

Company	North River Resources Plc
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**North River Resources plc ('North River' or 'the Company')
Completes Acquisition of Namibian Gold and Base Metal Assets
& Strengthens Board**

North River Resources plc, the AIM listed southern African multi commodity resource company, held an Extraordinary General Meeting today at which all resolutions regarding the acquisition of Kalahari Minerals Plc's ('Kalahari') gold and base metal assets in Namibia ('the Namibian Assets') were duly passed. The agreement between North River and Kalahari has been structured for the purpose of rapidly developing the Namibian Assets which are prospective for gold, copper, lead and zinc, with the operational and financial support of Kalahari as North River's major shareholder with a 44.9 per cent. interest in the Company.

Overview

- Acquired a portfolio of well developed base metal and gold assets in Namibia which the Company intends to develop in tandem with Kalahari
- Transaction marks the next stage in North River's development of becoming a southern African focussed multi commodity resource company
- Completion of a placing in conjunction with the acquisition of the Namibian Assets - requirement to raise £5 million however healthy demand resulted in North River raising £7 million
- Kalahari Directors Mark Hohnen and Professor Glyn Tonge appointed to the Board of North River as Chairman and Non-executive Director respectively to strengthen alliance between the companies
- The Company's existing corporate and technical team to be strengthened by the addition of Kalahari's established development team in Namibia positioning North River for rapid growth
- Defined development plan in place to generate cash flow in the medium term from the Company's key assets - heap leach copper projects and the Namib lead/zinc project

- Submitted an indicative bid on a significant gold deposit in Namibia with support of Kalahari - bid results are expected in January 2010

North River's Managing Director, David Steinepreis, said, "This is a milestone agreement for North River, and one that will transform the Company into a multi-commodity resource company with a focus in sub-Saharan Africa. Of additional importance is the financial, corporate and operational support that we will benefit from moving forward through our close working relationship with Kalahari, our major shareholder, in addition to the invaluable experience of Mark and Glyn through their appointment to our Board.

"I believe that this agreement with Kalahari has already resulted in us achieving a significantly leveraged position in the mining sector in southern Africa; evidence of this can be seen in the indicative bid that we have already made on an additional gold deposit in Namibia with the full support of Kalahari. I believe that this position will be further strengthened as we develop our key projects from the exciting portfolio of gold and base metal assets acquired through this agreement towards production in the medium term."

Kalahari and North River Chairman, Mark Hohnen, said, "This agreement has paved the way for the next phase of development at our gold and base metal assets, following the extensive exploration programme completed by Kalahari between 2006 to 2008 totalling circa £8 million of investment. The pool of expertise and corporate support amassed through the two companies' relationship through this agreement has created a strong platform which is now capable of fast tracking our key assets forwards towards production to the benefit of North River and Kalahari shareholders alike."

The transaction with Kalahari was conditional on, *inter alia*, the successful completion of a fundraising by the Company of not less than £5 million via an equity placing, however due to strong institutional interest, the monies raised totalled £7 million, as announced on 29 October 2009.

Following the completion of the transaction, Kalahari has been issued 266,666,667 ordinary shares of 0.2 pence each ('the Consideration Shares') in North River representing 44.9 per cent. of its issued share capital, in return for the entire issued share capital of West Africa Gold Exploration (Namibia) (Proprietary) Limited ('WAGE') and Craton Diamonds (Proprietary) Limited ('Craton') which hold the gold and base metal assets. The Consideration Shares will, when issued, rank *pari passu* in all respects with the existing issued shares of North River, including the right to receive any dividends and other distributions declared following Admission.

To facilitate and promote cooperation between the two companies, Mark Hohnen, Executive Chairman of Kalahari, and Professor Glyn Tonge, Non-executive Director of Kalahari, have joined the board of directors of North River as Chairman and Non-executive Director

respectively. Kalahari, through its shareholding and representation intends to fully support and guide North River through its development of the gold and base metal assets.

The Company's primary focus for the assets involved in this transaction will be the appraisal of its key copper assets for rapid development. The principal targets are the Koperberg Project, which has a current JORC Inferred Resource of 1.74Mt grading 0.9% copper ('Cu'), representing 17,000 tonnes in-situ metal, and its RK and RK West Projects, which have a non-JORC resource of 550Kt at 1.25% using 0.5% cut-off, representing 6,875 tonnes of Cu in-situ metal and a non JORC resource of 770Kt at 0.9% using 0.5% cut-off, representing 6,930 tonnes Cu in-situ metal, respectively. This development will be focused on the appraisal of these heap leach copper projects with a view to production as soon as practicable.

