

About MOD Resources

MOD Resources (ASX: MOD) is a Perth-based company with a focus on Botswana copper projects, with total combined holdings of 100% and JV licences covering >11,000km² in the central and western parts the Kalahari Copper Belt.

MOD holdings include a 70% interest in the JV company Tshukudu Metals Botswana (Pty) Ltd with Metal Tiger Plc (AIM: MTR) holding 30%. Tshukudu is the Botswana operating company and the majority of the licences acquired from DMI in 2015 were recently transferred to Tshukudu. The JV holds 14 granted prospecting licences and rights to two additional option licences with a total area of >7,000km² in the Kalahari Copper Belt.

In addition MOD has substantial 100% holdings in the Kalaharri Copper Belt including the T1 Copper/Silver Deposit and T5 and T7 prospects where work is planned in the June Quarter.

MOD's other investment is the Sams Creek Gold Project in New Zealand, where the Company has earned an 80% interest with OceanaGold Corporation (20%). Sams Creek has a JORC compliant inferred and indicated mineral resource containing 1.02Moz gold. MOD has announced its intention to sell all or part of its interest in Sams Creek.

Julian Hanna Managing Director
Mark Clements Executive Chairman/
Company Secretary
Steve McGhee Technical Director
Simon Lee AO Non-Executive Director
Market Capitalisation ~\$100M

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Growing Copper District Potential in Botswana

- Continued focus on T3 Project area for exploration and development
- Two new copper zones discovered below T3 resource, Zone 2 and Zone 3 (including intersection 72.6m @ 1.5% Cu and 27g/t Ag in Zone 2)
- T3 PFS expected in December quarter, incorporating recent exploration success at Zone 2
- Rapid increase in activity along T3 Dome planned in June quarter to include airborne EM, soils surveys and drilling IP targets
- Plan to install sample preparation facility onsite to improve assay turnaround
- Expand holdings with two new licence applications west and south of Ghanzi
- Strengthened corporate team and in country operational team
- Raised A\$14.6M (before costs) to fund substantial CY17 exploration program and feasibility studies towards decision to mine
- Cash on hand approximately A\$17.8 million and debt \$1.0 million

Emerging copper company, **MOD Resources Ltd (ASX: MOD)** today announced its quarterly activities report for the period ended 31 March 2017.

MOD and joint venture partner, AIM-listed Metal Tiger Plc (30%) continued to focus on the T3 Project area for exploration and development throughout the quarter. T3 is a significant new discovery (March 2016), which may potentially be related to a much larger sediment-hosted copper footprint in the Kalahari Copper Belt, Botswana.

On the one-year anniversary of the T3 discovery, assay results confirmed the discovery of significant widths and grades of copper and silver mineralisation in Zone 2, directly below the current T3 resource. Zone 2 is centred around a recent intersection of 72.6m @ 1.5% Cu and 27g/t Ag in hole MO-G-65D announced 6 March 2017.

MOD's Managing Director, Mr Julian Hanna, said the first results from Zone 2 are outstanding and that assays are still awaited from approximately 11 additional holes before a resource can be estimated for Zone 2.

"The discovery of a significant new zone of mineralisation below the T3 resource, which is already several times wider than most copper deposits in the Kalahari Copper Belt, has capped off a very exciting quarter for the Company," said Mr Hanna. "While we haven't reached the limits of understanding the potential at T3, it is clear we need to rethink ways to upscale current PFS production targets and ramp up exploration."

In addition to Zone 2, three drill holes (MO-G-66D, MO-G-67D and MO-G-68D) intersected a third mineralised zone (Zone 3) comprising disseminated copper sulphides approximately 300m below the top of the T3 resource. These intersections and geological setting are very similar to intersections in three previous holes at similar depths.

Preliminary interpretation shows Zone 3 occurs along a flat lying structural contact which may be the same contact hosting the large vein related deposits in the eastern part of the Kalahari Copper Belt with >6Mt copper in resources. These deposits include Cupric Canyon's Zone 5, Zeta and Mango deposits and MOD's 100% owned T1 deposit, 20km northeast of T3.

Simultaneous to the T3 extension drilling program, an interpretation of 3D IP results over the T3 area identified further exploration targets to the north of T3. Drilling is planned to test these new targets once approvals have been received.

The completion of the Zone 2 drilling and its progress towards a potential T3 resource upgrade and an expanded PFS has allowed the exploration team to start focusing on other high priority targets in the region.

