ABN 30 116 800 269

Level 7, 1008 Hay Street
Perth WA 6000
PO Box 7209
Cloisters Square WA 6850

Ph +61 8 9389 2000
Fax +61 8 9389 2099
info@erinresources.com

6 May 2014 ASX Release

# Erin confirms second highly promising gold project with Maleko anomaly doubling to 1.2km

## *Drilling to test for western extensions to the bedrock mineralisation, which has already generated results such as 7m at 10.4gpt*

- **Latest soil sampling has extended the Maleko gold soil anomaly in Senegal by 750m**
- **Anomaly extended to the west of initial discovery - now 1.2km long**
- **Initial RC drilling at Maleko in 2013 intersected strong gold grades with results including 7m @ 10.4gpt gold**
- **Only 140m of strike has been drill-tested to date - next round of drilling will test for extensions to the underlying bedrock mineralisation**
- **Soil sampling also highlights a second anomaly emerging 1.8km south of Maleko; 2km-long zone to be infill sampled shortly**

Erin Resources Ltd (ASX: ERI) is pleased to report that fresh soil sampling results have established the Maleko prospect as the Company's second highly promising gold project in Senegal, with the anomaly more than doubling in length to 1.2km.

Drilling at Maleko last year returned strong results from bedrock, including 7m at 10.4gpt. The drilling program was only conducted over a 140m strike length, with the best results coming from the most western traverse, where the anomaly remains open.

Erin intends to conduct a second round of drilling at Maleko 2H 2014. This will follow the priority drilling program which is about to start at the Company's Lingokoto gold project.

Lingokoto is considered highly promising, with the RAB drilling conducted late last year returning results that included 6m at 51gpt from an initial traverse. The second round of drilling is set to start within days as part of the plan to extend the known bedrock mineralisation in line with the extensive anomaly outlined by soil sampling.

**Maleko Gold Project- Senegal**

At Maleko, Erin's previous round of exploration established robust soil anomalism and underlying bedrock gold results up to the edge of the tenement boundary on the western edge of the original permit. In 2013, the Company successfully extended the permit area, allowing exploration to continue to the west. This latest soil sampling is the first stage of work undertaken in the extended permit area (Figure 1).

Previous RC drilling by Erin over a 140m portion of the Maleko soil anomaly returned a series of results grading more than 1gpt gold across a zone approximately 180m wide that dips shallowly to the south (*See ERI ASX announcement 30/4/2013*). Mineralised intercepts are associated with shearing, quartz veining, silica-sericite-pyrite alteration within volcanic meta-sedimentary units. Better results included **7m @ 10.41 g/t** (including 4m @ 17.9g/t), and **6m @ 2.71g/t** (Figure 2).

**New Maleko Soil Sampling Program**

Sampling was carried out in April on 120m x 40m grid at the Maleko prospect and on 800m spaced reconnaissance lines elsewhere. Much of the area is covered by transported soil and gravel materials that may not be ideal for soil geochemistry. Erin believes it is highly significant that, despite this challenge, the soil anomaly at Maleko was confirmed and extended and that the anomalous area shows a good correlation with regional structural trends (Figure 2).

Transported cover appears to increase at the western edge of the anomaly and exploration into this area may require auger or RAB geochemical drilling to test bedrock potential.

