

EXPLORATION DRILLING PROGRAMME UPDATE

Highlights:

- Initial exploration programmes at Woye and Bouroubourou expected to be completed by the end of July 2012.
- Encouraging veining, alteration and structural systems intersected at Woye.
- Initial Fire Assay results expected in July 2012.

The Company is pleased to announce that substantial progress has been made on Erin Resources Ltd's ('Erin') initial exploration programme in south eastern Senegal (Figure 1). As outlined in the announcement on 21st June 2012, Erin commenced its initial exploration programme with the aim to:

- Undertake an initial RC drilling programme on Woye in areas with known geological structure and potential mineralised zones associated with artisanal workings on the tenement area;
- Complete infill soil geochemistry to further delineate potential gold anomalies on Woye, Bouroubourou, Garaboueya South, Lingokoto and Wassadou South projects; and
- Undertake RAB drilling on the regions which have stronger soil geochemistry gold anomalies and geological structures on the Woye and Bouroubourou tenements. The results from these programmes will be used to gain further regional geological information which will be used for targeting additional infill soils and drilling to intersect gold mineralisation in the November 2012 - July 2013 drilling season.

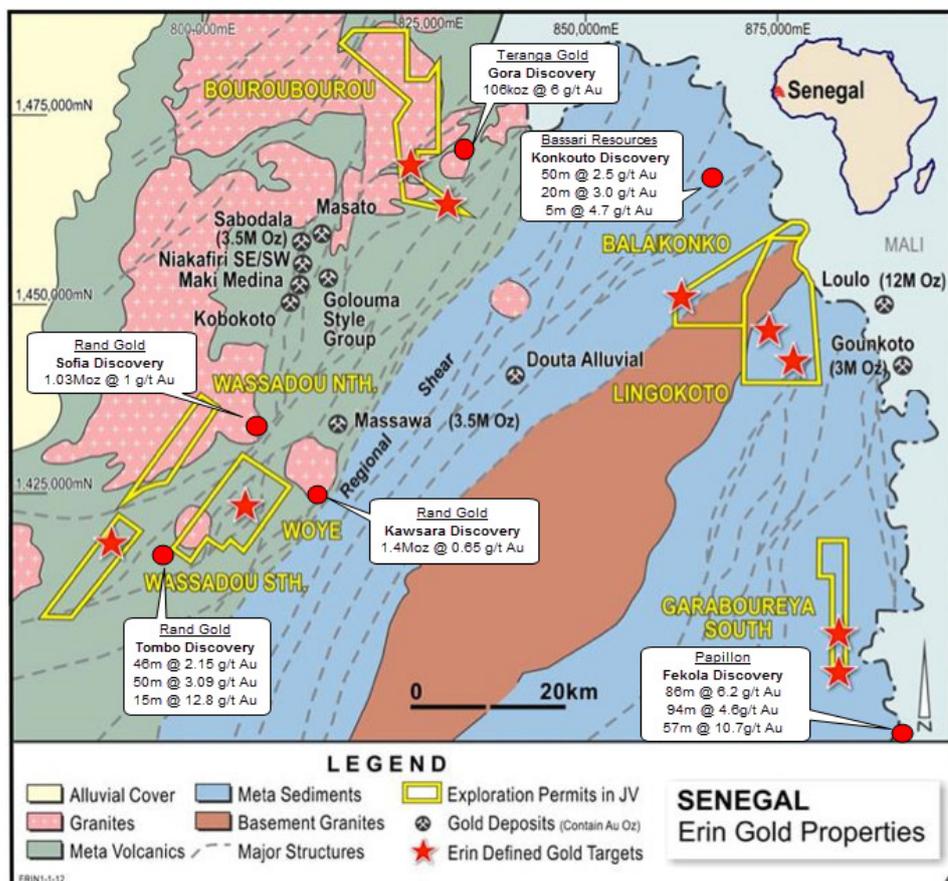


Figure 1: Erin's Senegalese Gold Properties

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Status of Woye Exploration Drilling Programmes

