



**3 March 2011**

**Nyota Minerals Limited (“Nyota” or the “Company”)**

**DRILLING UPDATE**

**HIGHLIGHTS**

**Tulu Kapi Feeder Zone**

- Further high-grade intersections into the Tulu Kapi Feeder Zone (“FZ”);
- New FZ intersection made approximately 100 metres beneath previous deepest known intersection;
- Peak intersections in the FZ include 24.70 g/t Au over 5.0m, 8.21g/t Au over 18.86m and 5.93g/t Au over 8.85m;

**Northern Extension**

- Wide zone of mineralisation intersected over the Northern Extension Target located adjacent to the main Tulu Kapi resource;
- Peak intersection of 5.15g/t Au over 20.49m;

**Tulu Kapi Lodes 3 and 4**

- Further intersections made into Lodes 3 and 4 at Tulu Kapi by drill holes targeting the FZ;
  - Grades and mineralised widths expected to add to and improve geological continuity and grade of these structures;
  - Peak intersections include 21.53g/t Au over 3.85m and 3.11g/t Au over 10.61m
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Nyota is pleased to announce an update on the current drill programme at Tulu Kapi, the Company's Ethiopian gold project. The programme comprises drilling at depth to intersect the Feeder Zone together with a number of holes designed to test continuity of mineralisation over the UNDP and northern Extension Targets. At present 10,650m has been allocated to this programme of which approximately 2,600m had been completed by the end of February, 2011.

The current emphasis remains on drilling the high-grade Feeder Zone ("FZ"), other targets immediately adjacent to the Tulu Kapi resource and more proximal targets within a 15 to 25km radius of Tulu Kapi.

### Feeder Zone

The FZ is characterized by high-grade mineralisation located at depth beneath the lower grade stacked lenses that make up the bulk of the current Tulu Kapi resource. The FZ is located close to the main regional shear that broadly defines the southern limit of Tulu Kapi and based on the limited drill intersections to date is believed to represent a sub-vertical plug-like body of mineralisation that may have been one of the conduits for mineralising fluids forming Tulu Kapi.

The Company has three diamond drills focusing on delineating the FZ with the express purpose of achieving sufficient drill hole density to expand and upgrade the current resource. Potentially the FZ has the capacity to positively influence the overall grade of the Tulu Kapi deposit and provide high-grade feed during the early years of future production.

Borehole TKBH-094 drilled 40m to the NE of the previous hole TKBH-074 which returned excellent results has increased the lateral extent of the FZ and returned some equally encouraging grades. Peak intersections into the FZ by TKBH-094 include the following:

Borehole	Total Depth	Intersection From (m)	Intersection To (m)	Interval (m)	Grade (g/t Au)
TKBH – 094	598.30	419.45	428.30	8.85	5.93
		491.14	510.00	18.86	8.21
	Including	501.00	506.00	5.00	24.70
		522.5	535.00	12.5	1.41

Table 1: Peak intersections for diamond drill hole TKBH-094

It is particularly significant that the intersections made at 491.14m, 501m and 535m respectively represent the deepest intersections of the FZ to date. These intersections also extend the down dip limits of the FZ by approximately 100m compared to the previous limit established in drill hole TKBH-074.

To put these figures into context, the indications are that the FZ is currently 40m wider than previously known and extends down dip for a minimum of 100m below previous limits. This increase in extent does not appear to have compromised the gold grades, which remain high in the holes analysed to date.

On-going drilling of the FZ is aiming to achieve a variety of objectives including a further step-out up to 120m to the NW of TKBH-074 and 40m to the SW. Drilling is also planned to intersect the down-dip extension of the FZ which at present remains open ended.

### Northern Extension

The Northern Extension is a target located on the NW edge of the Tulu Kapi deposit. Two reverse circulation (“RC”) drill holes completed earlier in the year returned peak intersections that included TKRC-111 with 2.09g/t Au over 44.0m and TKRC – 108 with 1.20g/t Au over 8.0m and 1.9g/t Au over 8.0m. The new hole, TKBH-086 was sited between these two RC holes and returned a peak intersection of 5.15g/t Au over 20.49m broadly confirming the substantial widths intersected in the 2 adjacent RC holes but at a substantially higher gold grade.

