

Proposed Share Consolidation for MOD

MOD Resources Limited (ASX: MOD) today announced it has recommended to shareholders a consolidation of the Company's issued capital on the basis of one (1) new share for every ten (10) shares currently on issue.

The Board believes the proposed consolidation is an important step towards achieving MOD's aim to become a substantial copper producer, initially at T3 Pit where a decision to mine is expected in early 2019.

The proposed consolidation coincides with the expected commencement within days of MOD's most comprehensive drilling campaign to date, testing numerous compelling targets along the extensive T3 Dome complex, outside T3 Pit.

MOD is also awaiting environmental approval for a second drilling campaign to follow up previous significant copper intersections and test new targets along the northern part of the huge T20 Dome complex.

The recent capital raising has strengthened the Company's balance sheet enabling it to pursue aggressive exploration and resource drilling programs in a strong market environment for copper.

The proposed consolidation will also align the Company's capital structure with its peers and increase its appeal to international and institutional investors. A resolution to this effect will be put to shareholders at the Company's Annual General Meeting (AGM) on Wednesday 30 May 2018.

If shareholders approve the consolidation at the AGM, the issued capital in MOD will reduce from approximately 2.3 billion shares to approximately 230 million shares. As the consolidation applies equally to all the Company's security holders, individual holdings will be reduced in the same ratio. The value of individual holdings at the time of the consolidation will not change (subject only to the rounding of fractions).

MOD Resources' Chairman, Mr Mark Clements, said "The timing of the proposed consolidation aligns with our transition towards becoming a significant copper producer and coincides with a major drilling campaign to test numerous, compelling targets on our extensive holdings along the Kalahari copper belt."

The timetable for consolidation, if shareholders approve Resolution 9, is as follows:

30 April 2018	Share consolidation proposal announced to the market in Notice of Meeting for AGM
30 May 2018	Company notifies ASX if shareholders have approved the consolidation at AGM
31 May 2018	Last day for pre-consolidation trading
1 June 2018	Post-consolidation trading starts on a deferred settlement basis
4 June 2018	Last day for Company to register transfers on a pre-consolidation basis
5 June 2018	Dispatch of holding statements to security holders

Shareholders are encouraged to review the Explanatory Memorandum in the Notice of Meeting for the AGM, which was lodged with the ASX today.

-ENDS-

For and on behalf of the Board.

Julian Hanna
Managing Director

Mark Clements
Executive Chairman and Company Secretary

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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.

Actual values, results, interpretations or events may be materially different to those expressed or implied in this announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements in the announcement as they speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and ASX Listing Rules, MOD Resources Limited does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward-looking statement is based.

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