

EMP Approval for Drilling Along T3 Dome

MOD Resources Ltd (ASX: MOD) today announced that the Department of Environmental Affairs (DEA) has approved the Environmental Management Plan (EMP) for a substantial drilling campaign to test numerous high priority targets in the district scale T3 Dome. The EMP is subject to a four week public review period with drilling targeted to commence in May 2018.

T3 Dome forms part of a joint venture with AIM-listed Metal Tiger Plc (30%) within an extensive holding of licences operated by in-country subsidiary, Tshukudu Metals Botswana (Pty) Ltd (Tshukudu) in the central and western parts of the Kalahari Copper Belt in Botswana.

The T3 Dome EMP will increase the area available for drilling to approximately 680km² within the T3 Dome. Drilling is planned to commence with four drill rigs, in addition to underground resource extension drilling programs in progress below T1 (two drill rigs), and T3 (three drill rigs).

In particular, the Company looks forward to testing previously undrilled Airborne EM anomalies along a >50km long section of the T3 Dome. These include large formational conductors and numerous discrete conductors. Ten high priority targets have been identified for the initial drilling phase (Figure 1 – circled in white).

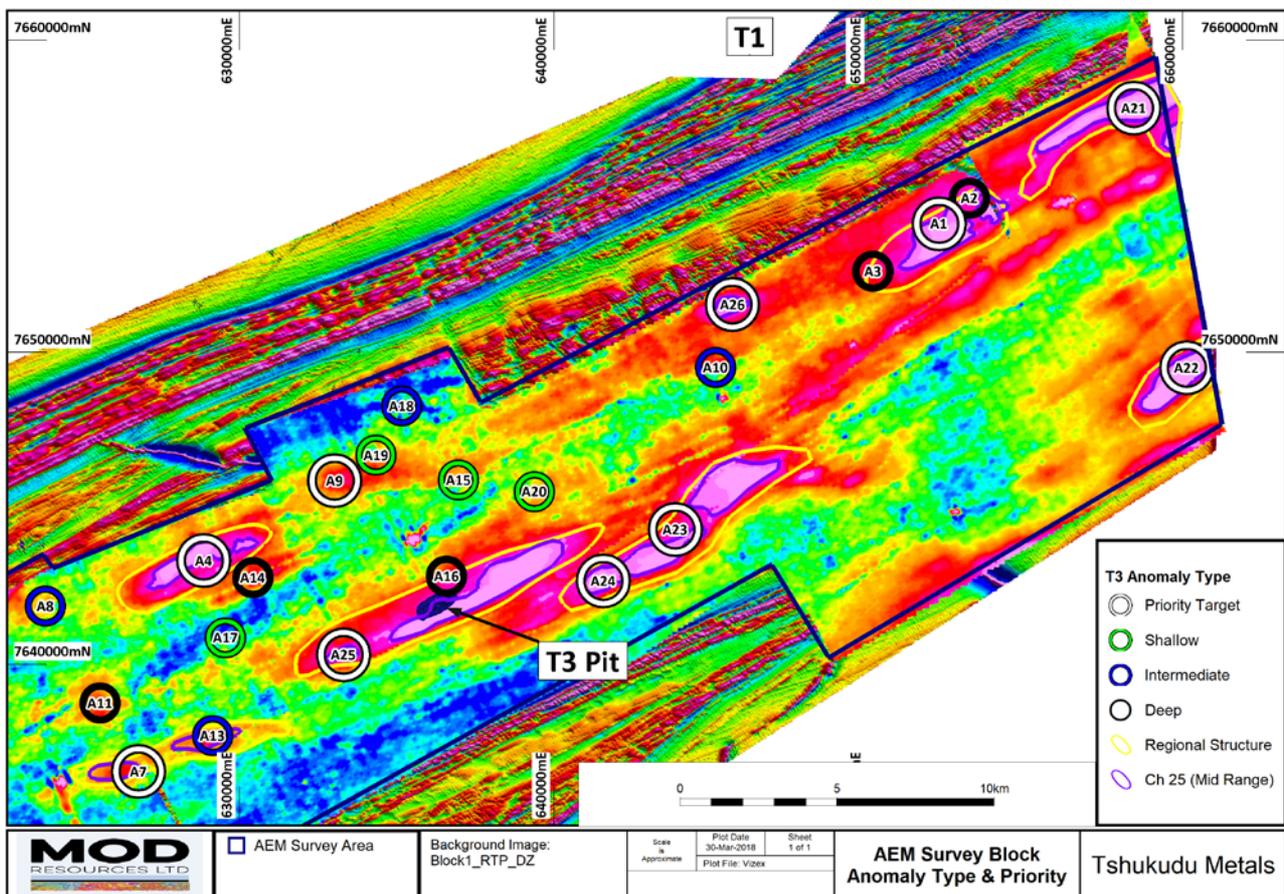


Figure 1: Airborne EM image of central part of T3 Dome showing formational conductors interpreted to occur from near surface to ~500m depth (yellow outlines) and 10 high priority drilling targets (white circles)

T3 Dome is interpreted from geophysical data to be dominated by shallow thrust related domal structures, including the 11km long T-Rex Dome centred around the T3 Pit resource. Re-interpretation of the original T3 Dome EM data (announced 21 July 2017) with data from the recent extension to the EM survey is ongoing. This has defined in some detail, the 3D geometry of the interpreted T3 host sequence to approximately 500m below surface. This is seen as a possible break-through in understanding the structure of the T3 Dome and may be key to finding more high-grade vein deposits.

