



January 31, 2012

*December 2011 Quarter Activities Report*

# Start of mining at Bibiani marks historic Quarter for Noble

*Transition to gold producer almost complete, paving way for cashflow and next chapter of growth*

## Highlights

- Mining begins at Bibiani following decision by Ghanaian Environmental Protection Agency to grant the Project an Environmental Permit
- JORC resources upgraded to 2.26Moz, including 958,000oz in reserves
- On-site assay laboratory begins operations, slashing turnaround times for results
- Subsequent to end of the Quarter, dry commissioning of refurbished plant commenced
- Production to ramp up to an annualised rate of 150,000oz

Noble Mineral Resources (ASX: NMG) is pleased to report that a successful December Quarter at its Bibiani Gold Project in Ghana, West Africa left the Company on the cusp of completing its transition to a world-class gold producer with substantial growth prospects.

A series of key achievements during the period culminated in the start of mining at Bibiani after the granting of an Environmental Permit by the Ghanaian Environmental Protection Agency.

This was soon followed, subsequent to the end of the Quarter, by the start of dry commissioning at the refurbished 3Mtpa plant at Bibiani.



*Stockpiling ore on the ROM pad*

These milestones mean Noble is now well on its way to ramping up production to an annualised rate of 150,000oz. This will generate substantial cashflow for the Company and enable it to push ahead with exploration at its other highly prospective Ghanaian gold projects, particularly Cape Three Points and Tumentu.



## **Resource and Reserve Upgrade**

During the Quarter, the JORC resource and reserve estimates were upgraded at the Bibiani Project. This was the result of drilling at the Aheman, Grasshopper, Strauss and Walsh deposits. The total resource calculation for the Bibiani project rose from 1.98Moz to 2.26Moz, including the Bibiani Main Pit, Walsh to Grasshopper satellite pits and the historic tailings. Reserves were upgraded from 790,000oz to 958,000oz.

The satellite pits between Walsh and Grasshopper, which cover a 3km strike length and have relatively shallow mineralisation, have been the focus of Noble's efforts due to their proximity to the treatment plant site. These satellite pits will provide mill feed for approximately the first two years and the waste is being used for lifting the tailings dam. There is also further potential from existing additional satellite pits, which are also in close proximity to the processing facility. The strategy of commencing production from the satellite pits allows Noble time to maximise the full resource potential of the Bibiani Main Pit area where exploration continues to develop resources not recognised by previous operators.

In addition, there are significant resources and reserves available in the historic tailings levees and dams. This will be the first source of low-cost mill feed upon start-up. The area of the oldest dams is planned to be the site for a waste dump for the main pit, which required the removal of the tailings.

## **Environmental Permit and Commencement of Mining**

The Ghana Environmental Protection Agency (EPA) granted Noble an Environmental Permit on 9<sup>th</sup> November 2011.

The EPA Permit was a pre-requisite for a number of activities on the mine site. No earthworks, mining or processing plant operations were allowed to start before the permit was granted. Immediately after receiving the permit Noble started preparations at the satellite pits by pre-stripping waste and stockpiling ore on the extended Run of Mine (ROM) pad from the satellite pits and levee material. ROM stocks of levee material have been built up for processing plant commissioning and first gold production.

## **On-site Assay Laboratory Opened**

The new assay laboratory on site at Bibiani was completed just before Christmas and commissioning commenced immediately. The laboratory, which is owned by Noble and operated by Performance Laboratories (PL), will slash the time taken to turn around assay results from up to five weeks to as little as 24 hours. This will enable Noble to accelerate drilling programs at Bibiani and calculate



revised resource and reserve estimates using these results sooner than would be the case under the system that had been used previously.

Once the new laboratory is operating at full capacity, the cost of a gold-only sample will be cut to about half the current price. PL has undertaken to return grade control samples within 24 hours and exploration samples within seven days. The contract contains penalty clauses which can be invoked if these deadlines are missed by substantial margins. There are also bonus clauses which apply if the deadlines are met consistently.



