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**North River Resources plc ('North River' or 'the Company')
Operations Update & Placing to Raise £3.0 million**

North River Resources plc, the AIM listed multi-commodity resource company, is pleased to announce a conditional placing to raise £3.0 million (after expenses) and to provide an operations update relating to its gold, uranium, copper and other base metals interests in Namibia and Mozambique.

Highlights

- Placing to raise £3.0 million (after expenses)
- Shares placed with new and existing shareholders at a price of 3 pence per share
- The proceeds will be used to accelerate the Company's development programme across its portfolio of assets in Namibia
- Underground drilling commenced at the previously producing Namib Lead and Zinc mine in Namibia - targeting extensions of ore shoots below historic mining level
- Drilling expected to commence imminently on the Witvlei and Dordabis copper projects in Namibia - metallurgical work to be undertaken
- Reconnaissance drilling to commence on the Kamkas project in Namibia, which is prospective for base, rare and precious metals
- Drill target identified on the Ubib gold project following reassessment of historic drilling data
- Baobab Resources plc ('Baobab Resources'), North River's joint venture partner, has identified a substantial iron ore and phosphate target on the Monte Muande - drilling to commence in Q2 2011

North River Managing Director David Steinepreis said, "This has been an extremely active period for the Company and we have made excellent progress in developing our Namibian portfolio. In particular, the potential of the Namib lead zinc project is increasing as we look to understand the extent of the main Junction ore body which, if the testing goes well, we intend to bring back into production. At our copper projects at Witvlei and Dordabis, where we already have defined in-house resources (non-JORC), we are evaluating the implementation of a Dense Media Separation process which would greatly improve the economic potential of the project.

"In addition, our gold, base metal and nuclear fuels interests continue to look promising, with a 2km long gold in soil anomaly being tested at Ubib, and a work programme due to commence in conjunction with our strategic partner Extract Resources to define nuclear fuels targets for follow-up drilling. This progress, in tandem with our joint venture with Baobab Resources, places us in a strong position to build value through resource development and I look forward to updating you with the results from work being conducted across the portfolio over the coming months, which I hope will enable more value to be attributed to the Company."

Placing

The Company has, conditional upon admission to AIM, raised £3.0 million (after expenses) by way of a placing of 105,000,000 new ordinary shares of 0.2 pence each ('Ordinary Shares') in the Company ('the Placing Shares'), with new and existing shareholders at a price of 3 pence per Placing Share ('the Placing Price') ('the Placing').

The Placing Shares will represent approximately 14.97% of the enlarged issued share capital. The Placing Shares will be fully paid and will rank *pari passu* in all respects with the Company's existing Ordinary Shares. Application has been made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM ('Admission'). It is expected that Admission will become effective and that dealings in the Placing Shares will commence at 8.00 a.m. on Tuesday 12 April 2011. The Company's issued ordinary share capital will consist of, in aggregate, 701,200,000 Ordinary Shares with voting rights. North River does not hold any Ordinary Shares in treasury and accordingly there are no voting rights in respect of any treasury shares.

The aforementioned figure of 701,200,000 Ordinary Shares may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, North River under the Financial Service Authority's Disclosure and Transparency Rules. Mr. David Steinepreis, Managing Director of North River, is subscribing for 3,300,000 Placing Shares at the Placing Price pursuant to the Placing and upon Admission will be interested in an aggregate 21,558,700 Ordinary Shares, representing approximately 3.07% of the Company's enlarged issued share capital.

Mr. Martin French, Non-executive Director of North River, is subscribing for 3,300,000 Placing Shares at the Placing Price pursuant to the Placing and upon Admission will be interested in an aggregate 13,300,000 Ordinary Shares, representing approximately 1.90% of the Company's enlarged issued share capital.

Namib Lead Zinc

2011 Drill Programme:

An underground diamond drilling programme has commenced at North River's 100% owned Namib Lead Zinc mine, which operated between 1965 and 1992 and produced both lead and zinc concentrates for export. The programme at the mine, located approximately 25km east of Swakopmund, follows rehabilitation works and an underground survey in 2010 and Q1 2011.

