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**BAOBAB**  
RESOURCES

**MUNDONGUARA PROJECT – RESULTS FROM STAGE 1  
DRILLING & CHANNEL SAMPLING CAMPAIGN  
20 June 2008**

Baobab Resources plc (AIM:BAO) ('Baobab' or 'the Company'), a Mozambique focused mineral exploration company is pleased to announce the completion of Stage 1 surface RC drilling, underground diamond drilling and underground channel sampling at the de-commissioned Mundonguara copper/gold/silver mine.

**Synopsis**

- Over the last 12 months the Company has completed 3596m of underground diamond drilling, 1748m of surface reverse circulation (RC) drilling and 1838m of underground channel sampling at the Mundonguara mine. All analytical results have been returned.
- Underground drilling has shown down plunge continuity of ore shoots below the existing development.
- An RC drilling programme was designed in part to test the oxide potential and remnant sulphide ore zones above and within the upper limits of the mine. A number of critical holes did not reach the target depth on two of the five traverses drilled and further drilling is required. However a broad zone of mineralisation was intersected at the western limit of the mine, presenting a potential open pit target.
- Channel sampling on the 4, 6, 8 and 9½ Levels, designed to gauge the tenor of previously exploited ore zones, has returned numerous significant intercepts and has been instrumental in developing the Company's understanding of the mine geology and styles of mineralisation.
- Preliminary resource calculation commissioned with results due in July / August 2008.
- Strike extensions of the mine have experienced little or no attention in the past. The Company's exploration initiatives (in particular RC drilling, trenching and soil geochemistry) have built this >3km long zone into a highly prospective Brownfields project that needs to be assessed as part of the greater Mundonguara system.
- The Company intends to launch an aggressive pre-feasibility drilling campaign as soon as practicable, comprehensively testing both the mine at depth and its along strike continuations.

**Commenting today, Brett Townsend, the Company's acting Managing Director, stated:**

"The results to date from the Mundonguara project warrant the commissioning of a preliminary resource estimate which we look forward to receiving in the coming months.

"Our current geological model lends itself to a large underpinning source feeding the mineralised system observed in the mine and the Company will commence planning a systematic deeper diamond and RC drilling campaign to test the model beneath the mine itself and long the strike extensions.

"We are very encouraged with the progress made over the last 12 months and look forward to announcing further positive results as the project moves forward."

### **Selected Significant Intercepts**

Presented below are selected significant intercepts of copper (Cu), gold (Au) and silver (Ag) calculated from the analytical results of the drilling and channel sampling. A complete register of intercepts along with sampling protocols and geological commentaries are detailed in ensuing sections of this announcement.

#### ***Diamond Drilling***

- **MUD007:** 3m @ 6.1% Cu, 0.42g/t Au and 12.76g/t Ag from 102m.
- **MUD009:** 3m @ 2.9% Cu and 3.00g/t Ag from 180m.
- **MUD011:** 3m @ 3.9% Cu and 4.24g/t Ag from 65m and 1.71m @ 2.4% Cu, 1.17g/t Au and 4.29g/t Ag from 77.29m.
- **MUD016:** 5m @ 1.8% Cu and 4.00g/t Ag from 70m and 1.25m @ 5.7% Cu and 14.00g/t Ag from 78m.
- **MUD021:** 11m @ 0.9% Cu from 27m.
- **MUD023:** 1m @ 3.8% Cu and 7.00g/t Ag from 54m.
- **MUD027:** 1m @ 11.5% Cu, 0.44g/t Au and 5.77g/t Ag from 44m.
- **MUD030:** 1m @ 3.33g/t Au from 151m.

#### ***RC Drilling***

- **MRC011:** 3m @ 1.2% Cu from 88m.
- **MRC027:** 29m @ 1.5% Cu, 0.17g/t Au and 1.97g/t Ag from 16m.

#### ***Channel Sampling (6 Level only)***

- **MCH055:** 3m @ 4.1% Cu and 4.14g/t Ag.
- **MCH057:** 3m @ 8.7% Cu, 0.27g/t Au and 7.55g/t Ag.
- **MCH060:** 6m @ 2.0% Cu and 1.96g/t Ag.
- **MCH061:** 12m @ 2.2% Cu and 2.83g/t Ag.
- **MCH062:** 2m @ 1.6% Cu, 1.12g/t Au and 4.00g/t Ag.
- **MCH064:** 3m @ 2.7% Cu, 1.07g/t Au and 2.45g/t Ag.
- **MCH067:** 2m @ 4.5% Cu, 0.51g/t Au and 3.86g/t Ag.
- **MCH068:** 3m @ 4.8% Cu, 0.25g/t Au and 4.12g/t Ag.
- **MCH071:** 3m @ 6.0% Cu, 0.29g/t Au and 7.67g/t Ag.

