



**ASX:EAF**

14 June 2013

## **Drilling Commences at Mkuju South Project**

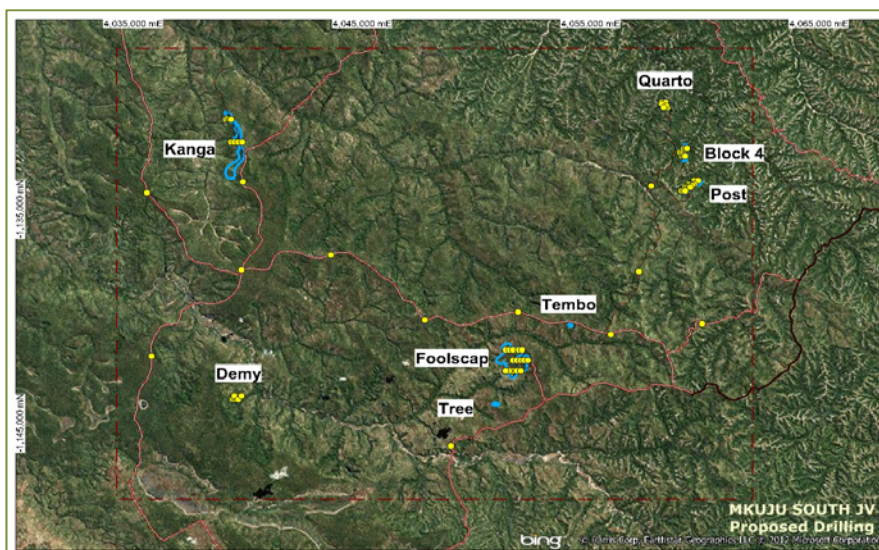
- **Drilling Commences at Mkuju South Project**
- **Additional Drill Rig Mobilising to the Project**

East Africa Resources Limited ("East Africa" or "Company") (ASX: EAF) is pleased to announce that the first drill rig for its drilling campaign at the Mkuju South project commenced drilling several days ago at the Foolscap anomaly. The field camp has been fully set up and the full geological team has mobilised to site.

In addition, a second drill rig from Wallis Drilling is currently being mobilised to site to increase the speed of the drilling program. Together the drill rigs will drill approximately 10,000m over the next two months.

The Mkuju South Project is located approximately 40 kms South West of the Mkuju River uranium deposit (32,750 t @ 439ppm  $U_3O_8$ ) in South Tanzania.

Drilling will target sedimentary type uranium deposits that usually form as tabular and roll-front bodies hosted by coarse sandstones. The drilling will focus on anomalies which were identified from airborne survey data and verified during a ground work program which was carried out in 2012. The main targets of the drilling are shown in Figure 1.



**Figure 1: Proposed Drill Locations**

The Mkuju South Project is the subject of a Joint Venture between the Company and Korea Resources Corporation ("KORES"). It covers the Mkuju South project which comprises two tenements in the southern part of the Mkuju Uranium Project totalling 550 km<sup>2</sup>. Under the terms of the agreement KORES has committed to a staged investment of US\$3.5 million to secure a 50% interest in the Mkuju South uranium project. The JV investment will comprise two major exploration programs at Mkuju South. This drilling program is part of Phase 1 of the JV in which US\$2m will be spent.

East Africa Resources Chief Executive Officer, Ms Katina Law said "We are very pleased to announce the commencement of drilling and the mobilisation of the second drill rig. The Company is extremely happy that the program at the Mkuju South Project will now be completed in a shorter time frame."

The Company will keep the market informed of drilling progress with initial results expected in July 2013.

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## Enquiries

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## Competent Person

*The information in this release, insofar as it relates to exploration results, is compiled under the supervision of Dr Joe Drake-Brockman. Dr Drake-Brockman is employed by Drake-Brockman Geoinfo Pty Limited. Dr Drake Brockman has sufficient experience which is relevant to the style of mineralisation and the 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 the Reporting of Exploration Results, Mineral Resources and Ore Reserves". His educational qualifications include; an Associateship in Applied Geology from WAIT (now Curtin University), a Diploma and PhD in Geology from University of Cologne (Germany) and a Graduate Diploma in Computer Studies (Murdoch University). He joined the AusIMM in 1972 as a student and has been a full Member since 2004 and a Fellow since 2013. He has worked in uranium exploration for 26 years. Dr Drake- Brockman consents to the inclusion in the reports of the matters based on his assessment of the available information in the form and context in which it appears.*

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## About East Africa Resources Ltd

East Africa Resources Ltd (EAF) has direct and joint venture interests in a portfolio of uranium exploration tenements in East Africa. The Company controls licences and applications in Tanzania that cover a total area of approximately 19,600 km<sup>2</sup> and include sandstone-hosted roll front type uranium targets within the highly prospective Karoo-age sediments of southern Tanzania (Mkuju, Mkuju South JV Project, Madaba Project and Hemedi Project) and palaeochannel associated calcrete hosted uranium targets within the Eastern Rift of Tanzania.