The Junction ore body was the main source of historical production and has not been subject to successful modern exploration due to its depth from surface and lack of survey information, something that the Company is now rectifying. Previous production records are unconfirmed but the grades are thought to be in the region of 2.5% Pb, 6.5% Zn and 68g/t Ag for the Junction ore body.

The current drilling is initially targeting extensions of two ore shoots. The drill rig has been set up at 6 level, approximately 200m underground, and the rig is targeting ore 100m below the current drill position. Fans of holes will be drilled to locate the ore at this level. Should this drilling prove to be successful, and following confirmation of the direction of the ore at 100m below 6 level, a second fan will be drilled targeting the ore 200m below the rig, at approximately 400m from surface.

The Company is also re-testing the density of the tailings which, if proved, will again contribute to the potential overall economics of the project.

Previous Work & Resources:

Drilling conducted by Kalahari Minerals plc ('Kalahari Minerals') in 2007 and 2008 (RC drilling 125 holes for 18,986m and diamond core 17 holes for 3,057m) focussed on the North and N20 ore bodies. A further programme by Kalahari Minerals drilled 178 RC holes for 1,450m into the surface tailings stockpile. These drill campaigns resulted in an in-house (non JORC) resource of 611,000 tonnes @ 2.27% lead ('Pb'), 6.45% zinc ('Zn') 42g/t silver ('Ag') and 31g/t indium ('In') for the North and N20 ore bodies from surface to 200m and a tailings resource of 400,000 tonnes @ 2.09% Zn, 0.26% Pb 7.6 g/t Ag and 9.3g/t In.

Geology:

The ore at the Namib Lead Zinc mine occurs as near vertical irregular shoots or columns. The shoots pinch and swell considerably and change direction with depth. Based on in-situ observations, the largest cross sections have been estimated at 30m by 5m although they can be larger where two shoots converge.

Host rocks to the mineralisation are composed of marbles and calc-silicate rocks belonging to the Karibib Formation of the Swakop Group within the Damara Supergroup. Mineralisation within the high grade shoots is composed primarily of galena, sphalerite, pyrrhotite and pyrite as massive to semi-massive bodies and coarse disseminations.

In general, the underground host rocks are very competent as evidenced by the fact no ground support was used during previous production. While there is some surface run-off standing in the lowest level, the mine has no inflows of ground water.

Witvlei and Dordabis

A drill rig is mobilising onto the Koperberg copper project in April 2011, following which it will move directly to Malachite Pan to commence a programme of deeper holes. All holes will be HQ diameter diamond core.

In-house (non JORC) resources, using a 0.5% cut-off grade, are currently estimated at Koperberg of 1.5Mt @ 1.04% copper ('Cu') for 15,500 tonnes contained copper, and at Malachite Pan of 4.9Mt @ 1.31% Cu for 64,000 tonnes contained copper.

On both projects the aim is to collect samples for metallurgical test work. At Koperberg, this will be restricted to the oxide zone only and will be completed using relatively short holes. At Malachite Pan, samples of both oxide and sulphide mineralisation will be collected for testing. Material from both deposits will be tested to confirm if heavy media separation will be the most suitable sorting mechanism prior to further processing by either flotation or leaching. If proven, this will greatly improve the potential economics of the project.

Ubib

Work to date on the Ubib Project has focussed on the gold prospectivity along major fault structures within the Basement Abbabis Metamorphic Complex, with a number of targets being assessed in the north-eastern part of the licence.

The main gold target occurs at Tsawichas, where a 2km long gold in soil anomaly was defined by previous regional soil sampling and limited mapping. Part of this anomaly was drilled in 2008 which returned best values of 2.25g/t over 2.25m drilled thickness at a depth of 68.75-71m.

Re-assessment of these previous results has led the Company to believe that the regional nature of previous work might have missed the real potential of the area to host a bulk mineable gold deposit. Accordingly a detailed ground magnetic survey was commissioned and completed during March 2011. Detailed infill soil sampling is now planned for April and May 2011, once the heavier than usual rains have ceased.