### **Project Overview**

The Mundonguara mine has been intermittently exploited for copper, gold and silver from the turn of the 20<sup>th</sup> century until its closure in 1989 due to complications arising from a protracted civil war. In the mine's final phase, underground development extended to depths of +200m below surface over a strike length of approximately 1km.

The mine was accessed via the 4 and 8 Level portals. The intervening levels were accessed via the internal Edmundian shaft, located towards the western end of the mine. Development below the 8 Level is restricted to the eastern portion of the mine where zones have been exploited to the 10 Level via the Manica shaft. The Company has refurbished the 8 Level, giving access the entire length of the mine, as well as the 4, 6 and 9½ Levels.

The mine is within 2km and 5km of the international railway and highway respectively, linking the project with the port of Beira. The power lines from the Cahora Bassa hydroelectric power scheme pass within 40km of the mine.

### **Geology & Mineralisation of the Mundonguara System**

The mine is located on the contact between komatiite and basalt lithologies of the Odzi-Mutari Greenstone Belt. This contact has been the focus of prolonged tectonic activity, structurally preparing an east-west corridor for a subsequent late Archaean diorite intrusive event and hydrothermal activity.

Three distinct domains of mineralisation have been identified:

- *Diorite hosted primary copper mineralisation:* Mineralisation occurs as intense disseminations chalcopyrite and pyrrhotite up to 12m wide.
- *Massive sulphide vein secondary mineralisation:* Shear hosted massive sulphide lodes pinch and swell up to 1.5m wide within the ductile komatiite lithologies.
- *Stockwork style secondary mineralisation:* Discrete sulphide veinlets in broad tectonic breccia zones within the more competent rock units.

The secondary styles of mineralisation vary in composition from copper only to poly-metallic (copper ± cobalt, gold, silver and nickel). The source of the secondary mineralisation is currently open to conjecture. However the current understanding is that it is derived either from the late stage volatile phases of the intrusive event associated with the primary mineralisation or represents a hydrothermal remobilisation. In either scenario, there appears to be a significant volumetric discrepancy between the secondary mineralisation and the relatively small amount of primary mineralisation observed in the mine, leading to speculation that the diorite intrusives may represent apophyses of a larger underpinning mineralised source at depth.

The strike potential to the west and east of the mine is robust and has received little attention in the past. The Seymour Prospect lies approximately 1km along strike to the west of the mine and is intruded by a deeply weathered and altered felsic body hosting both disseminated and stockwork style copper and gold mineralisation. The dimensions of the intrusive body have not been constrained. The historic Seymour workings themselves appear to have been sunk on a massive sulphide vein immediately south of the intrusive. Additional mineralised intrusives have been identified 500m further to west again of the Seymour Prospect.

During 2007 the Company completed surface trenching and RC drilling at the Seymour prospect. Over the intrusive, trenching returned intersections of up to 20m grading 3.7% copper and 0.82 g/t gold from MTR001. These grades were confirmed by the RC drilling which returned best intercepts of 17m grading 2.1% copper from 13m in MRC032 and 3m grading 9.59 g/t gold from 103m in MRC031. For further details on the Company's exploration successes in the Seymour area, please refer to previous AIM releases (22 October 2007, 10 December 2007 and 18 March 2008).

The western continuation of the mine sequence has been fault off-set approximately 2.5km to the northeast. Recent MMI soil geochemical sampling in this area has identified copper anomalies of a similar tenor as those overlying the mine, indicating that mineralisation may well persist in this area.

### **Work Completed**

Over the last 12 months the Company has completed 3596m of underground diamond drilling, 1748m of surface reverse circulation (RC) drilling and 1838m of underground channel sampling at the Mundonguara mine. All analytical results have been returned.

### ***Underground Diamond Drilling***

Underground diamond drilling was designed to test the down plunge continuity of the main ore shoots below the previously exploited zones. A total of 30 holes were drilled from locations along the 8 Level drive and crosscuts for an aggregate total of 3596m.