*On-site assay laboratory is operational*

The improved response times from the laboratory will allow Noble to plan holes and estimate resources in a much more timely fashion and will assist greatly in the maintenance of full-scale production going forward.

### Exploration

Noble released two sets of drilling results during the quarter. They were from around the north and south ends of the Main Pit, Big Mug, Strauss and Elizabeth as well as infill drilling at the Strauss-Gap area.

Drilling results during the quarter include:

- |   |                    |
|---|--------------------|
| • <b>3m at 25.91 g/t from 56m</b> (including 1m at 73.55 g/t) | South Hill         |
| • <b>2m at 14.15 g/t from 36m</b>                             | Strauss infill     |
| • <b>0.8m at 6.25 g/t from 127.6m</b>                         | Strauss            |
| • <b>2m at 6.00 g/t from 61m</b>                              | Strauss infill     |
| • <b>6m at 4.88 g/t from 25m</b> (including 1m at 23.50 g/t)  | Elizabeth          |
| • <b>1m at 4.75 g/t from 11m</b>                              | Main Pit west wall |

The hit at Elizabeth was especially interesting because it shows mineralisation is present and is of significant tenor. Infill drilling has been planned for this greenfields area as any material delineated there will be a completely new addition to the resource inventory.



The infill drilling at Strauss-Gap area confirmed the discrete nature of the mineralisation at Strauss, which has developed into seven different mineralised shears in the area of the old pit. There is also additional mineralisation outside of these shears that the higher definition grade-control drilling will stand a better chance of delineating. This is expected to lead to the same sorts of upgrades to the resource and reserve that have been enjoyed historically. The Anglo Ashanti annual site records between 1997 and 2005 report a minimum 19 per cent overcall from resource to mill at Bibiani, potentially enhancing the Bibiani project return.

### **Annual General Meeting**

The Annual General Meeting was held on 30<sup>th</sup> November 2011. All resolutions were passed.

### **Office Relocation**

Noble Mineral Resources has relocated its Perth office to the South Shore Centre in South Perth. The full address is at the bottom of this announcement.

### **Authorised by:**

**Wayne Norris**

***Managing Director***





### Competent Person's Statement

The information in this announcement that relates to Exploration Results, Mineral Resource or Ore Reserves is based on information compiled by Mr Mark Laing (BE (Hons), Mining), who is a Corporate Member of the Australasian Institute of Mining and Metallurgy. Mr Laing is a full-time employee of Noble Mineral Resources Ltd, and 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 Laing consents to the inclusion in this report of the matters based on his information in the form and content in which it appears.

### *About Noble Mineral Resources Limited*

**Noble Mineral Resources Limited** listed on the Australian Stock Exchange on 26<sup>th</sup> June 2008 with a focus on exploring for large-scale gold deposits in the world-class Ashanti Gold Belt in Ghana, West Africa. In November 2009, the Company entered into an agreement for the acquisition of the **Bibiani Gold Mine**, a project located in the Sefwi-Bibiani Gold Belt in Ghana, host to over 30 Million Ounces of gold. On July 20<sup>th</sup> 2010 the final Share Transfer Form was executed to consummate the purchase.

Noble's other primary gold concessions are Exploration Licences at **Cape Three Points, Brotet and Tumentu**, which cover some 141.3km<sup>2</sup> and all are located within the world-class Ashanti Gold Belt in south western Ghana. Ghana is the second largest gold producer in Africa and is the 10<sup>th</sup> largest gold producing nation in the world, with annual production of approximately 2.9 Million Ounces. Noble's on-going focus will be to expand the drilling program at Bibiani to target new shallow resources near the Bibiani Mine and adjacent tenements while still progressing the **Cape Three Points, Brotet and Tumentu** Concessions within the Southern extension of the Ashanti Gold Belt. Initial exploration at Cape Three Points will be targeted towards the **Satin Mine Project** and the **Morrison Project**, both of which lie in an area of historic underground gold exploration. Noble believes that there is significant potential for the delineation of additional high-grade gold mineralisation relating to the down-plunge and strike extension to these zones. When added to the potential now available at Bibiani it will place Noble in a strong position to achieve its goal in building Australia's next major gold mining house.