The planned soil sampling (Figure 2) and RAB and RC drilling (Figure 3) is aimed to follow-up first order anomalies and has been designed to target two styles of gold mineralisation that are known to occur in the area:

- Gold mineralisation associated with regional structure-parallel shearing, hydrothermal alteration and quartz veined systems (Figure 4). These can be found in parallel or sub parallel gold bearing quartz vein systems which occupy narrow shear zones or lie within brittle fractures systems; and
- Broader sheared and alteration zones with silicified, carbonate altered and mineralised felsic dyke systems (Figure 5). Regionally, the felsic dykes are commonly found near or within known deposits such as Teranga's Sabodala deposit and Randgold's Massawa deposit (Figure 1).

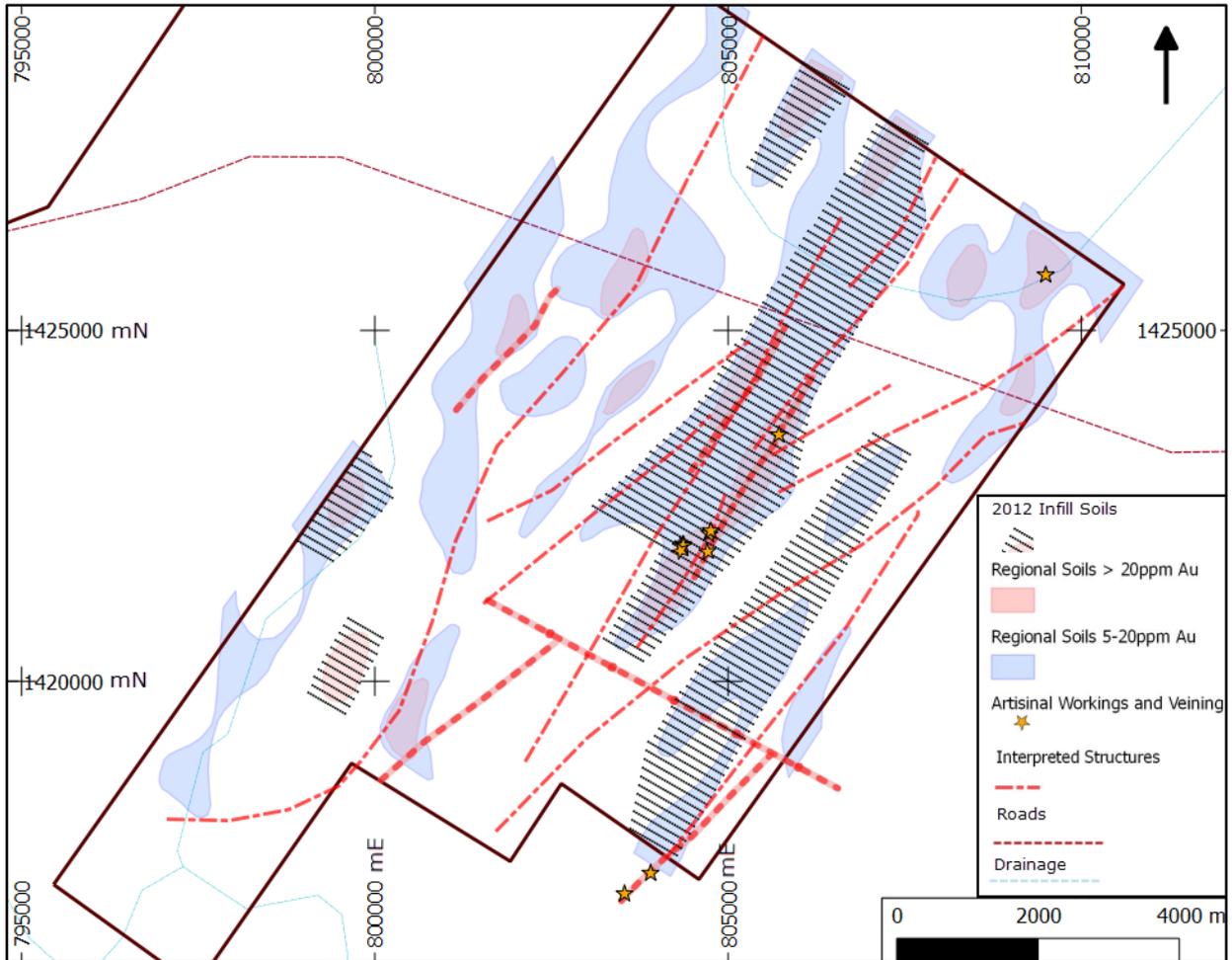


Figure 2: First Order Soil Sampling at Woye. Showing the location points of the recently completed 2012 infill soils programme and the results from the previous regional soils programme.

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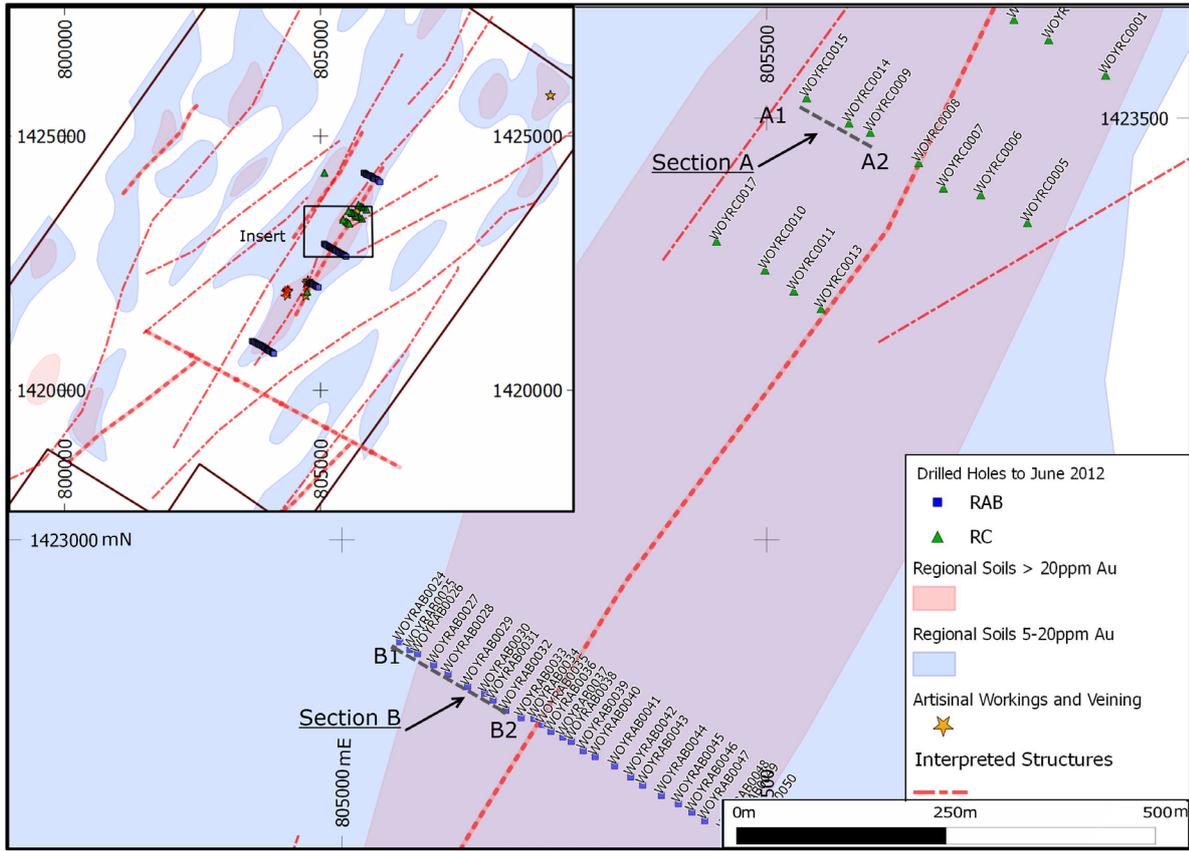


Figure 3: Showing RAB and RC drilling at Woye. The expanded region (insert) shows the location of Sections A and B and the relationship of the logged veining and shearing to broader regional structures.