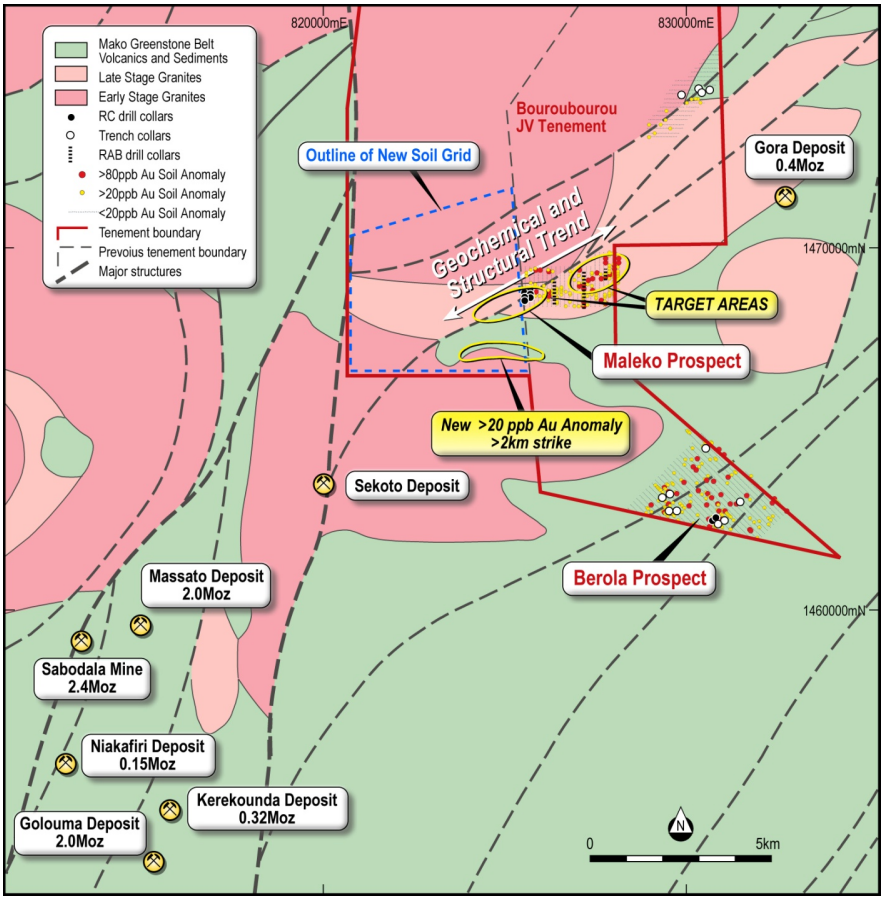


***Figure 1. Erin target areas & new soil grid in relation to regional geology and gold deposits***

**Second Soil Anomaly Defined at Maleko- Infill Program Required**

In addition to the 1.2km Maleko anomaly outlined above, a second anomaly is emerging over a 2km strike length in an area to the south of Maleko (Figure 1). At this early stage, anomalous results are present on three consecutive reconnaissance lines. Infill sampling will be carried out in this area shortly to validate and better define this anomaly.

