

29 September 2011

RIFT VALLEY RESOURCES LIMITED (ASX: RFV) IGANDO AND GEITA EAST - NEW ACQUISITIONS

Rift Valley Resources Limited ("Rift Valley") is pleased to announce the acquisition of two new gold projects in the Lake Victoria Goldfields region of Tanzania.

Rift Valley has contracted with two Tanzanian companies (Sigo Gems Limited and Fenites Limited) to acquire the ownership of three Prospecting Licences.

The first project area, called "**Igando**", is located in the Rwamagaza greenstone belt approximately 15 kilometres from the old Buckreef gold mine. The project consists of two tenements owned by Sigo Gems Limited (Figure 1).

The second project area, called "**Geita East**", is located in the Geita greenstone belt approximately 5 kilometres east of AngloGold Ashanti's multi-million ounce Geita gold mine. The project consists of one tenement owned by Fenites Limited (Figure 1).

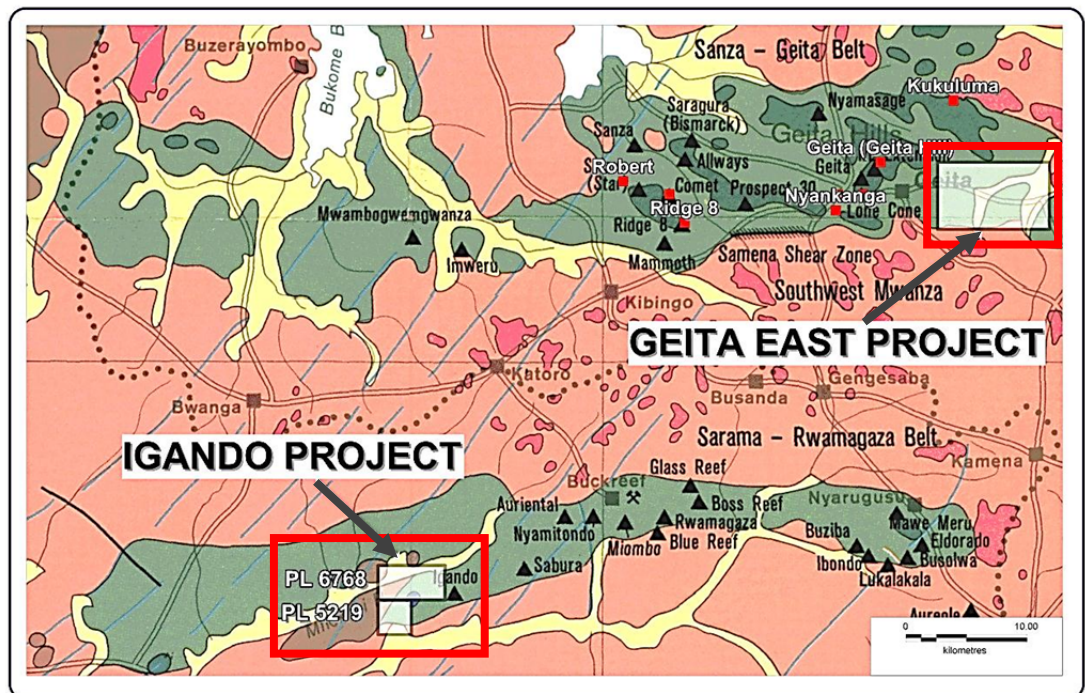


Figure 1 - Regional Geological Map showing location of the Igando and Geita East Projects in the Rwamagaza and Geita greenstone belts respectively

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A Tanzanian focused explorer
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The Igando Project

The Igando Project comprises two tenements (PL5219 and PL6768) totalling 26.7 square kilometres of contiguous area located in the western Rwamagaza greenstone belt. This belt hosts numerous known gold deposits and gold occurrences including African Barrick Gold's Tulawaka gold mine 34 kilometres to the west, the Buckreef gold deposit 15 kilometres to the east and a more recent (2006) gold discovery named Mnekezi located only 14 kilometres to the west of Igando. The Tulawaka and Mnekezi properties demonstrate good potential for further gold discoveries in the western half of the Rwamagaza belt.

The project area is easily accessible via a sealed highway approximately 42 kilometres southeast of the town of Geita, then via a new gravel road to the village of Iparamasa.

90% of the total project area is over greenstone rocks with a number of old gold workings both in and adjacent to the property. These include:

- Current small scale gold mining at the Iparamasa workings located 1.3 kilometres east of the Project
- Old workings located in the eastern portion of PL6768 and consisting of a line of around 20 shafts trending approximately east-west and extending over a length of some 300 metres.
- Active small scale mining on a 200 metre-long quartz lode on the northern margin of PL5219.

The Geita East Project

The 51 square-kilometre Geita East property covers a strategically located portion of the Geita greenstone belt that has not been subjected to extensive exploration in the past because of widespread soil cover.

Rift Valley plans to initially concentrate its Geita East exploration program on potentially significant old gold workings that are located in a major shear structure on the greenstone-granite contact. Past small-scale open pit mining (to 5 metres depth) has exposed an extensive stock-work of gold bearing quartz veins that extends over a length of at least 200 metres and over widths of 20 to 40 metres.

The gold workings represent a priority drilling target along with strike extensions of the known mineralised zone which trend under soil cover. These will also be tested in the proposed first pass exploration program.



Under the terms of the agreements with each vendor, (which are subject to completion of due diligence) Rift Valley will immediately acquire an 80% interest (with a further 10% to be acquired upon Rift Valley making a Decision to Mine) in the respective tenements in consideration* of:

- 1) An upfront payment of US\$25,000 upon the tenements being transferred into Rift Valley's name;
- 2) Subsequent annual payments of US\$20,000, US\$25,000, and US\$30,000;
- 3) US\$750,000 upon a Decision to Mine being made by Rift Valley;
- 4) After production commences on the tenements:
 - a. A further payment of US\$750,000 upon production reaching 85% of the production capacity for which the facility is designed.
 - b. A final payment of US\$750,000 on the first anniversary of the date production commences.

*All consideration is to be paid 50% in cash and, subject to shareholder approval if required, 50% in Rift Valley shares (to an equivalent value).

Rift Valley's Managing Director, Mike McKeivitt said "These acquisitions, along with the recently acquired Maji Moto project, fall in line with Rift Valley's objective of targeting more advanced projects that can be fast-tracked. They add significantly to our prospective project base and will receive immediate priority attention from our exploration team. We plan to proceed with first phase of drilling on both projects as soon as possible."

FOR FURTHER INFORMATION, PLEASE CONTACT:

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Competent Person: The contents of this report relating to geology and exploration results are based on information compiled by Mike McKeivitt, Member of the Australian Institute of Mining and Metallurgy and Managing Director of Rift Valley Resources. Mr McKeivitt has sufficient experience related to the activity being undertaken 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 ("2004 JORC Code") and consents to the inclusion in this report of the matters compiled by him in the form and context in which they appear.