For the most part, drilling successfully intersected the projected extensions of mineralisation at depths of up to 150m below the 8 Level. Significant intercepts include:

- MUD016, targeting a massive sulphide vein west of the Edmundian Shaft, returned 5m @ 1.8% Cu and 4.00g/t Ag from 70m and 1.25m @ 5.7% Cu and 14.00g/t Ag from 78m.

- Drilling of Blocks 16N and 17, located within the central portion of the mine and hosting a mix of secondary styles of mineralisation, returned the following intercepts:
  - MUD011: 3m @ 3.9% Cu and 4.24g/t Ag from 65m and 1.71m @ 2.4% Cu, 1.17g/t Au and 4.29g/t Ag from 77.29m.
  - MUD027: 1m @ 11.5% Cu, 0.44g/t Au and 5.77g/t Ag from 44m.
- MUD009, targeting a massive sulphide vein at Block 13, returned 3m @ 2.9% Cu and 3.00g/t Ag from 180m.
- MUD007, targeting a massive sulphide vein at Block 11, returned 3m @ 6.1% Cu, 0.42g/t Au and 12.76g/t Ag from 102m.
- MUD021, targeting disseminated primary mineralisation immediately east of the Manica shaft, returned an oblique intercept of 11m @ 0.9% Cu from 27m.
- MUD023 and MUD030, targeting shear hosted mineralisation observed on the 9½ Level, returned 1m @ 3.8% Cu and 7.00g/t Ag from 54m and 1m @ 3.33g/t Au from 151m respectively.

Sampling and quality control protocols along with a complete inventory of significant intercepts are provided below.

#### **Surface RC Drilling**

The reverse circulation (RC) drilling discussed below was designed to test the near surface copper and gold oxide mineralisation above the Mundonguara mine, over a strike length of 1.2km. The previously untested oxide zone, which is up to 20m deep, has potential to host resources amenable to open-cast mining and heap-leach metal extraction. The drilling also tested the tenor and extent of remnant copper and gold sulphide haloes flanking the historically exploited ore shoots above the 4, 6, 8 and 9½ Levels.

The programme consisted of 21 angled holes, drilled at 50m centres along five traverses spaced approximately 170m apart for a total of 1748m. A number of critical holes did not reach the target depth on two of the traverses and further drilling is required to fully assess this portion of the mine.

Drill holes from two of the three successfully drilled traverses returned the following significant intercepts:

- MRC027, collared on the western-most traverse and intersecting ground immediately west of the Edmundian Shaft, returned a broad intercept of 29m @ 1.5% Cu, 0.17g/t Au and 1.97g/t Ag from 16m.
- MRC011, targeting ground immediately west of the Manica Shaft (9 and 10 Blocks), intersected 3m @ 1.2% Cu from 88m before entering a void and terminating.

Sampling and quality control protocols along with a complete inventory of significant intercepts are provided below.

#### **Underground Channel Sampling**

Channel sampling was designed on the 4, 6, 8 and 9½ Level stopes and crosscuts to gauge the tenor of the previously mined ore zones and to test for low grade disseminated halos. The programme comprised 73 channels for an aggregate total of 1838m. The sampling has been instrumental in developing the Company's understanding of the mine geology and styles of mineralisation and will provide valuable input into the preliminary resource estimate.

All significant intercepts from sampling on the 4, 8 and 9½ Levels have been reported previously (*refer to announcements dated 11 July 2007, 31 July 2007, 28 August 2007 and 29 November 2007*). Some of the significant intercepts from the 6 Level include:

- MCH053: 1m @ 4.7% Cu and 5.64g/t Ag.

- MCH055: 3m @ 4.1% Cu and 4.14g/t Ag.
- MCH057: 3m @ 8.7% Cu, 0.27g/t Au and 7.55g/t Ag.
- MCH060: 6m @ 2.0% Cu and 1.96g/t Ag.
- MCH061: 12m @ 2.2% Cu and 2.83g/t Ag.
- MCH062: 2m @ 1.6% Cu, 1.12g/t Au and 4.00g/t Ag.
- MCH063: 10m @ 0.6% Cu.
- MCH064: 3m @ 2.7% Cu, 1.07g/t Au and 2.45g/t Ag.
- MCH067: 2m @ 4.5% Cu, 0.51g/t Au and 3.86g/t Ag.
- MCH068: 3m @ 4.8% Cu, 0.25g/t Au and 4.12g/t Ag.
- MCH071: 3m @ 6.0% Cu, 0.29g/t Au and 7.67g/t Ag.

