

## MOD SECURES INITIAL 40% OF NEW ZEALAND'S BIGGEST UNDEVELOPED GOLD PROJECT

MOD Resources Limited (ASX: **MOD**) is pleased to announce that New Zealand Petroleum & Minerals has authorised the transfer to the Company, through subsidiary Sams Creek Gold Ltd, of a 40% interest in the permit for the Sams Creek Gold Project.

Located in the Golden Bay region of the South Island near the Reefton Gold Field, Sams Creek is New Zealand's biggest undeveloped gold project with a JORC compliant inferred resource of 1,024,000 ounces of gold (1.024Moz), based on 18.65 million tonnes @ 1.71g/t using a 0.7g/t cut-off.

MOD is earning up to 80% of Sams Creek under a joint venture with OceanaGold Corporation (ASX: OGC). The joint venture has provisions for MOD to earn staged interests of 40%, 60% and 80% in the Sams Creek permit.

Having secured the initial 40% interest in the Sams Creek permit, MOD is now required to issue to Oceana Gold (New Zealand) Limited 17 million ordinary fully-paid shares in consideration, pursuant to the terms of the joint venture agreement.

No further consideration is payable to OceanaGold under the Sams Creek joint venture.

MOD earned its initial 40% interest in Sams Creek by completing a stage one drilling program which comprised nine diamond holes for a total of 2,300m.

The successful completion of the stage one drilling program also resulted in New Zealand Petroleum & Minerals extending the Sams Creek permit by five years to March 2017.

The existing 1.024Moz resource at Sams Creek is all contained within an 800m section of the Main Zone prospect, which represents less than 15% of the known 6km strike length of the Sams Creek dyke, which hosts the gold mineralisation.



34 Bagot Road  
Subiaco WA 6008

PO Box 8306  
Subiaco East WA 6008

ASX code: MOD  
ABN 78 003 103 544

T +61 (8) 9388 9449

F +61 (8) 9388 9409

E [administrator@modresources.com.au](mailto:administrator@modresources.com.au)

W [www.modresources.com.au](http://www.modresources.com.au)



MOD's ongoing stage two drilling program aims to achieve the 60% permit ownership benchmark under the joint venture with OceanaGold. The primary prerequisite for MOD securing a 60% interest in the permit is to achieve a resource of 550,000oz in the indicated category.

As announced to the ASX on 29 June 2012, the stage two drilling program at Sams Creek has returned surface gold grades of up to 30.9g/t from outside the Main Zone area, where the existing 1.024Moz resource is contained.

**Miles Kennedy**

Chairman

MOD Resources Limited

Ph: (61 8) 9388 9449

**Competent Person's Statement:** Information in this announcement which relates to Mineral Resources and Ore Reserves at Sams Creek is based on information compiled by Paul Angus, Project Manager Exploration (New Zealand) and director of Sams Creek Gold Ltd, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Angus 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 of Reporting of Identified Mineral Resources and Ore Reserves. Mr Angus consents to the inclusion in the announcement of the matters based on information in the form and context in which it appears.