The Company recognises the **Bibiani, Cape Three Points, Brotet and Tumentu** concessions are relatively under-explored, highly prospective projects and aims to rapidly redefine JORC-compliant resources for development.

**ASX Code: NMG**

[www.nobleminres.com.au](http://www.nobleminres.com.au)



**Appendix 1a – March 2010 JORC Mineral Resource Estimate**

	0.5 g/t cut-off	TONNAGE	GRADE	CONT'D GOLD
		Tonnes	(Au g/t)	Ounces
<b>BIBIANI MAIN PIT</b>	Measured	6,560,000	2.05	430,000
	Indicated	13,370,000	1.77	760,000
	Total M&I	19,920,000	1.86	1,190,000
	Inferred	13,060,000	1.89	790,000
	<b>Total</b>	<b>32,980,000</b>	<b>1.87</b>	<b>1,980,000</b>

Global Mineral Resource Estimate based on a cut-off grade of 0.5g/t

**Appendix 1b – November 2011 JORC Resource Estimate**

SATELLITE AREAS	0.4 g/t cut-off	TONNAGE	GRADE	CONT'D GOLD
		Tonnes	(Au g/t)	Ounces
<b>AHEMAN</b>	Measured	-	0.00	-
	Indicated	607,500	0.73	14,300
	Inferred	-	0.00	-
<b>WALSH-STRAUSS PRELIMINARY</b>	Measured	1,748,000	1.68	94,400
	Indicated	2,430,000	1.12	87,500
	Inferred	6,000	1.69	300
<b>GRASSHOPPER</b>	Measured	-	0.00	-
	Indicated	433,200	1.25	17,400
	Inferred	4,800	1.20	200
<b>OLD TAILINGS*</b>	Measured	-	0.00	-
	Indicated	2,860,200	0.70	64,000
	Inferred	-	0.00	-
	<b>Total</b>	<b>8,089,700</b>	<b>1.07</b>	<b>278,100</b>

Global Mineral Resource Estimate based on a cut-off grade of 0.4g/t

\* Cut-off grade 0.0g/t

**TOTAL RESOURCES = 41.1Mt @ 1.71 g/t (2.26Moz)**



## Appendix 2 – Proved and Probable JORC Ore Reserves

Bibiani Main Pit Proved and Probable Ore Reserves – June 2011												
	Oxide			Fresh			Fill			Total		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
	Kt	g/t	Kozs	Kt	g/t	Kozs	Kt	g/t	Kozs	Kt	g/t	Kozs
Proved	-	-	-	5,020	2.17	349	-	-	-	5,020	2.16	349
Probable	360	1.34	16	6,280	2.02	407	340	1.73	19	6,980	1.97	441
<b>Total</b>	<b>360</b>	<b>1.34</b>	<b>16</b>	<b>11,300</b>	<b>2.08</b>	<b>756</b>	<b>340</b>	<b>1.73</b>	<b>19</b>	<b>12,000</b>	<b>2.05</b>	<b>790</b>

Derived from Measured and Indicated Mineral Resources using a cut-off grade of 0.6g/t

### Walsh to Grasshopper Satellite Pits Proved and Probable JORC Ore Reserves

Bibiani Walsh to Grasshopper Satellite Pits Proved and Probable Ore Reserves – October 2011												
	Oxide			Transition			Sulphide			Total		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
	Kt	g/t	Kozs	Kt	g/t	Kozs	Kt	g/t	Kozs	Kt	g/t	Kozs
Proved	181	1.30	8	132	1.70	7	753	2.22	54	1,065	2.00	69
Probable	448	1.39	20	172	1.71	9	102	2.05	7	722	1.56	36
<b>Total</b>	<b>628</b>	<b>1.36</b>	<b>28</b>	<b>303</b>	<b>1.70</b>	<b>17</b>	<b>855</b>	<b>2.20</b>	<b>61</b>	<b>1,787</b>	<b>1.82</b>	<b>105</b>