Mineralisation in the Northern Extension is located outside of the current pit shell being used in the model applied in the Preliminary Economic Assessment and will ultimately generate, subject to further drilling, additional resources.

### Other drill results

Intersections have been made in Lodes 3 and 4 by drill holes targeting the FZ. In addition, a number of other infill holes have been completed for which peak grades and mineralised widths are presented in the tables below.

Melissa Sturgess, Executive Chairman commented *“The extension to the Feeder Zone and the continuity of high grades is encouraging and validates the current emphasis on further deep hole drilling to define a more coherent larger high-grade resource at depth which has the scope to benefit the Tulu Kapi Project during the first few years of production”*.

Table 2: Peak gold grades and intersections for recent diamond drill holes - Tulu Kapi Project

Borehole No	Depth From (m)	Depth To (m)	Intersection (m)	Grade (g/t Au)
TKBH-069	233.13	234.00	0.87	24.30
TKBH-076	224.39	235.00	10.61	3.11
TKBH-077	24.37 62.00 96.20	26.00 63.20 97.14	1.63 1.20 0.94	0.90 0.70 0.81
TKBH-078	327.00	329.00	2.00	1.50
TKBH-079	220.00	227.00	7.00	1.43

TKBH-080	2.00	7.60	5.60	0.44
TKBH-086*	83.40 117.00 138.20 246.00	83.80 120.00 158.69 250.10	0.40 3.00 20.49 4.10	1.05 3.39 5.15 1.57
TKBH-087**	3.00 15.34 220.70	4.28 16.60 223.00	1.28 1.26 2.30	0.63 0.94 2.30
TKBH-089	1.00	2.00	1.00	0.72
TKBH-094	209.85	227.14	17.29	0.91
Including	222.19	227.14	4.95	2.49
	234.14	236.00	1.86	1.46
	242.50	244.62	2.12	0.86
	250.79	254.85	4.06	0.65
	270.60	271.94	1.34	5.41
	331.60	335.45	3.85	21.53
	379.40	386.38	6.98	2.27
	396.15	399.38	3.23	0.57
	403.32	414.25	10.93	1.05
Including	403.32	406.00	2.68	3.76
	419.45	433.00	13.55	3.92
Including	419.45	428.30	8.85	5.93
Including	422.00	424.00	2.00	24.75
	469.00	469.96	0.96	1.34
	491.14	510.00	18.86	8.21
Including	501.00	506.00	5.00	24.70
	522.5	535	12.5	1.41

\*TKBH-086: N. Extension Target \*\*UNDP Target

Table 3: Peak gold grades and intersections for recent reverse circulation drill holes – Tulu Kapi Project