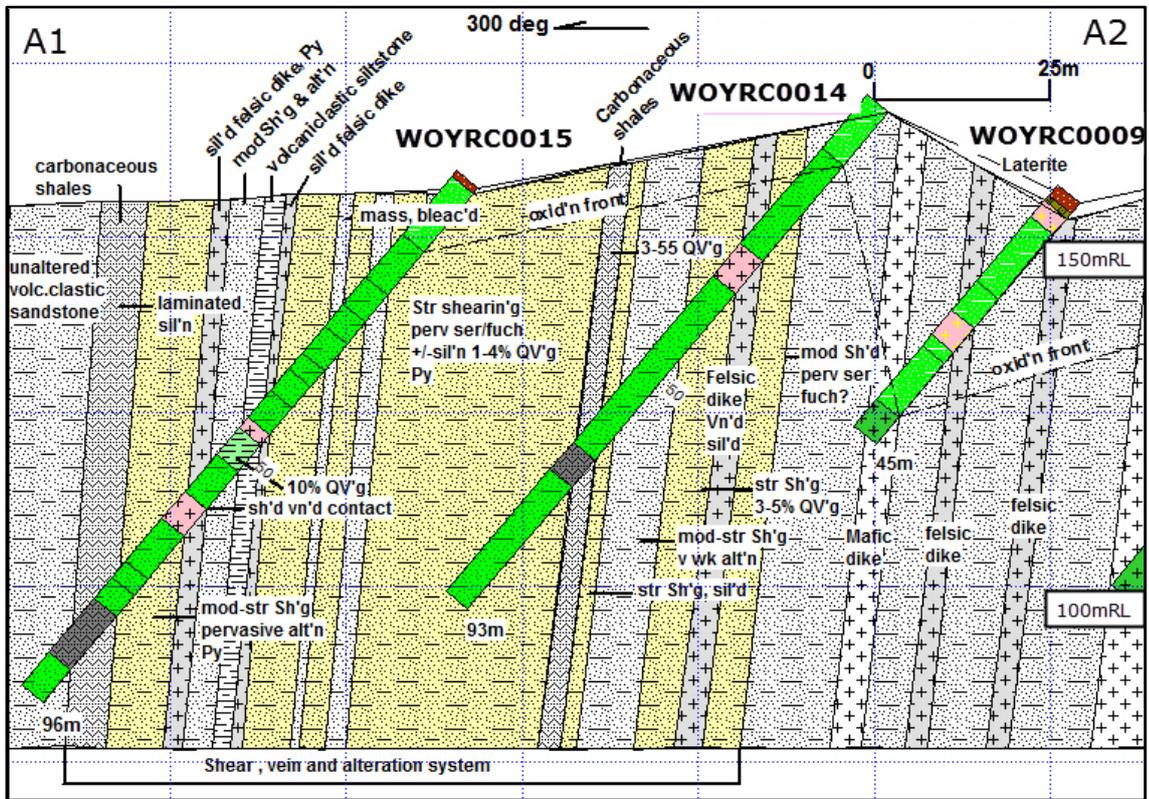


Figure 4: Section A – RC Drillholes. The alteration, shearing and 1-4% quartz veining identified in WOYRC0014 and 15 is indicative of a mineralised system.