Derived from Measured and Indicated Resources using a cut-off grade of 0.5g/t

### Tailings Deposits Probable JORC Ore Reserves

Bibiani Tailings Deposits Probable Ore Reserves – November 2011			
Deposit	Tonnes	Grade	Cont'd Gold
	Kt	Au (g/t)	Kozs
Dams 1 & 2	850	0.74	20
Levees 6 & 7	2,030	0.65	43
<b>Total</b>	<b>2,880</b>	<b>0.68</b>	<b>63</b>

**TOTAL RESERVES = 16.7Mt @ 1.79 g/t (958,000oz)**



**Appendix 3a** – Table of previously released results received during the quarter

Interval	Au g/t	Hole	From	Including	Comments
3.0m	25.91	MP10_034	56m	1m@73.55g/t	<b>South Hill</b> , under the old pit in a low grade part of the model
6.0m	4.88	EL11_028	25m	1m@23.50g/t	<b>Elizabeth</b> , at the top of the hill with the soil anomaly
3.0m	2.81	EL11_028	17m		
8.0m	2.70	ST11_049	128m		<b>Strauss</b> , diamond tail on an incomplete RC hole
0.8m	6.25	ST11_077	127.6m		<b>Strauss</b> , diamond tail, along strike from a high grade intersection in ST11_025
3.0m	3.69	MP10_147	97m		<b>Main Pit</b> west wall, 150m horizontally from the pit
1.0m	4.75	MP10_154	11m		<b>Main Pit</b> west wall, 75m west of pit edge, shallow
6.0m	2.70	MP10_168	174.7m		<b>Main Pit</b> , RC hole drilled into old workings below current pit
3.0m	2.43	MP10_043	7m		<b>South Hill</b> , west side, outside the model
2.0m	2.27	MP10_045	0m		<b>South Hill</b> , west side, outside the model
2.0m	1.66	MP10_038	7m		<b>South Hill</b> , west side, outside the model behind MP10_043: shallow

*All assays are bottle roll cyanide leach on a 1kg charge and do not include any fire assays of non-cyanide soluble residue. Analysis has been undertaken Intertek Laboratories Ltd at their Tarkwa laboratory. Only results > 1.0g/t have been reported.*





**Appendix 3b** – Table of previously released results received during the quarter – Strauss-Gap infill drilling

Interval	Au g/t	Hole	From	Comments
2	<b>14.15</b>	ST11_053	36m	Strauss infill holes
2	<b>6.00</b>	ST11_022	61m	
1	<b>5.32</b>	ST11_022	126m	
1	4.17	ST11_034	106m	
1	3.17	ST11_045	114m	
1	3.00	ST11_021	73m	
2	2.66	ST11_034	94m	
1	2.15	ST11_046	67m	
1	1.93	ST11_017	45m	
1	1.53	ST11_027	152m	
4	1.50	ST11_041	7m	
1	1.30	ST11_019	138m	
1	1.25	ST11_036	36m	
1	1.22	ST11_045	53m	
1	1.21	ST11_045	81m	
1	1.17	ST11_033	10m	
1	1.16	ST11_019	135m	
1	1.13	ST11_021	128m	

*All assays are bottle roll cyanide leach on a 1kg charge and do not include any fire assays of non-Cyanide soluble residue. Analysis has been undertaken by Intertek Laboratories Ltd at their Tarkwa laboratory. Only results > 1.0g/t have been reported.*

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10, 17/12/10

Name of entity

**NOBLE MINERAL RESOURCES LIMITED**

ABN

**36 124 893 465**

Quarter ended ("current quarter")