Sampling and quality control protocols along with a complete inventory of significant intercepts are provided below.

## Forward Programme

### **Preliminary Resource Estimate Commissioned**

International consultancy, Coffey Mining Ltd, has been commissioned to review the recent exploration results and calculate a preliminary resource estimate. It is hoped that this resource estimate will extend from surface to approximately 200m below the 8 Level and include remnant ore blocks from within the exploited zones. Results should be available by July / August 2008.

### **IP Survey Contract Signed**

A contract has been signed with Australian based geophysical contractor, Search Exploration Services, to complete a detailed dipole-dipole induced polarity (IP) survey over the mine and its along strike continuations to the west and northeast. The results from the survey, coupled with the completed soil geochemistry, will assist in the precise targeting of future drilling.

### **Metallurgical Scoping Study**

Baobab has commissioned a scoping study from internationally recognised consultancy Mineral Engineering Technical Services (METS) to develop and price bench scale test work to examine the metallurgy of the ore and potential extraction methodologies for its constituents.

## Significant Intercepts

Tabulated below are the significant intercepts calculated for the diamond drilling, RC drilling and channel sampling. Please note that, due to the nature of the exploration techniques, the recorded widths do not necessarily reflect the 'true width' of the mineralised zones. Further geological modeling is required to accurately estimate these values.

### **Diamond Drilling significant intercepts**

Drill Hole ID	From (m)	To (m)	Interval Width	Cu (%)	Au (g/t)	Ag (g/t)	Collar Coordinates			Collar Survey		Total Depth
							East	North	RL	Dip	Azi	
MUD001	10	11	1	0.0	<b>0.97</b>	1.00	477795.7	7907038.6	953.5	-54.0	146.0	25.9
MUD001	22	24	2	<b>0.8</b>	<b>0.38</b>	2.50						
MUD003	6	7	1	<b>0.5</b>	<b>1.98</b>	4.00	477794.6	7907037.8	953.6	-46.8	198.4	42.3
MUD003	23	24	1	<b>0.5</b>	0.03	3.00						
MUD004	13	14	1	<b>0.8</b>	<b>0.29</b>	1.93	477672.7	7906939.9	955.7	-45.2	23.3	144.1
MUD005	8	10	2	<b>0.8</b>	<b>0.28</b>	1.48	477672.9	7906940.1	955.9	-35.4	23.0	124.4
MUD006	116	117.49	1.49	<b>1.1</b>	0.09	1.95	477672.8	7906937.7	955.9	-48.2	47.0	185.4
MUD006	121	122	1	0.0	<b>0.25</b>	0.01						
MUD006	130	131	1	0.0	<b>0.22</b>	0.02						
MUD006	157	158	1	<b>1.4</b>	0.19	2.31						
MUD007	102	105	3	<b>6.1</b>	<b>0.42</b>	<b>12.76</b>	477671.6	7906939.6	955.6	-50.8	349.9	157.8
MUD008	85	86	1	<b>1.0</b>	0.04	1.00	477556.5	7907045.2	956.3	-48.5	188.6	113.8
MUD009	114	116	2	<b>1.8</b>	0.17	4.50	477556.5	7907045.8	956.1	-67.2	192.4	203.3

