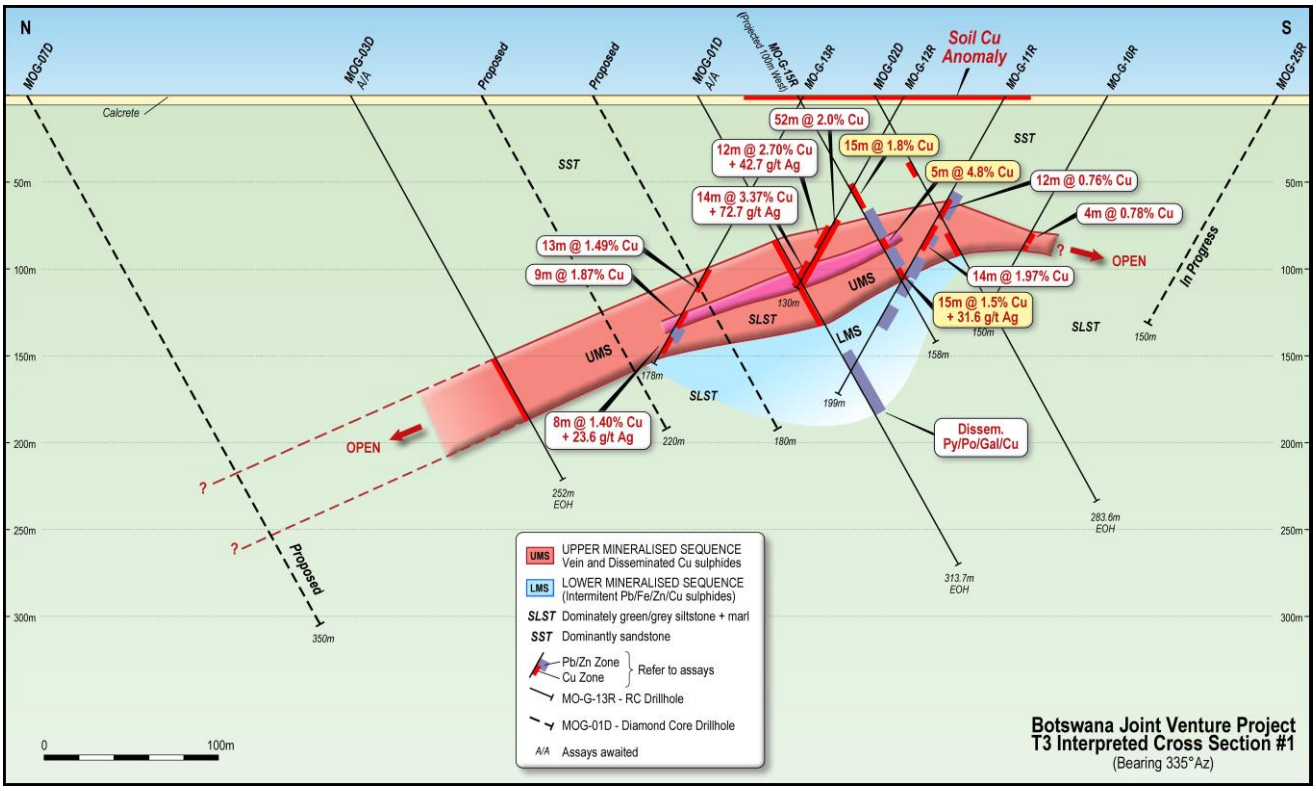


Figure 2: T3 - Interpreted Cross Section #1 showing significant intersections and MO-G-15R projected 100m west onto section. **Notes:** Intersections shown reported as down hole widths. Assays awaited for holes MO-G-01D to MO-G-03D


Figure 3: Diamond Drill rig at T3

*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. Apart from the announced Mahumo Stage One Mineral Resource there has been insufficient exploration at other Exploration Targets which include T3 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.*

For and on behalf of the MOD Board.

