

## High Grade Gold Mineralisation Confirms Prospectivity at Woye Gold Exploration Project

### HIGHLIGHTS

- Artisanal rock bulk samples from workings at the Woye Gold Exploration Project have produced fire assay results of between 93.2/t Au – 106g/t Au.
- These initial results strongly support the exploration potential for gold deposits in the area.
- These results further support our intention to conduct Fire Assay analysis on all mineralised samples collected from the current drilling program at Woye.
- The Company announced its intention to merge with Erin Resources on 14 May 2012 and Erin's gold exploration projects will become the main focus of the Company's activities.



Figure 1: Artisanal workings and samples at the Woye Prospect.

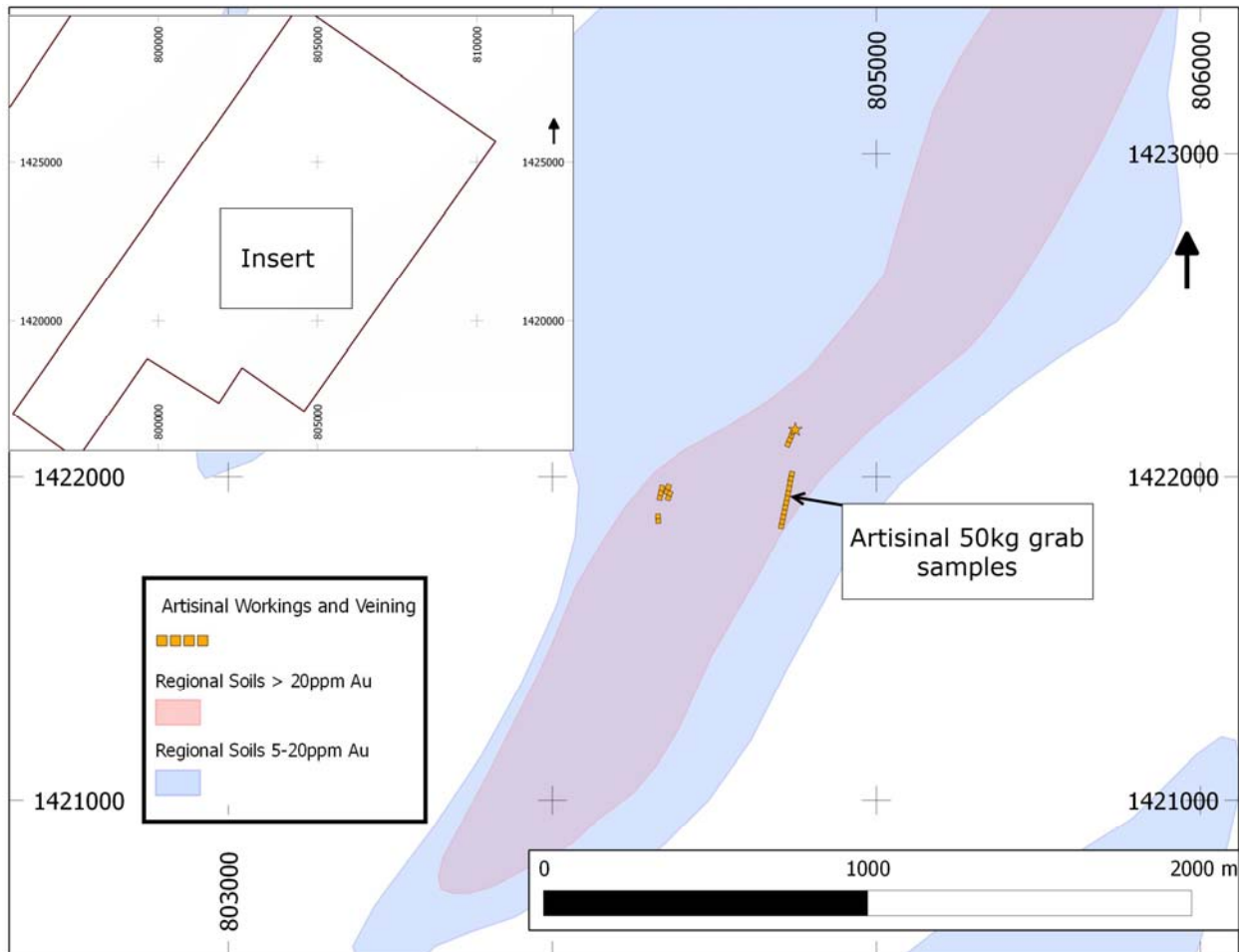
Grant Davey the Managing Director commented: "The two 50kg samples were originally collected to allow us to gain a better understanding of the gold mineralisation in the mineralogy of the Kenieba Inlier geological environment. These results indicate that, for high-grade material, the Aqua Regia method may be under calling the grade due to incomplete absorption of the gold. Although selectively taken by the miners, these results are extremely encouraging as they further confirm the excellent potential for gold mineralisation on Woye where Erin have been busy with their initial exploration program since mid-May 2012. We expect the initial fire assay results from Erin's RC and RAB drilling program to be available during July 2012".