**31 December 2011**

### Consolidated statement of cash flows

	Current quarter \$US'000	Year to date (6 months) \$US'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(3,534)	(6,194)
(b) development	(18,971)	(36,640)
(c) production	-	-
(d) administration	(4,040)	(6,398)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	143	245
1.5 Interest and other costs of finance paid	(7)	(14)
1.6 Income taxes paid	-	-
1.7 Other	239	239
<b>Net Operating Cash Flows</b>	<b>(26,170)</b>	<b>(48,762)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(5,081)	(8,193)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other	-	-
<b>Net investing cash flows</b>	<b>(5,081)</b>	<b>(8,193)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(31,251)</b>	<b>(56,955)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	<b>(31,251)</b>	<b>(56,955)</b>
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	31,924	52,557
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	(121)	(242)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	<b>Net financing cash flows</b>	<b>31,803</b>	<b>52,315</b>
	<b>Net increase (decrease) in cash held</b>	<b>552</b>	<b>(4,640)</b>
1.20	Cash at beginning of quarter/year to date	4,022	9,378
1.21	Exchange rate adjustments to item 1.20	1,664	1,500
1.22	<b>Cash at end of quarter</b>	<b>6,238</b>	<b>6,238</b>

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$US'000
1.23	Aggregate amount of payments to the parties included in item 1.2	187
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	Directors' remuneration	187

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

<b>Nil</b>
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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

<b>N/A</b>
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+ See chapter 19 for defined terms.

### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$US'000	Amount used \$US'000
3.1 Loan facilities	35,154	35,154
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$US'000
4.1 Exploration and evaluation	(3,000)
4.2 Development	(8,252)
4.3 Production *	(10,090)
4.4 Administration	(3,199)
<b>Total</b>	<b>(24,541)</b>

\* Excluding product sales

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$US'000	Previous quarter \$US'000
5.1 Cash on hand and at bank	2,075	3,598
5.2 Deposits at call	399	537
5.3 Bank overdraft	(117)	(113)
5.4 Other (Debt Service Reserve)	3,881	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>6,238</b>	<b>4,022</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	-	-	-	-
6.2 Interests in mining tenements acquired or increased	-	-	-	-

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3)	Amount paid up per security (see note 3)
7.1 <b>Preference securities</b> <i>(description)</i>	-	-		
7.2 Changes during quarter: (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-		
7.3 <b>+Ordinary securities</b>	523,312,570	523,312,570		
7.4 Changes during quarter: (a) Increases through issues (b) Decreases through returns of capital, buy-backs	62,000,000 1,000,000 4,003	62,000,000 1,000,000 4,003	A\$0.55 A\$0.40 A\$0.35	A\$0.55 A\$0.40 A\$0.35
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	-	-		
7.6 Changes during quarter: (a) Increases through issues (b) Decreases through securities matured, converted	-	-		
7.7 <b>Options</b> <i>(description and conversion factor)</i>	74,326,604 6,000,000 5,250,000 5,000,000 11,000,000 9,629,230	74,326,604 - - - - -	<b>Exercise price</b> A\$0.35 A\$0.20 A\$0.40 A\$0.55 A\$0.83 A\$0.83	<b>Exercise date</b> 21 July 2013 8 July 2014 19 August 2014 31 October 2015 30 November 2014 30 November 2014
7.8 Issued during quarter	5,000,000 11,000,000 9,629,230	- - -	<b>Exercise price</b> A\$0.55 A\$0.83 A\$0.83	<b>Exercise date</b> 31 October 2015 30 November 2014 30 November 2014
7.9 Exercised during quarter	4,003	4,003	A\$0.35	21 July 2013
7.10 Expired during quarter	-	-		
7.11 <b>Debentures</b> <i>(totals only)</i>	-	-		
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	-	-		

+ See chapter 19 for defined terms.



## **Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: ..... Date: **31 January 2012**  
**(Director)**

Print name: **Wayne Norris**

## **Notes**

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities:** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.