**Julian Hanna**
Managing Director

**Mark Clements**
Executive Chairman and Company Secretary

## *Background*

***Botswana Copper Project***

*The combined MOD holdings comprise 25 prospecting licences with a total area >11,600km² in the relatively unexplored central and western Kalahari Copper Belt which is largely covered by sand and soil.*

*MOD has been an active explorer in the Kalahari Copper belt since 2011 and discovered the 'Corner K Deposit', now re-named Mahumo Copper/Silver Deposit in late 2011. The Mahumo deposit was discovered by drilling a soil anomaly along the northern margin of a major >20km wide structural zone (Mahumo Structural Corridor). The Mahumo Stage One resource is currently the highest grade copper resource in the Kalahari Copper Belt and is the basis for an underground mining scoping study. Mahumo remains completely open below the limit of drilling along 2.4km strike length and Stage Two drilling is designed to test for extensions to ~600m depth.*

*MOD through its subsidiary company MOD Resources Botswana (Pty) Ltd has 100% holdings and various existing joint venture interests in 11 granted prospecting licences with a total area of approximately 4,187km² in the Kalahari Copper Belt. MOD also owns 70% of Discovery Mines (Proprietary) Ltd ("DMI") through UK joint venture company, Metal Capital Ltd ("MCL") and a wholly owned subsidiary company of MCL, Tshukudu Metals Botswana (Pty) Ltd, following the acquisition of DMI announced on 16 December 2015. DMI holds 14 prospecting licences with a total area of approximately 7,446km² in the same area as MOD's holdings.*

*London AIM listed company Metal Tiger Plc ("MTR") owns a 30% interest in DMI through MCL. The business fit between MTR and MOD is strong and both companies are working together to explore and potentially develop opportunities within their extensive holdings in the Kalahari Copper Belt. MTR is primarily focused on undervalued natural resource investment opportunities in which it can provide financial and business support to companies to maximize the value of their interests.*

*In November 2015 Cupric Canyon Capital announced results of a feasibility study for the potential development of a substantial underground mine at the Zone 5 deposit. Zone 5 is located approximately 100km NE of Mahumo along the same interpreted structural contact as Mahumo. Currently reported resources at Zone 5 are 100.3Mt @ 1.95% Cu and 20g/t Ag (December 2015). Zone 5 is the most significant announced resource in the Kalahari Copper Belt to date and may demonstrate the wider potential of this relatively under-explored region.*

### Competent Person's Statement

The information in this announcement that relates to Geological Data and Exploration Results at the Botswana Copper Project is reviewed and approved by Jacques Janse van Rensburg, BSc (Hons), General Manager Exploration (Africa) 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.

### 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. Apart from the announced Mahumo Stage One Mineral Resource there has been insufficient exploration at other Exploration Targets which include T3 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: 'The bonanza Ag assay result in MO-G-17R (994.3g/t Ag) is approximately eight times higher than any previous Ag assays reported from T3 and is a further indication of the very unusual style of mineralisation and wider potential at T3' and 'to test potential extensions of UMS down dip from Cu intersections' and 'RC drilling across four targets including: Cu soil anomalies 1-2km east of current drilling, Cu soil anomalies 1.5km southeast of current drilling (interpreted south limb of T3 Dome)' and 'Substantial soil program with two sampling teams is also underway to verify the extensive Pb/Zn soil anomalies east of the current drilling.'

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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## JORC Code, 2012 Edition
## Table 1 Reporting Exploration Results from Botswana Copper 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 (eg 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.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *In cases where 'industry standard' work has been done this would be relatively simple (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.* | • Sampling was carried out using RC Drilling, at 1m sampling intervals.<br>• After every 1m interval the hole is flushed by compressed air.<br>• The full 1m interval was collected before being weighed and the weight recorded.<br>• All samples were riffle split (50:50) into samples weighing approximately 1.5kg<br>• These samples were taken to the core logging facility where a unique sample number was allocated to every interval sampled<br>• All samples were geologically logged by a suitably qualified geologist on site<br>• Samples are submitted to Setpoint Laboratories in Johannesburg |
| ***Drilling techniques*** | • *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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 RC drill holes referred to in this release were drilled by reverse circulation drilling using a 5 inch – 127mm face sampling bit diameter and 900pfm – 24 bar compressor<br>• The diamond drilling referred to in this release was drilled by HQ diameter drill core for the first 36m followed by NQ diameter drilling the rest of the drill holes. |
| ***Drill sample recovery*** | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *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.* | • RC sample recovery was recorded by weighing every sample before splitting.<br>• Sample size was found to be consistent<br>• Diamond drilling recorded recovery. Core recovery was good<br>• Drill core was sampled in 1m intervals or as appropriate to align with the geological contacts |