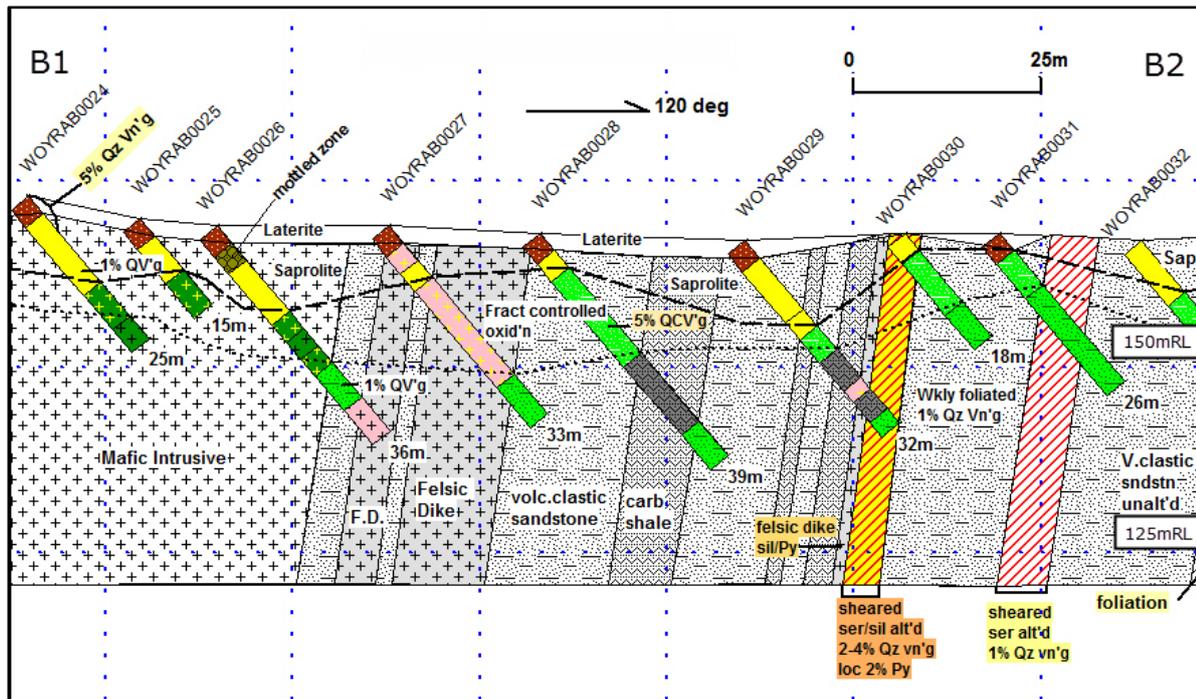


Figure 5: Section B – RAB Drillholes. Showing zones of shearing and veining experienced in RAB drilling at Woye.

Erin's exploration concept is to look for similar structural and lithological trends to those identified for other nearby known gold deposits. One of the main favourable features targeted includes major deformation zones in the Kenieba Inlier which have a 30° trend; these regions are considered to offer very favourable areas for gold deposition. Further to this, the magnetic anomalies of the Woye property display both a strong 30° regional structural trend as well as common refracted 60° structures; both of which are characteristics of gold deposits in this geological environment.

Table 1 below summarises the planned and outstanding drilling and infill soil sampling at Woye.

	RC		RAB		Infill Soil Geochemistry	
	Metres Drilled	Metres Outstanding	Metres Drilled	Metres Outstanding	Planned	Completed
Woye	1,498	282	2,546	1,680	4,684	4,684

Status of Bouroubourou Exploration Drilling Programmes

Infill soil sampling on two areas defined by the regional soil sampling programme was undertaken in late 2011/early 2012. A 4,000 metre RAB programme (Figure 6) commenced on this tenement on Saturday 22 June 2012. A second RAB rig has been commissioned to ensure the completion of the drill programme before the end of July 2012, after which we believe access to the property will become difficult due to the heavy rains.

Erin is drill-testing another complex structural trend that is interpreted to be along strike from Teranga's Gora deposit. We believe that the previous good soil geochemistry gold anomalies in this area, located within a strong north-east structural trend, could further be associated with the contact of a granodiorite intrusive and a granitic body. This structural setting is interpreted to be highly favourable for gold deposition.

Table 2 below summarised the planned drilling and soil programmes in the area.

