

North River Resources plc ('North River')
Heads of Agreement signed with Jacana Resources Ltd

North River Resources plc, the AIM listed southern African multi-commodity resource company, has signed a joint venture heads of agreement ('HoA') with southern Africa focussed minerals explorer Jacana Resources Ltd ('Jacana'), in relation to North River's Mavuzi licences which cover 54,580ha in the Tete province of Mozambique ('the Project'). The licences, which include the Castro and Inhatobui targets and the previously producing Mavusi and Castro uranium mines, are prospective for uranium and rare earth elements ('REEs').

Under the terms of the HoA, Jacana will fund an initial exploration programme, which will include at least 2,000m of drilling over a 12 month period on the Project, focussing in particular on untested drill targets and additional ground truthing of prospective areas. It is committed to spending no less than US\$400,000 on this initial programme and, on completion, will hold a 51% interest in the Project. A subsequent investment by Jacana of US\$1,500,000 will increase its interest to 70% and the funding of a bankable feasibility study ('BFS') will earn it an 80% interest in the Project.

North River maintains the option to fund pro-rata after the completion of the BFS stages, in order to retain a 20% interest in the Project. Should North River elect not to participate in funding the construction phase, its 20% interest in the Project will convert to a 1.75% net smelter royalty ('NSR').

North River Managing Director, David Steinepreis, said, "This agreement ensures that the Mavuzi licence, which contains a number of historic uranium workings, the significant Inhatobui radiometric target together with gold, base metal and rare earth prospectivity, will benefit from a rapid development schedule and investment from Jacana, adding value for all stakeholders as the Project advances up the development curve. Jacana, which has a growing presence in the resource arena in Africa, is the perfect partner to progress this project due to its strong management and operational team, and extensive experience in the uranium exploration sector. This agreement follows our recently announced JV with Baobab Resources plc to develop our Monte Muande licences, which are prospective for magnetite, phosphorus, uranium and gold, and ensures that our Mozambican portfolio is advanced alongside our Namibian assets.

"Our work programme continues apace on our highly prospective Namibian portfolio with drilling programmes and field work currently underway at our Namib lead/zinc project, the Ubib copper/gold project and our uranium interests through our JV with Extract Resources Limited. We also remain focussed on the appraisal of suitable acquisitions for the Company, by which to expand our growing multi-commodity portfolio of assets."

Jacana announcement:

Jacana Farms into North River's Mavuzi Project

Jacana Resources Ltd today announced that it had agreed with North River Resources Plc to farm into that company's Mavuzi project, in the Tete Province, Mozambique, with an agreed earn in of up to 80% upon completion of a bankable feasibility study.

The initial earn in of 51% over a period of 12 months involves the expenditure of a minimum of \$US 400,000.

Paul Kehoe, Jacana's Managing Director, said that "Mavuzi, in central Mozambique, is in a known mineralized uranium district, with various old mine workings. The only recent drilling has been around old mine locations, which revealed widespread uranium content of up to 4600ppm. In addition, there are widespread radiometric anomalies, most of which have never been drill tested, in addition to gold, base metal and rare earth prospectivity. We look forward to thoroughly testing the potential of this tenement."

Uranium

The Mavuzi tenements cover an area of known uranium mineralisation. Uranium mineralisation is shear zone hosted vein style davidite in gabbros and anorthosite. Uranium was mined at Mavuzi from 1950-1973. Production records indicate that 50 tonnes of uranium was extracted from 1947 to 1950. There are no known production records from 1950 to 1973. Mining ceased in 1973 due to the then Mozambique civil war and the execution of the mine manager. Empirical observations of the camp / administrative infrastructure (including air strip) suggests a relatively large operation.

The only modern drilling to date has been around the old mine area and immediate surrounds. Results include:

- Mavuzi Mine - 2m @ 3400 ppm U308, within 8m @ 1000 ppm U308 from 30m down hole with a maximum value of 4600 ppm U308.
- Airport - 2m @ 3400 ppm U308, within 8m @ 1000 ppm U308 from 30m down hole with a maximum value of 4600 ppm U308.
- Kaboazi Creek – 7m @ 300 ppm U308 from 31m down hole with highest values up to 1000 ppm



Mavuzi south mine adit

Course grained davidite (uranium mineral) from Mavuzi Mine (A & B) & Airport prospect (C)



Drilling has only covered one kilometre of a ten kilometre strike zone along the Mavuzi fault. There are known ground uranium occurrences at Castro and Inhatobui which remain to be tested. A scout traverse by Jacana with hand-held spectrometer over the region showed that other anomalous areas of radioactivity exist outside the known radiometric occurrences.

Base metals and gold

Historical reports record copper and molybdenum occurrences in the area. A rock containing approximately 20% (by volume) molybdenite was found by Jacana amongst the mine mullock at Mavuzi Mine. Gold has been recorded in the area and on a neighbouring tenement.

Rare earth elements (REE)

Allanite has been recorded in syenites several kilometres long and up to 800 metres wide in the Castro and Inhatobui areas. Allanite can contain up to 20% REE.

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****ENDS****

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Notes:

North River Resources plc is an AIM listed emerging southern African focussed multi commodity resource development company. Its current portfolio includes gold, base metal and uranium assets in Namibia; uranium, and base and precious metal interests in Mozambique. North River's strategy is to identify, acquire and develop a portfolio of resource opportunities in sub-Saharan Africa at various stages of development in order to create value for its shareholders. The Company has a highly experienced board and management of industry and corporate professionals, led by David Steinepreis and Luke Bryan.