| 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.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | • During the core logging geologists follow MOD's standard operating procedure for RC logging processes. The metre interval (from & to) is recorded and the data below is described within the RC drill logs:<br>▪ Major rock unit (colour, grain size, texture)<br>▪ Weathering<br>▪ Alteration (style and intensity)<br>▪ Mineralisation (type of mineralisation, origin of mineralisation, estimation of % sulphides/oxides)<br>▪ Veining (type, style, origin, intensity)<br>• Data is originally recorded on paper (hard copies) and then transferred to Excel logging sheets<br>• Logging is semi quantitative based on visual estimation<br>• 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.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *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.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • All RC samples were taken at 1m intervals and riffle split into ~1.5kg samples. A reference sample is retained at core logging facility<br>• All RC intervals are geologically logged and sample intervals selected for assays at Setpoint Laboratories in Johannesburg<br>• All diamond core samples for the drill hole intersections were taken as half core samples.<br>• MOD took photos of all core samples on site.<br>• MOD has implemented an industry-standard QA/QC program. Drill core is logged, split by sawing and sampled at site. Samples are |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | bagged, labelled, sealed and shipped to the Set Point prep- laboratories in Johannesburg, SA, by the project manager.<br>• Field duplicates, blanks and standards are inserted at a ratio of 1:10. Setpoint 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.*<br>• *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.*<br>• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.* | • Field duplicates, blanks and standards are inserted at a ratio of 1:10 on site.<br>• 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%<br>• Analysis for Cu, Ag, Zn, Pb and Mo by determination of 3 acid digest followed by ICP-OES finish: **PROCEDURE:** One gram of pulp material is digested using a combination of three acids (HNO3, HClO4 and HCl) and made up to a volume of 100ml. The resulting solutions are analysed for metals by the technique of ICP-OES (Inductively Coupled Plasma – Optical Emission Spectrometry). **REPORTING**: A detection limit of <10ppm is reported. Values >10ppm are reported with no decimals and when the midpoint (5) between rounded off values is reached the number is rounded up. Below the midpoint, the number is rounded down.<br>• All reported results are down hole widths. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Verification of sampling and assaying*** | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic.*<br>• *protocols.*<br>• *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.*<br>• *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | • The collar coordinates of all the drill holes were taken by hand held GPS and are reflected in Table 1.<br>• Down hole surveys have been done on all diamond holes |
| ***Data spacing and distribution*** | • *Data spacing for reporting of Exploration Results.*<br>• *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.*<br>• *Whether sample compositing has been applied.* | • Samples of RC chips for assaying were throughout taken at 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.*<br>• *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 Setpoint laboratory in Johannesburg by Project Manager |
| ***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 |

## 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.*<br>• *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.<br>• In January 2016, the Minister of Minerals, Water and Energy extended the licence date to 31 December 2016. MOD expects to apply for a further renewal or an |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | extension at least 3 months ahead of that date. MOD is already in discussion with the Ministry regarding this. |
| ***Exploration done by other parties*** | • *Acknowledgment and appraisal of exploration by other parties.* | • No 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:*<br>  ○ *easting and northing of the drill hole collar*<br>  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>  ○ *dip and azimuth of the hole*<br>  ○ *down hole length and interception depth*<br>  ○ *hole length.*<br>• *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.* | • All information relating to the RC drill holes and diamond drill holes are listed in Table 1 of the release<br>• No down hole surveys have been done on RC holes<br>• 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 (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*<br>• *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.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | • Significant copper and silver intersections will be reported by MOD as received from the lab |
| ***Relationship between mineralisation widths and intercept lengths*** | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').* | • True widths are not quoted<br>• 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.* | • A cross section has been generated and appear listed as Figure 2<br>• A plan of drill hole collar locations is included at Figure 1 |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***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 |
| ***Further work*** | • *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>• *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 PL190/2008 will be dependent on results from the next RC and DD holes |