The Company has established an in-country exploration team in Tanzania and is implementing an aggressive exploration program, with a strong emphasis on the application of modern exploration technologies and targeted drilling, to evaluate the potential of its uranium exploration projects.

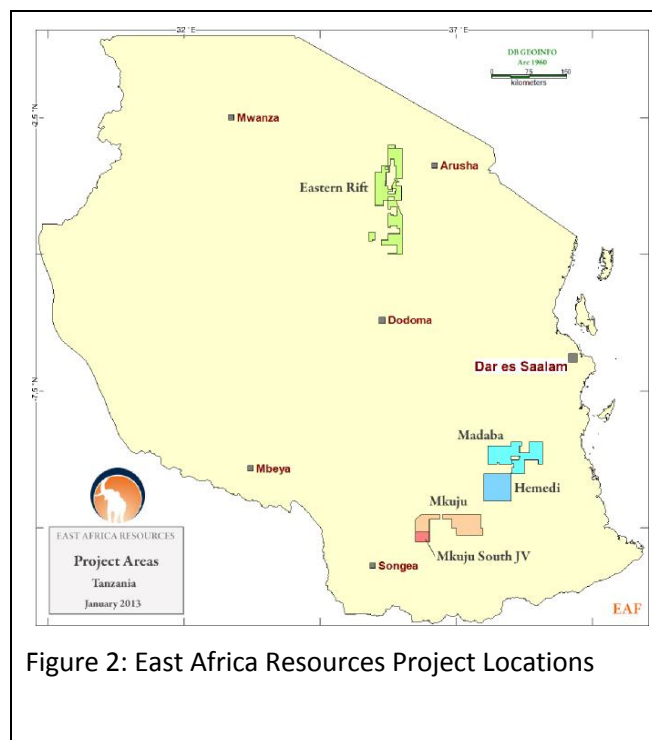


Figure 2: East Africa Resources Project Locations

The Mkuju project is made up of 19 tenements (granted, offered and applications) covering 4,340 km<sup>2</sup> in southern Tanzania and targets U-in-sandstone mineralization. The results of an airborne survey flown in 2011 include the 40 km long Octavo anomalous uranium zone which is along strike from Uranium One's Mkuju River deposit of 32,750 t contained U<sub>3</sub>O<sub>8</sub> at 439ppm. These tenements are located within the Selous Game reserve and exploration access is presently under negotiation.

The Mkuju South Joint Venture contains two tenements which are the subject of a joint venture with Korean Resources Corporation ("KORES"). Field work in 2011-12 following on from the 2011 airborne survey has located four surface uranium anomalies and a fully funded 10,000 m drilling program is underway.

The Madaba Project consists of 23 tenements covering 4,760 km<sup>2</sup> in the south-east of Tanzania. These tenements are highly prospective for U-in-sandstone mineralization. Work carried out between 1979-82 by Uranerzbergbau GmbH identified six anomalous uranium zones. Cumulatively a strike length of approximately 30 km has been identified as being anomalous. Best down-hole intercepts from the historical drilling were 4m @1082 ppm; 7m @ 693 ppm & 11.7m @ 400 ppm U<sub>3</sub>O<sub>8</sub>. Thirty holes from a total of 84 holes were mineralized (better than 1m at 165 ppm U<sub>3</sub>O<sub>8</sub>). The drilling included; diamond core drilling (10 holes), rotary mud (13) and rotary percussion (61). Note there has not been sufficient drilling to define a resource and that further exploration may not be successful. The project is in abeyance pending negotiations with the Tanzanian Government regarding exploration access to the Selous Game Reserve.

The Hemedi Project covers an area of 3050 km<sup>2</sup> which is largely outside the Selous Game Reserve and therefore available for exploration. The Company is currently considering options for exploring this project.