**About the Samples**

Two 50kg bags containing rock samples were taken from the artisanal workings on the Woye exploration project (Figure 2), acquired from the artisanal miners in May 2012, and were sent off to the SGS laboratory at Kayes in Mali where Aqua Regia and Fire Assay analysis were performed.

The samples consisted mostly of sheared, fractured and rehealed quartz and carbonate veins which have been selectively mined from small underground workings by local artisanal miners. Details of the assay results and procedure are given below:

Table 1 - Woye Gold Project, Senegal. Artisanal Grab Sample Assay Results (UTM Zone 28N 804,731mE 1,421,940mN)		
Sample #	Fire Assay <sup>1</sup> (g/t Au)	Aqua Regia <sup>2</sup> (g/t Au)
S300381	93.2	68.7
S300382	106	83.9
<sup>1</sup> 50g Fire Assay with Atomic Absorption Spectrum (AAS) finish		
<sup>2</sup> 50g Aqua Regia with AAS finish		



**Figure 2: Location of the Artisanal Workings and Samples at the Woye Prospect.**

The bulk samples were crushed to a nominal 2mm, then riffle split to obtain 2 x 2kg samples. Each sample was then pulverised in a LM2 pulveriser to a nominal 200#. The pulps were then homogenised and 2 x 50g splits were taken for Fire Assay and Aqua Regia Analysis. Two commercial standards were inserted (1.02g/t and 2.35 g/t).

**About Woye**

The Woye exploration permit (Figure 3) covers an area of approximately 95 km<sup>2</sup> and is located along strike to the south of the Sabodala Gold Mine and the Massawa deposit. The area was previously held by Randgold Resources Limited who undertook limited rock chip sampling, soil sampling and very limited drilling in some areas of the permit.

Erin undertook regional soil sampling on an 800 metre by 400 metre grid to establish whether potential for gold mineralisation existed within the tenement area. The programme identified linear gold anomalous zones, extending over 7 kilometres long, with associated artisanal workings linear structural zones. The main gold anomalism (central to the permit) occurs in an area of anastomosing structures (dilation) and was not tested by the work completed by Randgold, with the exception of a few rock chip samples. Recently Randgold has announced the results of a discovery at Tombo adjacent to the southern boundary of the Woye Permit that included drill intersections of 50m @ 3.1g/t Au, 15m @ 12.8g/t Au and 46m @ 2.2g/t Au. Possible extensions into the Woye Permit provide an immediate target.

