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AIM : BAO



BAOBAB
RESOURCES

FUNDING UPDATE
19 November 2008

Baobab Resources plc (AIM:BAO) ('Baobab' or 'the Company') announces that it is in discussions with strategic partners and potential investors regarding future funding for its exploration budget for 2009 and to provide ongoing working capital for the Company. The fundraising is focusing in particular on the Company's drilling program at the highly prospective Massamba vanadiferous titano-magnetite deposit at Tete.

The Tete project recently returned highly encouraging interim results from metallurgical test work as announced on 27 October 2008. A drilling program is now warranted to define the titano-magnetite resources of the Massamba area which has the potential to host very large tonnages of ore amenable to producing a saleable iron concentrate.

Funding discussions are continuing with various parties at a corporate and project level.

A further announcement will be made in due course.

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