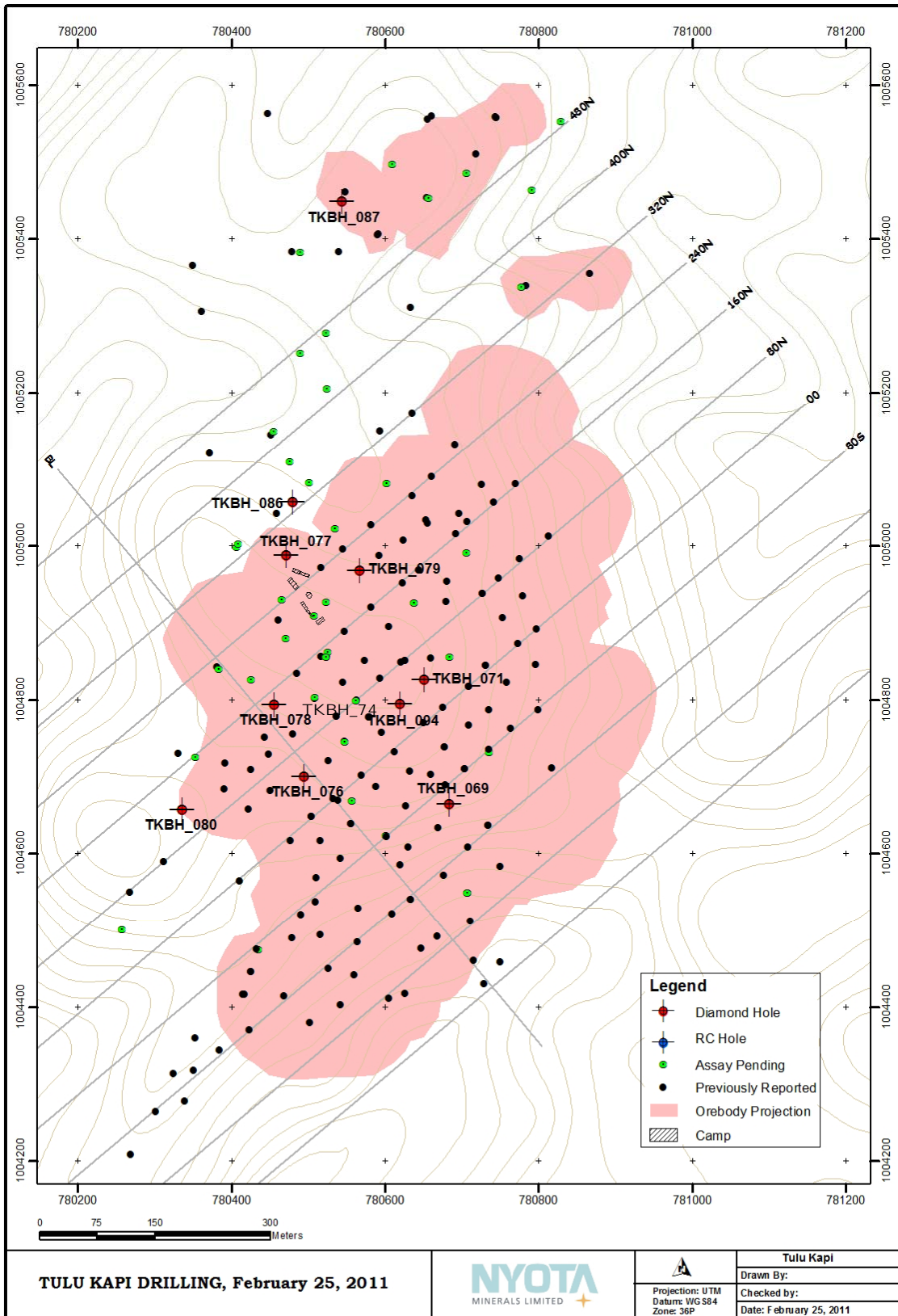
Borehole No	Depth From (m)	Depth To (m)	Intersection (m)	Grade (g/t Au)
TKRC-116	90	92	2	1.21
	97	98	1	0.65

## **Notes on drilling and drill assay data**

All core samples have been logged according to internationally accepted standards with core loss and other factors likely to impact on resource estimation and quality of assay data duly recorded. RC sample weights were regularly measured for selective and representative 1m sample intervals and independent QA/QC assessment of both drilling practices and sample collection procedures has taken place. As a result, sampling procedures and sample recoveries are considered accurate by Nyota. RC and diamond drilling samples were analysed for gold by fire assay methods with AAS finish at ALS Chemex Laboratory in Johannesburg. Approved protocols, approved by independent consultant Venmyn Rand, were applied with regard to insertion of standards, blanks and duplicate assays for every suite of samples submitted per drill hole. Independent consultants have verified that sufficient QA/QC and data validation has been undertaken to verify the integrity of the assay data. All on site coarse and pulp rejects have been logged and stored for future reference. RC and diamond drill-hole collars have been variably surveyed by a total station global positioning system . As the Project develops, more detailed surveys will be completed.

The technical exploration and mining information contained in this Announcement has been reviewed and approved by Mr. RN Chapman, an independent geological consultant. Mr. Chapman has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves and as a qualified person under the AIM Note for Mining, Oil and Gas Companies. Mr. Chapman is an employee of Mineral Exploration Management Limited, an independent geological consultancy established in 2005 and is a Member of the Australasian Institute of Mining and Metallurgy (Aus.I.M.M).

Mr. Chapman consents to the inclusion in this Announcement of such information in the form and context in which it appears.



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