In addition to the heap leach copper targets, the Namib Lead-Zinc Project has also been identified as a priority for development. The project is centred on the historically producing Namib Lead Mine, 25km east-north-east of Swakopmund, and is situated close to excellent supporting infrastructure. The mine was operational between 1965-92 and North River and Kalahari intend to jointly initiate an aggressive exploration programme targeting an initial 1m tonnes below the existing mined areas.

Previous non-JORC mine studies at the Namib Lead-Zinc Project indicate surface tailings and in-situ underground reserves of: 1.65mt at 5.7% Zn, 1.6% Pb, 40.2 g/t Ag. Preliminary metallurgical test work was undertaken by Kalahari in 2008, which yielded favourable results indicating good separation of Pb and Zn with high recoveries and concentrate grades. Reverse circulation drilling results generated by Kalahari (15,929m sub-surface and 1,450m on a tailings dump) confirmed historical grade intercepts.

Application has been made for the enlarged share capital to be admitted to trading on AIM ('Admission') and it is expected that Admission will occur on 23 November 2009. Following Admission, the Company total issued share capital will be 594,000,000 ordinary shares of 0.2 pence each.

On Admission, Ambrian Partners Limited and Ocean Equities Limited will be appointed as joint brokers to the Company.

Mr. Mark Ainsworth Hohnen, aged 59, is or has been a director of the following companies during the previous five years:

Current Directorships:

Australian Insurance Exchange Ltd
Cedarvale Investment Pty Ltd
Craton Diamonds (Proprietary) Ltd

Directorships held within the previous five years:

None

Fernan Pty Ltd
GASS Pty Ltd
Gnarabup Beach Pty Ltd
GinGin Land Co Ltd
Halsbrook Holdings Pty Ltd
Hisco Pty Ltd
Hohnen Investments Pty Ltd
Kalahari Copper Limited
Kalahari Diamonds Limited
Kalahari Gold Limited
Kalahari Minerals plc
Kumla Pty Ltd
Lasata Pty Ltd
Leadlight Pty Ltd
Melbourne Management (WA) Pty Ltd
Milligan St Nominees Pty Ltd
Myola Holdings Pty Ltd
Oakhampton Pty Ltd
Premium Olive Marketing Pty Ltd
Premium Olive Managers Ltd
Premium Olive Processing Pty Ltd
The Melbourne Hotel (WA) Pty Ltd
The Vines (WA) Pty Ltd
Vynben Pty Ltd
Wellbrook Enterprises Pty Ltd
West Africa Gold Exploration (Namibia)
(Proprietary) Limited

Prof. Glyn Michael Tonge, aged 62, is or has been a director of the following companies during the previous five years:

Current Directorships:

Southampton Solent University Limited
Jaguar Resources Limited
Whitefriars Hawley Pty Ltd
Bluewater Capital Partners Pty Ltd
Kalahari Minerals plc
Kalahari Uranium Ltd
Kalahari Gold Ltd
Kalahari Diamond Ltd
Royal

Directorships held within the previous five years:

Inhoco 2387 Limited
Laxdale Ltd
Ecare International Limited
VRI Biomedical Pty Ltd
Flying Scotsman Railways Limited
Site Intelligence Ltd
FWPS Group Limited
Penn T Limited
Penn Pharmaceutical Services Limited

National Mission for Deep Sea Fisherman

Penn Pharmaceutical Limited
Penn Pharmaceutical Holdings Limited
Dabur Oncology Limited
Amarin Neuroscience Limited
Celgene UK Manufacturing (II) Limited
Square PI Limited
Vida Capital Partners Limited
MNL Pharmaceuticals Limited
Enkephala Limited
Southampton Institute Limited
Ivory & Tonge Pty Ltd
Vida Capital LLP
Cell Aquaculture Ltd
MT Trio Ltd

There are no other matters which are required to be announced with regard to this appointment under paragraph (g) of Schedule 2 of the AIM Rules.

**** ENDS ****

For further information please visit www.northriverresources.com or contact:

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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 and base

metal assets in Namibia; uranium, copper and gold assets in Mozambique; and a historic early stage exploration project in Australia. 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
The company news service from the London Stock Exchange

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