MUD009	119	120	1	<b>0.7</b>	0.01	1.00							
MUD009	176	177	1	<b>1.3</b>	0.01	1.00							
MUD009	180	183	3	<b>2.9</b>	0.06	3.00							
MUD010	129	130	1	0.0	<b>0.33</b>	0.14	477354.3	7907050.2	957.8	-68.2	123.7	211.3	
MUD010	131	132	1	0.0	<b>0.20</b>	0.02							
MUD010	134	135	1	0.0	<b>0.51</b>	0.04							
MUD011	48	49	1	<b>0.9</b>	0.03	1.12	477354.7	7907050.0	958.1	-50.9	122.1	127.5	
MUD011	65	68	3	<b>3.9</b>	0.12	4.24							
MUD011	77.29	79	1.71	<b>2.4</b>	<b>1.17</b>	4.29							
MUD011	92	93	1	0.1	<b>1.73</b>	0.12							
MUD012	37	38	1	<b>0.9</b>	0.02	1.33	477353.2	7907049.6	957.8	-71.3	191.8	122.5	
MUD012	49	51	2	<b>0.7</b>	0.02	1.12							
MUD012	65	66	1	<b>0.7</b>	0.08	1.12							
MUD012	87	88	1	<b>0.7</b>	0.01	0.76							
MUD014	6	7	1	<b>0.7</b>	0.05	2.00	477009.6	7907100.7	959.6	-51.3	354.6	106.0	
MUD014	15	16	1	<b>1.0</b>	0.11	2.00							
MUD014	59	60	1	<b>0.9</b>	0.05	2.00							
MUD015	9	10	1	<b>1.0</b>	0.01	3.00	477009.6	7907100.1	959.5	-65.4	355.3	165.8	
MUD015	12	13	1	<b>0.7</b>	0.07	2.00							
MUD015	13	14	1	0.5	<b>0.49</b>	2.00							
MUD015	20	21	1	0.0	<b>0.24</b>	1.00							
MUD015	23	24	1	<b>1.3</b>	0.03	3.00							
MUD016	17	19	2	<b>0.8</b>	0.02	1.50	476842.9	7907154.8	960.1	-49.0	79.3	84.1	
MUD016*	70	79.25	9.25	<b>1.8</b>	0.03	4.49							
inc.	70	75	5	<b>1.8</b>	0.02	4.00							
and	78	79.25	1.25	<b>5.7</b>	0.07	<b>14.00</b>							
MUD017	5	6	1	<b>0.6</b>	0.02	1.00	476843.1	7907154.0	960.0	-44.7	111.6	64.2	
MUD017	28	29	1	<b>0.5</b>	0.04	1.00							
MUD017	40	41	1	<b>0.7</b>	0.04	2.00							
MUD018	10	11	1	<b>0.5</b>	0.05	0.36	477057.2	7907087.5	959.9	-21.1	16.1	81.0	
MUD021	15	16	1	<b>0.6</b>	0.05	1.00	477798.6	7906989.6	953.3	-69.8	88.1	64.8	
MUD021*	24	43	19	<b>0.7</b>	0.04	1.00							
inc.	27	38	11	<b>0.9</b>	0.06	1.00							
and	40	43	3	<b>0.5</b>	0.03	1.00							
MUD023*	53	58	5	<b>1.0</b>	0.06	3.80	477868.5	7906983.2	953.3	-38.0	38.2	107.0	
inc.	54	55	1	<b>3.8</b>	0.19	7.00							
MUD024	66	68	2	<b>0.9</b>	0.05	1.00	477868.1	7906982.9	953.1	-59.7	34.8	222.7	
MUD024	142	143	1	0.0	<b>0.38</b>	1.00							
MUD027	4	6	2	<b>1.6</b>	0.18	1.45	477257.8	7907044.5	959.1	-57.7	108.7	178.3	
MUD027	21	23	2	<b>0.9</b>	0.05	0.82							
MUD027	44	45	1	<b>11.5</b>	<b>0.44</b>	5.77							
MUD027	159	162	3	<b>0.5</b>	0.09	0.82							
MUD028	2	3	1	<b>0.5</b>	0.01	0.59	477247.6	7907046.9	958.9	-54.5	299.1	129.2	
MUD028	12	15	3	<b>0.5</b>	0.03	0.61							
MUD028	97	98	1	0.0	<b>0.54</b>	0.08							
MUD030	151	152	1	0.0	<b>3.33</b>	0.02	477976.5	7907119.8	951.5	-58.8	177.3	177.4	

Coordinate system WGS84 UTM zone 36S. All samples were analysed using an aqua regia digest method with an ICP – MS or ICP – OES finish and using the fire assay method for Au, Pd, and Pt with an ICP - MS finish. Mineralised intervals calculated on the basis of lower cut off of 0.5% for copper (Cu) and 0.2g/t for gold (Au). Copper (Cu), gold (Au) and silver (Ag) values are calculated as weighted averages over the reported interval. Maximum internal waste 1 metre.

\* Mineralised interval calculated on the basis of lower Copper (Cu) cut off of 0.2% with maximum internal waste of 2 metres.