Preliminary ground magnetic data show a consistent correlation between magnetic lithologies and regional soil geochemistry anomalies which need to be better constrained prior to drilling.

The ground magnetic data in conjunction with the planned detailed soil sampling will allow drill targets to be defined and drilling is anticipated to commence in early in Q3 2011.

Kamkas

The Kamkas Project is targeting base and precious metals mineralisation in an area underlain by extensive Neoproterozoic Nama Group sediments. The targeting was based on anomalous base and precious metals (Cu, Zn, Pb Ag) values obtained from the drilling of a water borehole in the area in the last five years, the location of which falls on the boundary of a distinctive deep-seated magnetic feature, which occurs at the intersection of numerous regional structural lineaments.

Initial planning is to drill a vertical stratigraphic borehole to repeat the results of the water borehole and to determine the style of mineralisation giving rise to the anomalous metal concentrations obtained from the water borehole drill chips.

Following the identification of landowners, formal land access agreement is in the process of being negotiated which on conclusion should allow for drilling to commence in mid-April.

Hero

Exploration at the Hero Project, prospective for base and precious metals, is targeting extensions to the extensively mineralised Northern Marginal Zone and Northern Platform areas of the Damaran Belt in northern Namibia. The project lies to the east of known deposits at Tsumeb, Kombat, Berg Aukas and Khusib Springs, amongst others. Regional 200m line spacing airborne magnetic data indicates that numerous structures of the Damaran rock units continue under the Kalahari cover sequences and that the Kalahari sequences are not as thick as previously interpreted.

An airborne electromagnetic survey (VTEM system) was flown by the government of the Republic of Namibia in 2008 and the data is in the process of being acquired by the

Company. The VTEM survey covers approximately 40% of the project area and will be used to target areas for future ground geophysical surveys prior to drill testing.

Strategic Partnership with Extract Resources Limited ('Extract')

Work to date has involved regional interpretation of data acquired by Extract and a reconnaissance field visit to assess the area for future ground geophysical surveys by mapping out areas of outcrop and overburden. Access to the licence areas is good.

The main target is for secondary uranium mineralisation hosted within concealed calcretised palaeochannels, which drain known primary uranium bearing lithologies in the area.

The reconnaissance visit highlighted a number of historical pits, a number of which show evidence of secondary uranium mineralisation in the exposed spoil and percussion drill hole collars. Results for the historical exploration work are not known.

Horizontal loop electromagnetic ('HLEM') surveys are planned for April and May 2011 along a series of widely spaced traverses in priority areas interpreted to have thicker overburden. The HLEM work aims to define whether any palaeochannels are developed which might have the potential to host secondary uranium mineralisation of the Langer Heinrich style.

If successful in highlighting palaeochannels, in-fill HLEM traverses are planned to better constrain the channels which will then be drill-tested immediately for any signs of secondary uranium mineralisation. Drilling is anticipated to commence in early Q3 2011.

Further details relating to North River's agreement with Extract are set out in the announcements released on 21 September 2010 and 1 April 2011.

Joint Venture with Baobab Resources

Baobab Resources has continued to advance development of the Monte Muande project in the Tete province of Mozambique, which is prospective for magnetite/phosphorus, base and precious metals.

An iron and phosphate exploration target of 200mt-250mt has been published, which demonstrates the significant potential of the project, and the shallow depth of the current modelling suggests that further mineralisation may be delineated following deeper drilling programmes. A drilling campaign, which will be led and fully funded by Baobab Resources, is expected to commence in Q2 2011. This will focus on defining the deeper geology of the Monte Muande project in addition to the evaluation of further

eluvial deposits within the southwest extension area, which may also be a potential source of direct shipping ore material.

Further details relating to the agreement between North River and Baobab Resources are set out in the announcement dated 15 November 2010.

****ENDS****

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Notes:

North River Resources plc is an AIM listed emerging 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.

This information is provided by RNS
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