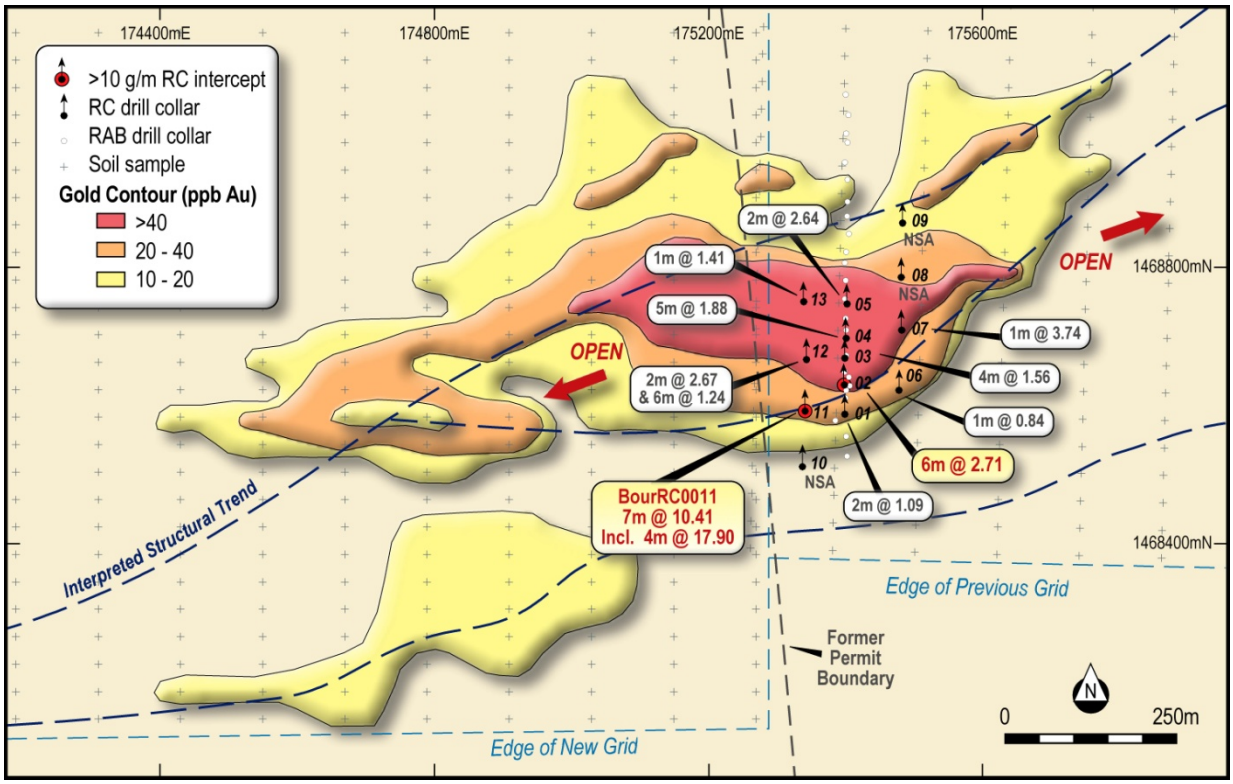


***Figure 2. Maleko soil anomaly, significant RC intercepts and structural trends***

The Maleko discovery is well located, sitting between Teranga's Sabodala mine (2.4moz, 15km away) and Gora deposit (0.4moz, 8km away), which is under feasibility study. Oromin's deposits (3.7moz) lie about 15km to the south-west.

Erin Chairman Brett Mitchell said that in light of these significant results, the Maleko area had become a high-priority exploration target for the Company.

"This new work program has confirmed that there is plenty of geochemical encouragement and exploration potential at Maleko," Mr Mitchell said. "The prospect lies in a strongly mineralised district and we intend to bring a drill rig back into this area as a priority once the current Lingokoto aircore program is completed."

**Background**

Erin holds 640km$^2$ of exploration permits in Senegal and a portfolio of seven strategically located permits (Figure 3). All the Company's projects lie within the Kedougou inlier that extends over eastern Senegal and along the country's western border with Mali (Figure 3). There are three multi-million ounce gold deposits within 15 kilometers of Erin's projects and in Senegal: Masawa (3.6m oz), Petowal (1.6m oz) and Oromin (3.7m oz).