	RAB		Infill Soil Geochemistry	
	Metres Drilled	Metres Outstanding	Planned	Completed
Woye	481	3,519	2,122	2,122

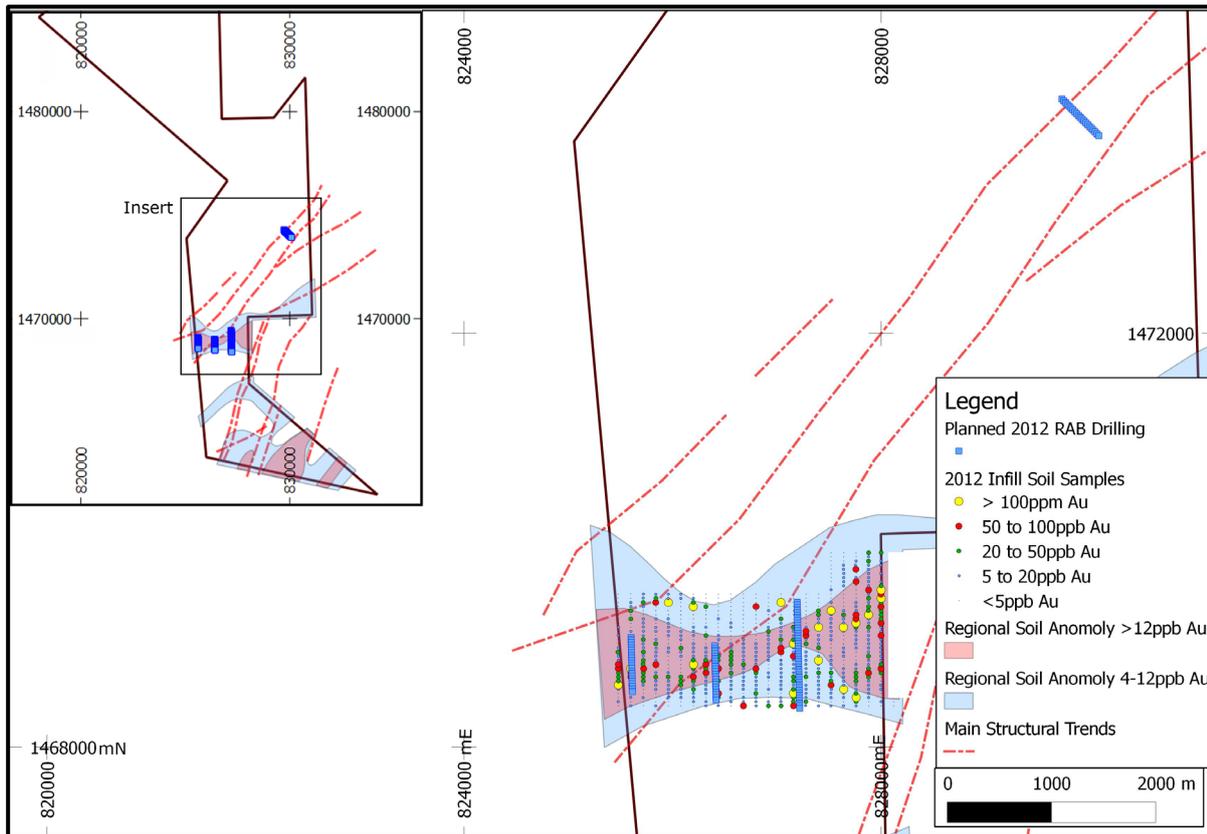


Figure 6: Planned RAB for Bouroubourou: Showing the results of the Erin's regional soil samples and main structural trends.

Mark Fleming, Erin's Exploration Manager, commented: "We have built a great exploration team with good local experience in the Kenieba inlier of south eastern Senegal. This team coupled with the support from the government, communities and the other explorers in the region, has enabled us to progress our current exploration programme effectively. Our current programme of infill soils, RAB and RC drilling will continue to provide Erin with excellent geological information to progress an aggressive exploration programme in the next dry season (November 2012 – July 2013)."

For and on behalf of the Board

Grant Davey
Managing Director

The information in this document that relates to Exploration Results is based on information compiled or reviewed by Mr Mark Fleming who is a Member of the Australian Institute of Geoscientists. Mr Fleming is a full time employee of the Company. Mr Fleming has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Fleming consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.