

ASX ANNOUNCEMENT

13 August 2012

INFERRED RESOURCE UPGRADE AT TAKATOKWANE IN BOTSWANA

2.6 BILLION TONNES ADDITIONAL INFERRED RESOURCE DEFINED

Key Points:

- **2.6 Billion Tonnes Inferred Resource classified over the initial Phase 1 target area of Takatokwane South**
- **Consolidated Inferred Resource of 6.9 Billion Tonnes at Takatokwane Project**
- **Coal washability tests confirm potential for suitable thermal coal export product from Takatokwane**
- **Phase 2 drilling to define Indicated Resource completed, awaiting washability results**
- **Drilling confirms shallow coal seams suitable for open cast mine development**

Nimrodel Resources Limited (ASX: NMR) is pleased to announce the inclusion of 2.6 billion tonnes of Inferred Resource classification at Takatokwane South in the Kweneng district of Botswana.

This classification is at the Takatokwane South tenements (NMR earning 65%) in a zone previously identified as containing shallow coal with lower sulphur and is contiguous with, and in addition to, the previously announced 4.2 billion tonnes classified as Inferred Resources at the adjacent Takatokwane licence (NMR 70%). (Refer to Figure 1)

Commenting on the release of the 2.6 billion tonne inferred resource at Takatokwane South, Nimrodel's Managing Director Allan Mulligan said: *"This combined shallow resource of 6.9 billion tonnes at Takatokwane and the amenability of the deposit to be upgraded to export quality thermal coal, places Nimrodel as the **leading** coal asset holder in the emerging Botswana coal industry."*

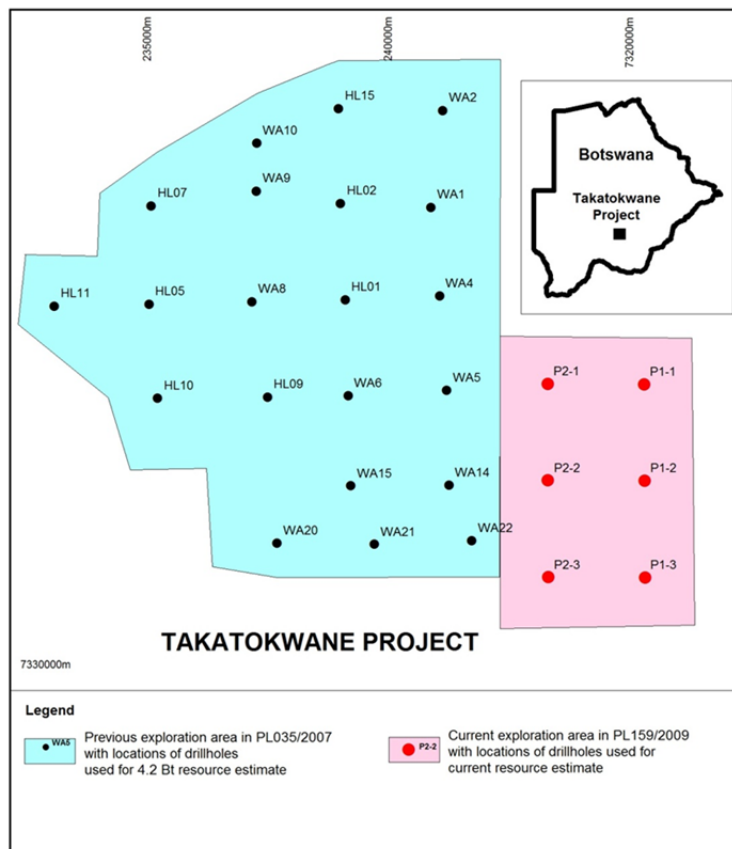
Background:

Nimrodel Resources Limited (ASX: NMR) is exploring at the Takatokwane coal deposit in the Kweneng District of Botswana. Nimrodel is currently the operator of two Joint Ventures on contiguous lease areas, PL35/2007 (NMR 70%) and PL 159/2009 (NMR earning 65%).

In 2011, Nimrodel announced an Inferred Resource at PL35/2007 of 4.2 billion tonnes of raw thermal coal. Nimrodel has subsequently completed a drill program on PL 159/2009 on that portion of PL 159/2009 where the coal intervals are closest to the surface and have lower sulphur content (Refer Figure 2). This drilling has resulted in defining an additional 2.6 billion tonnes of coal.