### RC Drilling significant intercepts

Drill Hole ID	From (m)	To (m)	Interval Width	Cu (%)	Au (g/t)	Ag (g/t)	Collar Coordinates			Collar Survey		Total Depth	Comment
							East	North	RL	Dip	Azi		
MRC011	88	91	3	<b>1.2</b>	0.08	1.6	477725.4	7907047.0	1014.7	-60	158	91	End of hole
MRC013	51	52	1	<b>0.7</b>	0.09	2.69	477782.5	7906995.6	1015.6	-60	128	112	
MRC027*	16	45	29	<b>1.5</b>	0.17	1.97	476884.1	7907181.3	1211.8	-60	135	86	
inc.	17	19	2	<b>0.8</b>	0.01	0.06							
and	22	28	6	<b>0.8</b>	0.06	1.11							

	and	30	44	14	<b>2.6</b>	<b>0.33</b>	3.53						
MRC027		51	52	1	<b>2</b>	0.03	2.34						
MRC027		74	75	1	<b>1.8</b>	<b>0.58</b>	2.1						
MRC027		80	81	1	<b>0.8</b>	<b>0.49</b>	0.99						
MRC027		85	86	1	<b>0.7</b>	0.02	0.84						End of hole

Coordinate system WGS84 UTM zone 36S. All samples were analysed using an aqua regia digest method with an ICP – MS or ICP – OES finish and using the fire assay method for Au, Pd, and Pt with an ICP - MS finish. Mineralised intervals calculated on the basis of lower cut off of 0.5% copper (Cu). Gold (Au) and silver (Ag) values are calculated as weighted averages over the reported interval. Maximum internal waste 1 metre.

\* Mineralised interval calculated on the basis of lower Copper (Cu) cut off of 0.2% with maximum internal waste of 2 metres.

### Underground Channel Sampling significant intercepts

Drill Hole ID	From (m)	To (m)	Interval Width	Cu (%)	Au (g/t)	Ag (g/t)	Collar Coordinates			Collar Survey		Total Length
							East	North	RL	Dip	Azi	
MCH002	1	13	12	<b>1.8</b>	0.14	2.44	477709.9	7906999.2	956.2	0	185	14
MCH005	22	23	1	<b>1.2</b>	0.04	1.60	477650.6	7907006.2	956.4	10	145	33
MCH008	0	3	3	<b>1.6</b>	<b>0.22</b>	2.63	477665.2	7906974.5	957.3	0	160	3
MCH009	26	27	1	<b>0.9</b>	0.04	1.00	477797.2	7907041.3	954.8	7.5	220	29
MCH011	0	3	3	<b>1.9</b>	0.16	3.20	477830.1	7906998.9	954.3	-2.5	223	27
MCH012	1	7	6	<b>0.9</b>	0.04	1.67	477875.0	7907009.7	953.8	-2.5	240	34
MCH012	9	10	1	<b>5.3</b>	<b>1.83</b>	<b>10.30</b>						
MCH013	3	4	1	<b>1.4</b>	0.18	2.50	477939.0	7907021.6	953.5	5	210	20
MCH013	17	18	1	<b>0.5</b>	0.02	1.40						
MCH014	77	79	2	<b>11.3</b>	<b>0.77</b>	14.00	477555.3	7907051.7	957.5	2.5	167	79
MCH016	24	25	1	<b>0.5</b>	0.01	1.00	477404.3	7907050.3	958.5	-2.5	175	32
MCH016	29	30	1	<b>0.5</b>	0.02	1.00						
MCH018	4	5	1	<b>0.8</b>	0.03	1.00	477391.3	7907028.3	959.4	-10	145	16
MCH020	27	28	1	<b>5.5</b>	0.06	5.92	477353.0	7907047.2	959.1	-10	185	28
MCH022	1	2	1	<b>0.5</b>	0.04	0.67	477258.0	7907044.5	961.0	0	215	2
MCH025	0	5	5	<b>1.2</b>	<b>0.32</b>	2.20	477197.7	7907077.0	960.6	45	160	5
MCH030	0	2	2	<b>1.6</b>	0.03	2.50	477012.8	7907141.4	961.8	15	245	8
MCH033	65	66	1	<b>0.6</b>	0.06	1.00	476899.8	7907134.1	961.8	-2.5	160	160
MCH033	86	87	1	<b>0.7</b>	0.05	1.00						
MCH034	56	62	6	<b>1.6</b>	0.30	4.43	476840.9	7907132.1	961.3	2.5	90	64
MCH039	4	6	2	<b>1.3</b>	0.06	2.50	477841.0	7907004.3	955.2	0	175	7
MCH040	10	15	5	<b>4.7</b>	0.07	4.79	477226.8	7907073.1	961.1	0	95	31
MCH040	17	18	1	<b>3.8</b>	<b>0.35</b>	3.68						
MCH040	21	22	1	<b>19.3</b>	<b>2.01</b>	<b>19.90</b>						
MCH040	24	25	1	<b>1.3</b>	0.04	1.31						
MCH042	8	11	3	<b>0.7</b>	0.07	0.95	477777.0	7907008.4	954.7	85	205	18
MCH044	4	7	3	<b>0.7</b>	0.05	0.80	477955.8	7907037.4	944.3	-2.5	195	60
MCH044	23	25	2	<b>1.3</b>	0.03	2.00						
MCH044	50	51	1	<b>0.6</b>	0.10	1.24						
MCH047	8	9	1	<b>1.0</b>	0.02	1.21	477981.4	7907046.2	948.5	0	235	38
MCH049	5	6	1	<b>0.6</b>	0.07	0.72	478013.6	7907042.7	945.6	0	215	8
MCH050	3	5	2	<b>3.7</b>	0.11	4.18	477971.3	7907044.0	945.5	10	180	5
MCH052	86	87	1	<b>8.8</b>	<b>0.61</b>	<b>12.70</b>	477024.5	7907219.9	1117.8	0	285	140
MCH052	88	89	1	<b>2.1</b>	0.09	3.43						
MCH052	92	93	1	<b>1.1</b>	<b>0.27</b>	1.28						
MCH052	95	96	1	<b>3.6</b>	0.07	4.54						
MCH053	1	2	1	<b>4.7</b>	0.12	5.64	476980.1	7907157.4	1118.5	50	195	2
MCH054	14	15	1	<b>1.4</b>	0.04	1.65	476881.7	7907165.6	1120.0	35	145	25
MCH054	24	25	1	<b>0.6</b>	0.03	0.63	476873.4	7907159.2	1120.3	20	140	23
MCH055	0	1	1	<b>0.6</b>	0.09	0.78						