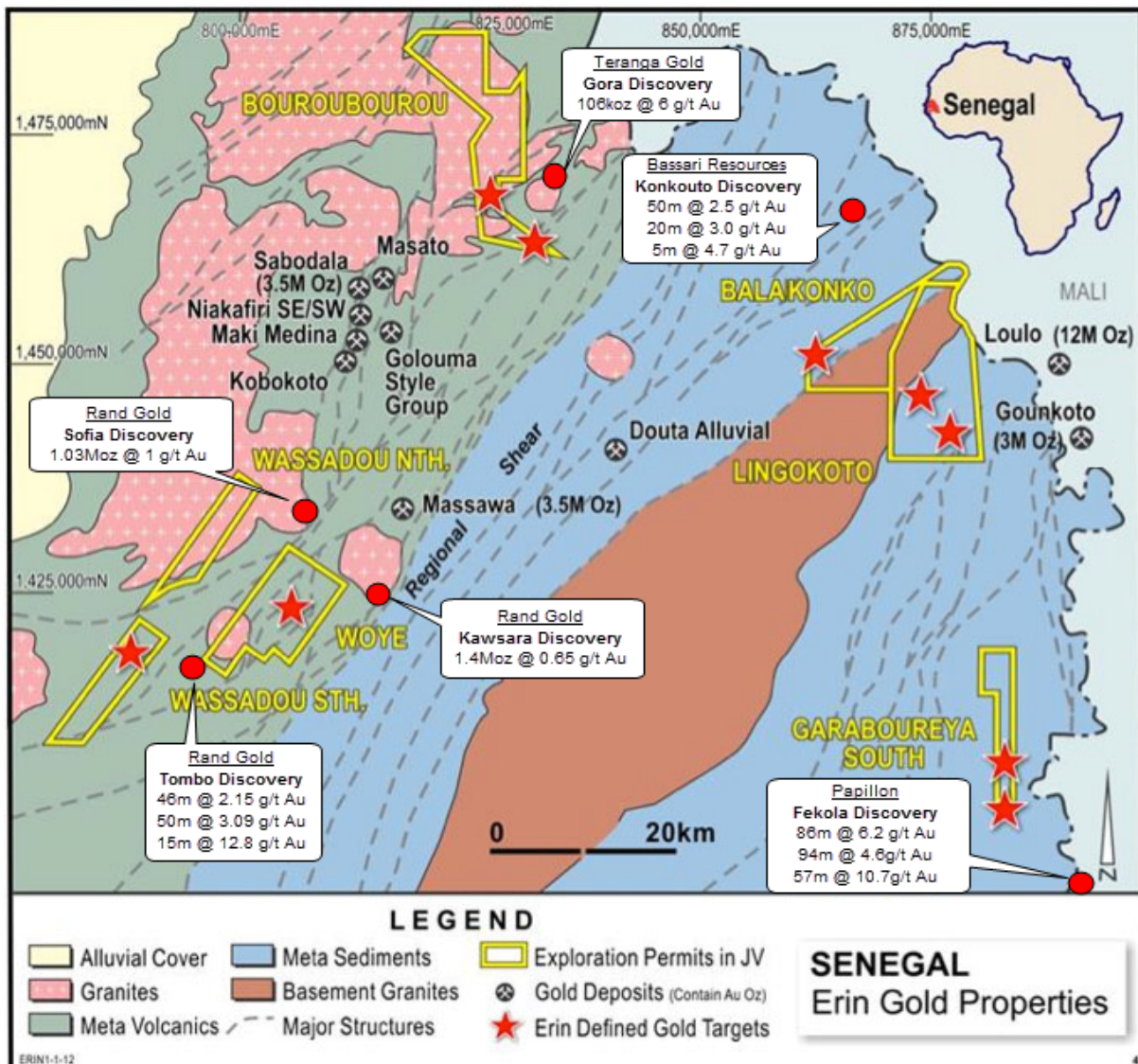


Figure 3: Erin’s Senegal Gold Properties

*For and on behalf of the Board,*

A handwritten signature in black ink, appearing to read 'Grant Davey', with a large, stylized flourish above the name.

*Grant Davey  
Managing Director*

*The information in this document that relates to Exploration Results is based on information compiled or reviewed by Mr Mark Fleming who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Fleming is a full time employee of the Company. Mr Fleming has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity 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'. Mr Fleming consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.*