Figure 1.

Plan showing Inferred Resource drilling on two tenements at Takatokwane Project.



The resource was calculated using six cored drill holes spaced about 4km apart and covering an area of 75km². Resource definition was calculated by independent resource consultant Analytika Holdings in Botswana. Coal analysis and washability test work was carried out by Advanced Coal Technology in Johannesburg.

Resource Definition:

Table 1.
Summary of Inferred Coal Resource within Takatokwane South PL159/2009

Seam	Raw Coal						Float 1.7 SG Coal				
	Inferred Resource (Mt)	Density (t/m ³)	Ash (%)	S (%)	CV (MJ/kg)	Moisture (%)	Yield (%)	Inferred Resource (Mt)	Ash (%)	S (%)	CV (MJ/kg)
1	241	1.79	35.5	3.19	16.3	7.9	45.0	108	22.9	3.46	20.6
2	1,887	1.79	38.9	1.89	15.2	7.2	45.2	852	20.2	1.45	21.2
3	256	1.81	40.8	2.24	14.8	6.7	47.4	121	21.1	2.25	21.9
4	84	1.83	41.6	1.04	14.1	7.5	59.7	50	19.9	0.60	21.0
5	186	1.90	44.9	1.18	13.6	5.6	48.8	91	19.5	0.42	21.3
Total	2,654	1.80	39.0	1.97	15.2	7.2	46.1	1,223	20.5	1.59	21.2

The Inferred Resource calculated from within PL 159/2009 represents only a small portion of the area under exploration licence. This area was selected as that most amenable to form the technical basis of a start-up mining operation.

The combined Inferred Resource at the Takatokwane Project is now the largest reported Inferred Resource in Botswana.

Table 2.
Summary of Total Inferred Coal Resource for Takatokwane Project

Seam	Raw Coal						Washed Resources						
	Inferred Resource (Mt)	Density (t/m ³)	Ash (%)	S (%)	CV (MJ/kg)	Moisture (%)	Tenement Holding	Float	Yield (%)	Inferred Resource (Mt)	Ash (%)	S (%)	CV (MJ/kg)
Total	6,884	1.71	34.9	2.48	16.7	8.0	PL 35/2007	1.6	57.0	2,395	16.5	1.69	23.0
							PL 159/2009	1.7	46.1	1,223	20.5	1.59	21.2

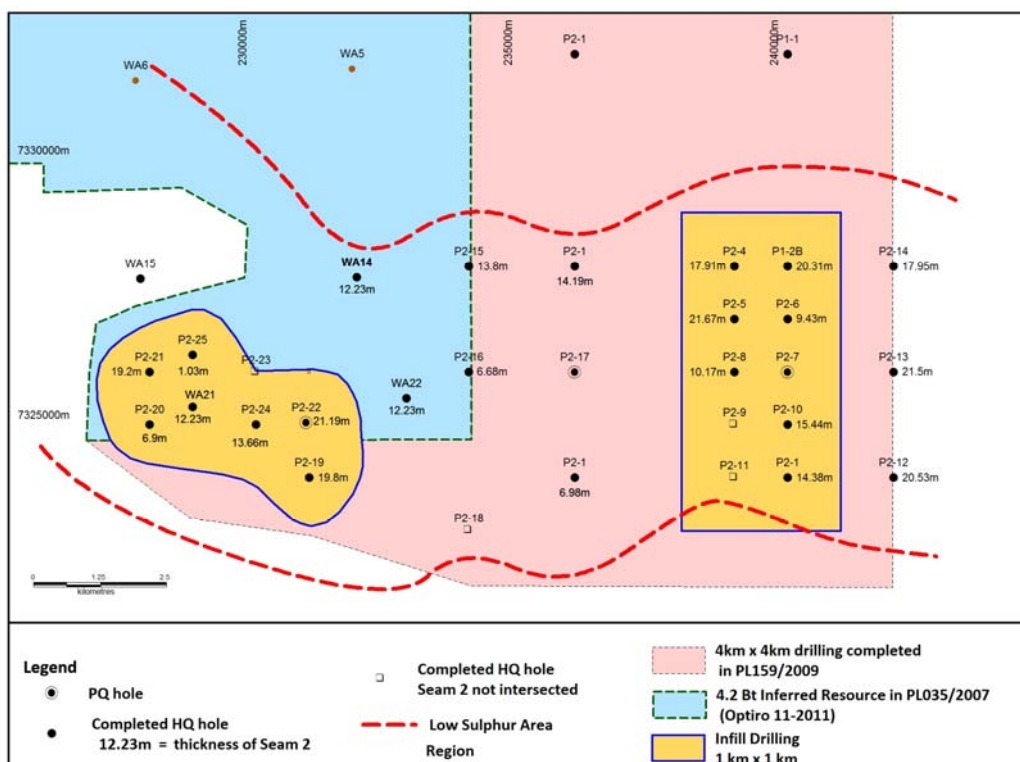
Nimrodel has just completed a program of closer spaced infill drilling that will result in a further resource upgrade. The 1km x 1km spacing is sufficient to categorize coal resources at an Indicated Resource standard.