MCH055	3	6	3	4.1	0.10	4.14							
MCH055	18	19	1	2.6	0.06	3.94							
MCH055	21	23	2	2.1	0.72	3.21							
MCH056	1	2	1	0.9	0.10	1.86	477341.2	7907033.7	1048.5	55	167	2	
MCH057	0	3	3	8.7	0.27	7.55	477331.5	7907036.0	1048.5	30	187	3	
MCH058	3	6	3	1.3	0.03	3.06	477323.3	7907038.5	1048.5	20	187	6	
MCH059	4	5	1	0.5	0.01	0.75	477299.6	7907050.7	1048.5	25	210	23	
MCH059	14	16	2	1.4	0.02	1.62							
MCH059	19	20	1	0.6	0.02	0.85							
MCH060	0	6	6	2.0	0.07	1.96	477271.7	7907059.3	1048.5	40	167	6	
MCH061	0	12	12	2.2	0.15	2.83	477240.1	7907068.3	1048.5	-2.5	120	69	
MCH061	24	25	1	2.1	0.17	2.00							
MCH062	1	2	1	0.6	0.01	2.00	477151.8	7907099.8	1050.0	-5	107	85	
MCH062	38	41	3	0.6	0.07	2.33							
MCH062	61	62	1	2.2	0.79	4.00							
MCH062	73	75	2	1.6	1.12	4.00							
MCH062	82	84	2	2.5	0.07	5.00							
MCH063	71	81	10	0.6	0.04	1.00	477088.0	7907145.5	1050.0	0	94	81	
MCH064	0	3	3	2.7	1.07	2.45	477145.0	7907107.8	1050.0	5	235	6	
MCH065	1	5	4	1.5	0.04	1.29	477133.2	7907118.2	1050.0	5	240	22	
MCH067	0	2	2	4.5	0.51	3.86	477073.3	7907145.1	1050.5	35	170	2	
MCH068	1	4	3	4.8	0.25	4.12	477050.4	7907140.3	1050.5	45	180	4	
MCH069	13	14	1	0.8	0.01	1.00	477023.2	7907143.8	1050.5	0	113	18	
MCH071	6	9	3	6.0	0.29	7.67	476973.2	7907155.0	1050.5	7.5	155	9	
MCH072	13	16	3	1.1	0.03	1.67	476952.7	7907155.1	1050.5	7.5	145	16	

Coordinate system WGS84 UTM zone 36S. All samples were analysed using an aqua regia digest method with an ICP – MS or ICP – OES finish and using the fire assay method for Au, Pd, and Pt with an ICP - MS finish. Mineralised intervals calculated on the basis of lower cut off of 0.5% copper (Cu). Gold (Au) and silver (Ag) values are calculated as weighted averages over the reported interval. Maximum internal waste 1 metre.

