

# EXPLORATION OF ZAMBIA PROJECT COMMENCES

5<sup>th</sup> September 2012

Chrysalis is pleased to announce it has commenced its exploration programme on its 5 licences in Zambia.

The exploration programme consists of:

- Aeromagnetic Surveys over its 5 Large Scale Prospecting licences in Zambia and
- 4700 metres of RC and Diamond drilling on the Shikila and Kabwima licences in the North of Zambia.
- Satellite Imagery and Ground IPs

Chrysalis' Zambian subsidiary, Sedgwick Resources Limited, has engaged New Resolution Geophysics of South Africa to undertake a helicopter borne magnetic and radiometric survey over its 5 Large Scale Prospecting Licences. The survey has now commenced and will be flown on North South lines 200 metres apart over 16,850 line kilometres at an altitude of 30 metres with East West tie lines 2 kilometres apart.

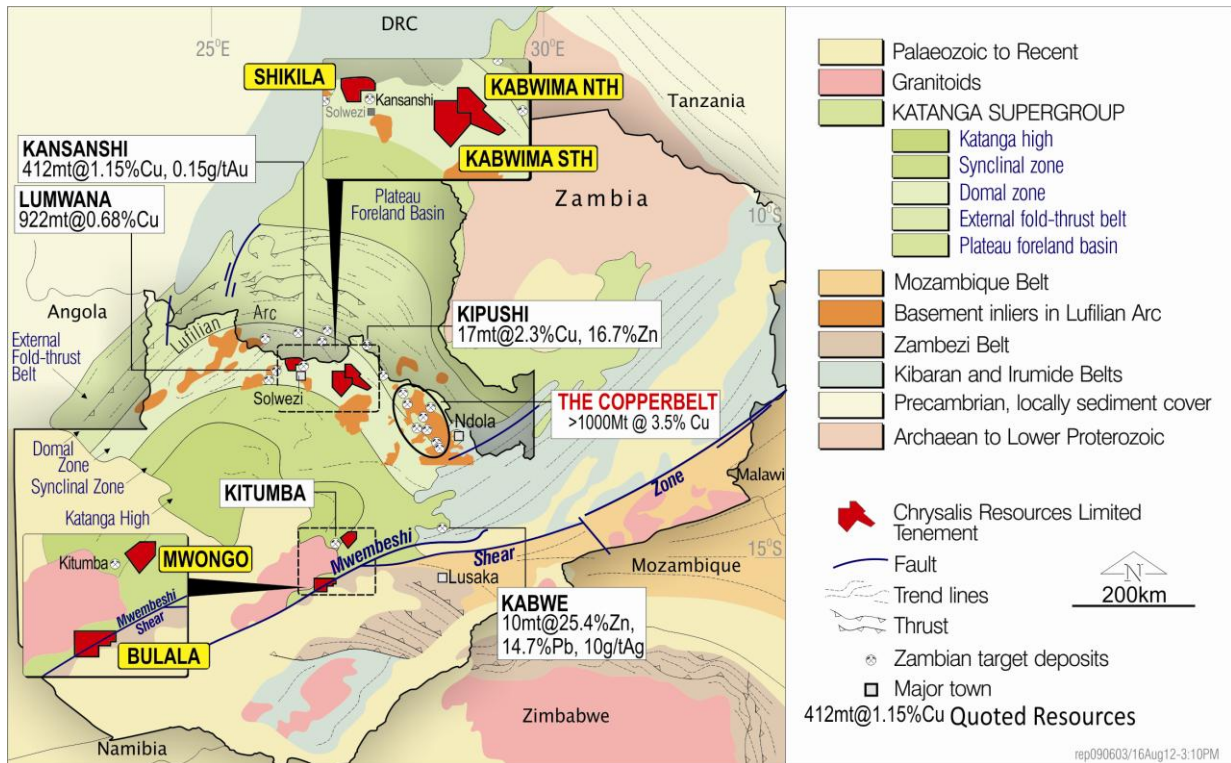
This survey forms an integral part of the exploration of the Zambian tenements. Structural, stratigraphic models and uranium are considered to be factors associated with deposits such as Kansanshi and Lumwana in the Northern areas and late stage intrusions and haematite associated with the Hook Granite Complex in the Southern areas. Chrysalis believes that the magnetic and radiometric survey will aid in defining these factors and locate prospective areas for follow up.

The drilling programme which consists of drilling 2,000 metres of RC drilling and 700 metres of Diamond drilling at Shikila and 2,000 metres of RC drilling at Kabwima has been signed with Ox Drilling and is expected to commence in the third week of September.

Targets have been identified from historic soil copper anomalies and drainage channel sampling. Limited drilling has highlighted multiple zones of Cu mineralisation. Assays results from the historical drilling were incomplete; however the data provides targets for the current exploration. The exploration program in the Northern areas of the tenement package will target Kansanshi-style high grade cross-cutting mineralisation zones.

Chrysalis Resources Limited	Company Snapshot	Company Structure	Board Management
A.B.N 56 125 931 964 Level 1 331 Hay Street SUBIACO WA 6008  PO Box 226, Wembley WA 6913  Phone: 618 9380 4430 Fax: 618 9481 5044 E: info@chrysalisresources.com.au www.chrysalisresources.com.au	Listed on ASX 27 May 2008  ASX Share Code CYS  Sector Mining	No of Shares on Issue 75,343,702  No of Options on Issue 35,036,327  Cash (as at 30th June 2012) \$0.29M	Dr Neale Fong Executive Chairman  Mr Grant Kidner Executive Director  Mr Adrian Paul Non-Executive Director  Mel Cotterell Company Secretary

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**Dr Neale Fong**  
Executive Chairman

**Mel Cotterell**  
Company Secretary

*Competent Person's Statement:*

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr John S Noakes, who is a Fellow of The Australasian Institute of Mining and Metallurgy and a Fellow of the Geological Society of London. Mr Noakes is a director of Sedgwick Resources Ltd and has a beneficial interest in shares in Chrysalis Resources Ltd. Mr. Noakes 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 Noakes consents to the inclusion in the report of the matters based on his information in the form and context in which it appears

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