MOD is committed to working collaboratively with Botswana Government departments. As announced on 26 March 2018, Tshukudu management met with senior officials in Gaborone last week to discuss the potential development of T3 and the increased local employment and training opportunities this should provide. Feedback was extremely positive on the achievements of Tshukudu to date and the upcoming extensive regional drilling program.

-ENDS-

For and on behalf of the Board.

Julian Hanna
Managing Director

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About MOD Resources

MOD Resources Ltd (ASX: MOD) is an Australian-listed copper company actively exploring in the Kalahari Copper Belt, Botswana. MOD owns 70% of a UK incorporated joint venture company, Metal Capital Limited with AIM-listed Metal Tiger Plc (30%).

Metal Capital's wholly owned subsidiary, Tshukudu Metals Botswana (Pty) Ltd (Tshukudu) is the Botswana operating company which owns the T3 copper/silver deposit where a discovery RC drill hole intersected 52m @ 2.0% Cu and 32g/t Ag from shallow depth in March 2016.

MOD announced a substantial maiden copper/silver resource at T3 on 26 September 2016. Total cost of discovery of T3 and delineation of the maiden resource was an exceptionally low US\$1.7 million, equivalent to only US 0.22 cents/lb copper contained within the resource.

On 6 December 2016, MOD announced results of its scoping study for an open pit mine at T3. MOD announced an updated resource of 36Mt at 1.14% Cu containing 409kt copper on 24 August 2017.

Results of a pre-feasibility study for a very robust long life open pit mining and processing operation were announced on 31 January 2018. MOD has commenced the T3 Pit Feasibility Study and aims to conduct a substantial drilling program exploring for satellite deposits at numerous other high priority targets along the T3 Dome, T20 Dome and across the Company's wider regional holdings.

Competent Person's Statement

The information in this announcement that relates to Geological Data and Exploration Results at the Botswana Copper/Silver Project is reviewed and approved by Jacques Janse van Rensburg, BSc (Hons), Business Development Manager for MOD Resources Ltd. He is registered as a Professional Natural Scientist with the South African Council for Natural Scientific Professions (SACNASP) No. 400101/05 and has reviewed the technical information in this report. Mr Janse van Rensburg has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and the activity, which it is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Mr Janse van Rensburg consents to the inclusion in this announcement of the matters based on information in the form and context in which it appears.

No New Information

To the extent that this announcement contains references to prior exploration results and Mineral Resource estimates, which have been cross referenced to previous market announcements made by the Company, unless explicitly stated, no new information is contained. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Exploration Targets and Results

This announcement refers to Exploration Targets as defined under Sections 18 and 19 of the 2012 JORC Code. The Exploration Targets quantity and quality referred to in this announcement are conceptual in nature. There has been insufficient exploration at Exploration Targets mentioned in this announcement to define a Mineral Resource and it is uncertain if further exploration will result in the Exploration Targets being delineated as a Mineral Resource. This announcement includes several drill hole intersections, which have been announced by MOD Resources Limited previously.

Forward Looking Statements and Disclaimers

This announcement includes forward-looking statements that are only predictions and are subject to risks, uncertainties and assumptions, which are outside the control of MOD Resources Limited.

Examples of forward looking statements included in this announcement are: 'The EMP is subject to a four week public review period with drilling targeted to commence in May 2018.' and 'The T3 Dome EMP will increase the area available for drilling to approximately 680km² within the T3 Dome. Drilling is planned to commence with four drill rigs, in addition to underground resource extension drilling programs in progress below T1 (two drill rigs), and T3 (three drill rigs).' and 'In particular, the Company looks forward to testing previously undrilled Airborne EM anomalies along a >50km long section of the T3 Dome. These include large formational conductors and numerous discrete conductors. Ten high priority targets have been identified for the initial drilling phase.' and 'Re-interpretation of the original T3 Dome EM data (announced 21 July 2017) with data from the recent extension to the EM survey is ongoing. This has defined in some detail, the 3D geometry of the interpreted T3 host sequence to approximately 500m below surface. This is seen as a possible break-through in understanding the structure of the T3 Dome and may be key to finding more high-grade vein deposits.'

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