### Sampling & Quality Control Protocols

The following section describes the sampling procedures implemented during the Stage 1 drilling and channel sampling campaign at Mundonguara.

#### **Diamond Drilling**

Drilling was completed using a 'continuous coring' technique with a Kempe U39B drill rig, producing a core diameter of AQ. The core was packaged securely at the rig before transport to the Company's core yard. Geotechnical and geological logging was completed by geologists contracted from international consultancy Coffey Mining Ltd before the core was longitudinally cut in half and 1 metre composite samples collected.

Samples were weighed and despatched either to Genalysis or ALS Chemex laboratories for multi-element analysis using an aqua regia digest method with an ICP – MS or ICP – OES finish and the fire assay method for Au, Pd, and Pt with an ICP - MS finish.

*Genalysis:* Samples were first sent to Genalysis in South Africa for preparation (pulverizing the sample to create a 250g sub-sample pulp) and then couriered to Genalysis in Western Australia for analysis.

*ALS Chemex South Africa:* Samples were despatched to ALS Chemex in South Africa for preparation and analysis.

*ALS Chemex Western Australia:* Samples were first sent to the ACT-UIS laboratory in Tete, Mozambique, for preparation of sub-sample pulps. The pulps were then packaged and despatched via DHL to the ALS Chemex laboratory in Perth, Western Australia, for analysis.

*Quality Control:* Laboratories were requested to create a duplicate pulp of every 20<sup>th</sup> sample at the coarse reject stage of the sample preparation. The duplicate samples were assigned sample numbers and inserted into the primary sample stream. Two standards (one for base metals and one for gold) were inserted into the sample stream every 20 samples. The standards were supplied by Perth based Geostats Pty Ltd.

### **RC Drilling**

The Company contracted Geosearch International Pty Ltd to complete the drilling programme. Drilling was completed using a conventional RC rig with a 5¾" hole diameter. Samples were collected at 1 metre intervals from the cyclone in large heavy duty plastic bags or poly-weave sacks before splitting off a ~3kg sample using a riffle splitter. Where the sample from the cyclone was wet, a PVC tube spear was used to collect the sample. A small sub-sample was sieved in water, geologically logged and retained as a permanent record. Samples were weighed at the cyclone and after splitting.

As per the diamond drill samples, the RC samples were despatched either to Genalysis or ALS Chemex laboratories for multi-element analysis using an aqua regia digest method with an ICP – MS or ICP – OES finish and the fire assay method for Au, Pd, and Pt with an ICP - MS finish.

*Quality Control:* A duplicate sample was taken at the riffle splitter at every 20<sup>th</sup> sample position. The duplicate sample was assigned a sample number and inserted into the primary sample stream. Two standards (one for base metals and one for gold) were inserted into the sample stream every 20 samples.

### **Channel Sampling**

Channels were first marked up and surveyed by supervising geologists contracted from Coffey Mining Ltd. An angle grinder was then used to cut two horizontal grooves approximately 50mm apart and 20mm deep. Composite samples were collected in a customized metal bucket by chipping between the grooves with a mallet and cold chisel. The majority of the sampling was conducted over a 1 metre interval, although some 2 metre composite samples were collected in areas considered unlikely to be mineralised. Samples were transferred to calico bags and returned to surface for weighing and detailed geological logging.

As per the diamond drill samples, the channel samples were despatched either to Genalysis or ALS Chemex laboratories for multi-element analysis using an aqua regia digest method with an ICP – MS or ICP – OES finish and the fire assay method for Au, Pd, and Pt with an ICP - MS finish.

*Quality Control:* A duplicate sample was ground and chipped at every 20<sup>th</sup> sample position or, if the channel was less than 20m in length, as close to the centre point as practicable. The duplicate sample was assigned a sample number and inserted into the primary sample stream. Two standards (one for base metals and one for gold) were inserted into the sample stream every 20 samples.

Download of this announcement is available from the Baobab website at: [www.baobabresources.com](http://www.baobabresources.com)

*The information in this release that relates to Exploration Results is based on information compiled by Technical Director Ben James (BSc). Mr James is a Member of the Australian Institute of Mining and Metallurgy, is a Competent Person as defined in the Australasian Code for Reporting of exploration results and Mineral Resources and Ore Reserves, and consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.*

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