Phase 2 drilling was designed to increase the confidence levels of the resource and to outline an initial target of 200 – 300 Mt of the overall 6.9 Bt Inferred Resource.

Coal Quality:

Basic coal quality tests indicate that the coal delineated by the inferred resource for PL 159/2009 can be upgraded to a calorific value of 21.2 MJ/kg which represents feedstock quality for most coal fuelled power stations in southern Africa and Asia. As yet no optimisation test work has been carried out for targeted CV's or for targeted sulphur levels.

Figure 2.
Zone of low sulphur in shallower areas of PL 035/2007 and PL 159/2009



Seam Depth:

Nimrodel's focus at this stage is on a staged program to quantify shallow and accessible coal for further targeted study work. Seam 2, the widest seam of the 5 seam package at Takatokwane, indicates top of seam elevations from 66m on PL 159/2009 and 70m on PL 035/2007 with average thicknesses of 14m and 19m respectively in these target areas.

These seam widths and relatively shallow depths should be suitable for open cut mining operations and will form the technical basis for further studies for a start-up mining operation.

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About Nimrodel Resources

Perth-based Nimrodel Resources (ASX: NMR) is a mineral exploration company with exploration projects in Africa and Australia. Nimrodel's current focus is on two adjacent thermal coal projects in Botswana, Takatokwane and Takatokwane South, located approximately 195km west of the capital Gaborone, in Botswana.

In November 2011, the Company announced a maiden Inferred Resource of 4.2 Bt of thermal coal at a 57% yield giving a washed resource of 2.4 Bt (1.6 SG, washed coal).

The Takatokwane Project consists of five tenements: PL35/2007, PL157/2009, PL159/2009, PL160/2009 and PL161/2009. PL35/2007 is 100% held by Wizard Investments and Nimrodel owns 70% of Wizard while the other four tenements are 100% owned by Triprop Energy Pty Ltd. Nimrodel has a 20% interest and is earning 65% of Triprop by completing a two-phase drilling program and scoping study prior to October 2014.

Nimrodel's other projects include the **Lindi** and **Makete** projects in Tanzania, and three Australian projects – **Specimen Reef** and **Avoca** in Tasmania; and **Buckaroo** in New South Wales.

Details of Nimrodel Resources projects are available at the Company's website, www.nimrodel.com.au

Competent Person – Mr Alan Golding

The information in this announcement that relates to exploration results at Takatokwane South is based on data compiled by Mr Alan Golding who is a member of the South African Geological Society, the South African Institute of Engineering Geologists and a Fellow of the Geological Society of London. Mr Golding has sufficient experience relevant to the style of mineralisation and the type of deposit under consideration to qualify as a competent person as defined in the 2004 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Golding consents to the inclusion in this announcement of the matters based on his information in the form and context in which they appear.

Competent Person – Dr Ian D. Blayden

Information in this announcement above relating to Coal Resources at Takatokwane is based on information compiled by Dr Ian D. Blayden of Geological and Management Resources Pty Ltd which provides geological consulting services to Optiro Pty Ltd. Dr Blayden is a Member of the Australasian Institute of Mining and Metallurgy and 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 by the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Blayden consents to the inclusion in the document of the information in the form and context in which it appears.