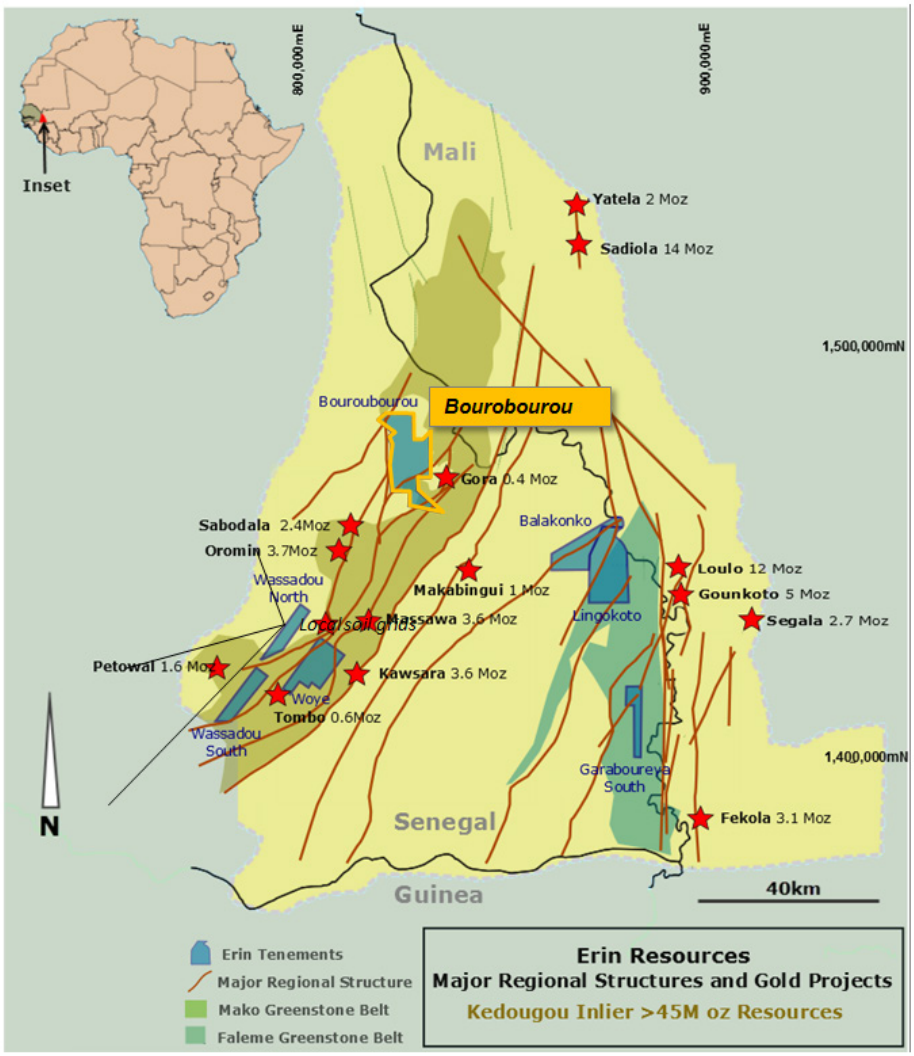


***Figure 3. Erin's Senegalese permits in the Kedougou Inlier***

About 30M oz of gold has been discovered in Senegal over the last 10 years and the Kedougou inlier hosts over 45M oz of gold in resources. This inlier forms a part of the Birimian shield, which covers most of West Africa and hosts over 280M oz of gold.

Senegal only recently commenced industrial scale gold mining and production at Sabodala mine in 2009. The country's mining code, introduced in 2003, is based on mining codes found in Australia and Canada.

***Competent Persons Statement***

*The information in this document that relates to Exploration Results is based on information compiled or reviewed by Mr Nick Castleden who is a member of the Australian Institute of Geosciences. Mr Castleden is a full time employee of the Company 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Castleden consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.*

*Exploration results referring to Maleko have been previously disclosed by Erin Resources in accordance with JORC 2012. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The exploration results relating to the other projects were previously prepared and disclosed under the JORC Code 2004 and have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. The Company confirms that the form and context in which the Competent Person's findings are presented here have not been materially modified from the original market announcement. Refer to www.erinresources.com for details on exploration results.*

*For and on behalf of the Board*

**Brett Mitchell**
Executive Chairman

**Media**
**For further information, contact:**
**Read Corporate**
**Paul Armstrong +61 8 9388 1474/0421 619 084**

# JORC Code, 2012 Edition – Table 1 report template

## Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Sampling techniques*** | • *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.* | • Spot soil samples collected on two separate grids: 40m x 120m lines spaced (detailed grid) and 100m x 800m lines spaced (regional grid). Holes of ~20cm depth are dug and the sample is collected from the bottom and sieved (using a 200 mesh sieve). Approximately 100 grams are collected from the sieved material and placed into a Kraft packet with wire seals.<br>• Sample collection is supervised by a geologist who ensures that the location chosen to collect the sample is representative of the immediate regolith environment. |
| ***Drilling techniques*** | • *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).* | • Not applicable as no drilling was carried out in relation to this announcement |
| ***Drill sample recovery*** | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | • Not applicable as no drilling was carried out in relation to this announcement |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Logging*** | • *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | • Logging (lithologies, alteration-oxidation) of soil profile, rock components, slope direction, vegetation, moisture carried out on each sample and logged into Excel file. |
| ***Sub-sampling techniques and sample preparation*** | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • No sub sampling or composite sampling carried out.<br>• Spot soil samples collected at approximately 20cm below surface and sieved using a 200 mesh sieve. Samples are not crushed or pulverised<br>• Two duplicate samples, one standard and one blank are inserted for each set of 100 samples to ensure respectively the repetitivity of sampling procedures, the accurateness / precision and the cleanness of the laboratory. There is also an external laboratory checks.<br>• All samples are dry and collected from the location and the soil profile the most representative of the immediate regolith environment. |
| ***Quality of assay data and laboratory tests*** | • *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*<br>• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*<br>• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.* | • Samples are assayed at SGS Bamako (Mali) laboratory using Aqua Regia method (lab code ARE145 on 40g charge and with a detection limit of 2pbp).<br>• 2 duplicates, 1 standard and 1 blank are inserted for each set of 100 samples. Review of results received today has enable establishing a good level of accuracy and precision of the lab. In addition, there is a good correlation with expected location and grade of previous soil anomalism. |
| ***Verification of sampling and assaying*** | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | • One infill line of soil sampling was placed near the last line of a previous grid and results showed a consistent similarity between the two lines.<br>• Data are entered each day, checked and validated using Mapinfo and MS Access and saved in two separate hard drives. Physical documents used on the field (logs, maps, sample register) are stored at the office. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Location of data points*** | • *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*<br>• *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | • Soil samples locations are surveyed using a Garmin GPS with an accuracy of 3m.<br>• Coordinates are in WGS1984, UTM zone 29 projection<br>• Topographic control using the same GPS with an accuracy <10m |
| ***Data spacing and distribution*** | • *Data spacing for reporting of Exploration Results.*<br>• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*<br>• *Whether sample compositing has been applied.* | • 40m and 100m intervals between points, lines 120m and 800 apart respectively for a detailed and a regional grid. The spacing of the samples is considered sufficient to allow interpretation of results and to contour gold-in-soil anomalies.<br>• No compositing has been applied |
| ***Orientation of data in relation to geological structure*** | • *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*<br>• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.* | • Soil-lines arranged at UTM Z29N north-south and close to right-angles to regional geological interpretation & right angles to trend of past soil geochemical anomalism (both trending west-east).<br>• The structural futures interpreted from regional geophysical and geological maps confirm that line orientation are close to right angle to key structures controlling the mineralisation in the area. |
| ***Sample security*** | • *The measures taken to ensure sample security.* | • Sample collected on the field brought back to the camp and placed in a storage room. They are bagged and sealed into sample plastic bags (containing each 20 samples) which are in turn placed in polywave bags. |
| ***Audits or reviews*** | • *The results of any audits or reviews of sampling techniques and data.* | • No external audit or review completed |

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Mineral tenement and land tenure*** | • *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites,* | • Bouroubourou is an exploration permit with the number 10332 located at 16km north east to Sabadola Gold Mine (Teranga gold) and 80km to Kedougou (Senegal). It was granted to Afrigem Society RL (on December |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***status*** | *wilderness or national park and environmental settings.*<br>• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.* | 2010) which is Erin Resources Limited's joint venture partner.<br>• The licence has been secured by Erin which submitted a renewal request on December 2013 for 3 more years. The expiry date of the tenement is December 2019 |
| ***Exploration done by other parties*** | • *Acknowledgment and appraisal of exploration by other parties.* | • The previous owners (Aximin then Teranga Gold) had conducted soil geochemistry at regional and detailed scale and did identified some soil anomalies. |
| ***Geology*** | • *Deposit type, geological setting and style of mineralisation.* | • Shearing, quartz veining, silica-sericite-pyrite alteration within volcanic meta-sedimentary units |
| ***Drill hole Information*** | • *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*<br>○ *easting and northing of the drill hole collar*<br>○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>○ *dip and azimuth of the hole*<br>○ *down hole length and interception depth*<br>○ *hole length.*<br>• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.* | • Not applicable as no drilling was carried out in relation to this announcement |
| ***Data aggregation methods*** | • *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*<br>• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | • No averaged results calculated |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Relationship between mineralisation widths and intercept lengths*** | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').* | • Not applicable as no drilling was carried out in relation to this announcement |
| ***Diagrams*** | • *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.* | • Appropriate summary diagrams are accompanying this table |
| ***Balanced reporting*** | • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | • Refer to text, references to previous announcements & figures |
| ***Other substantive exploration data*** | • *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.* | • Regional geology and magnetics (from Senegalese Department of Mines and Geology), soil anomalism from regional and previous detailed grids and previous RAB and RC drilling have assist with the planning of second phase of soil sampling |
| ***Further work*** | • *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | • Next stage of exploration work will consist in shallow drilling to test the continuity at depth and additional RAB or aircore drilling along strike to test lateral extensions. |