T3 Project

The T3 deposit was discovered in March 2016, when an RC drill hole intersected 52m @ 2.0% Cu and 32g/t Ag from shallow depth. In September 2016, six months after the discovery of T3, MOD announced a maiden resource at T3 comprising 28.36Mt grading 1.24% copper and 15.7g/t silver, containing approximately 350,200t copper (~772Mlbs copper) and >14Moz silver (Appendix, Table 1).

The T3 resource includes 18Mt grading 1.35% Cu and 16.7g/t Ag in the Indicated Resource category, which represents 64% of the total resource, announced 26 September 2016 (Appendix, Table 1). This Indicated Resource formed the basis for a scoping study for an open pit mine with the results announced on 6 December 2016.

The T3 resource is open along strike to the west and at depth. A program of resource infill and extension drilling commenced in February 2017 and this led to the discovery of the underlying Zones 2 and 3.

Extension Drilling at T3

During the quarter, as part of the T3 pre-feasibility study, MOD commenced a program of resource infill drilling with the aim of improving the definition of high-grade bornite/chalcocite mineralisation within the T3 resource.

One of the infill holes was extended 100m below the resource which resulted in the discovery of a substantial new copper zone (Zone 2) between 200-300m vertical depth (Figure 1) announced on 17 February 2017. Several subsequent holes were also extended and intersected a deeper, third mineralised zone (Zone 3), with disseminated and local vein hosted mineralisation.

The third hole to intersect Zone 2, MO-G-65D, produced very positive results, including a wide zone of copper sulphides starting at 247m down hole depth, approximately 35m below the T3 resource. Assays confirmed the intersection in MO-G-65D, which assayed 72.6m @1.5% Cu and 27g/t Ag from 250m down hole depth, including 18m @ 2.7% Cu and 52g/t Ag (Table 1).

The Zone 2 intersection in MO-G-65D comprises multiple intervals of disseminated, laminated and vein hosted copper sulphides including bornite, chalcocite, covellite and chalcopyrite. The dominant host lithology is green/grey siltstone, overlying sandstone.

Table 1: Significant intersections from the first two drill holes within Zone 2

Hole ID	From (m) down hole	To (m) down hole	Interval down hole	Cu %	Ag g/t	Mineralised zones interpretation
MO-G-65D	250.0	322.6	72.6m	1.5%	27g/t	vein and disseminated
including:	280.0	298.0	18.0m	2.7%	52g/t	Qtz/sulphide veining
MO-G-64D	271.0	284.0	13.0m	1.0%	16g/t	vein and disseminated
including:	278.0	284.0	6.0m	1.6%	30g/t	multiple bornite veins

In addition to Zone 2, three drill holes during the quarter (MO-G-66D, MO-G-67D and MO-G-68D) were deepened to between 485-499m down hole depth. All three holes intersected a third mineralised zone comprising locally disseminated copper sulphides (Zone 3), approximately 200m below Zone 2 and 300m below the top of the Zone 1 resource (Figures 1 and 2).

Zone 3 mineralisation appears to extend over 13-25m down hole width, based on intersections in MO-G-66D, MO-G-67D and MO-G-68D, and previous intersections in MO-3R-07D, and MO-3R-01D and MO-3R-02D drilled in 2016. Zone 3 comprises multiple intervals of mainly weakly disseminated with local vein hosted sulphides overlying a distinctive reddish pink sandstone. Zone 3 occurs within a zone of strongly sheared sediments directly above the contact with the interpreted 'Kalahari Footwall Sandstone' (Ngwako Pan Formation).

If further drilling confirms the Kalahari Footwall Sandstone contact has been intersected below T3, Zone 3 may occur on the same contact that hosts the large vein related deposits in the eastern part of the Kalahari Copper Belt including Cupric Canyon's Zone 5, Zeta and Mango deposits and MOD's T1 deposit (20km northeast of T3) and Cupric's disseminated Chalcocite deposit (30km northeast of T3).

Wide spaced drilling down dip and along strike from Zone 3 is planned to test the potential for structurally related vein hosted sulphides within the disseminated sulphide mineralisation. Zone 3 supports MOD's strategy to identify the prospective Kalahari Footwall Sandstone contact below surface on the surrounding T3 Dome.

In order to improve logistics and reduce assay turnaround time, the joint venture elected to have a sample preparation facility established at the project base in Ghanzi. This will be manned by accredited laboratory staff to maintain strict quality control requirements, while reducing shipping volumes, simplifying export procedures, and enabling increased options for the analysing of pulps in the future.

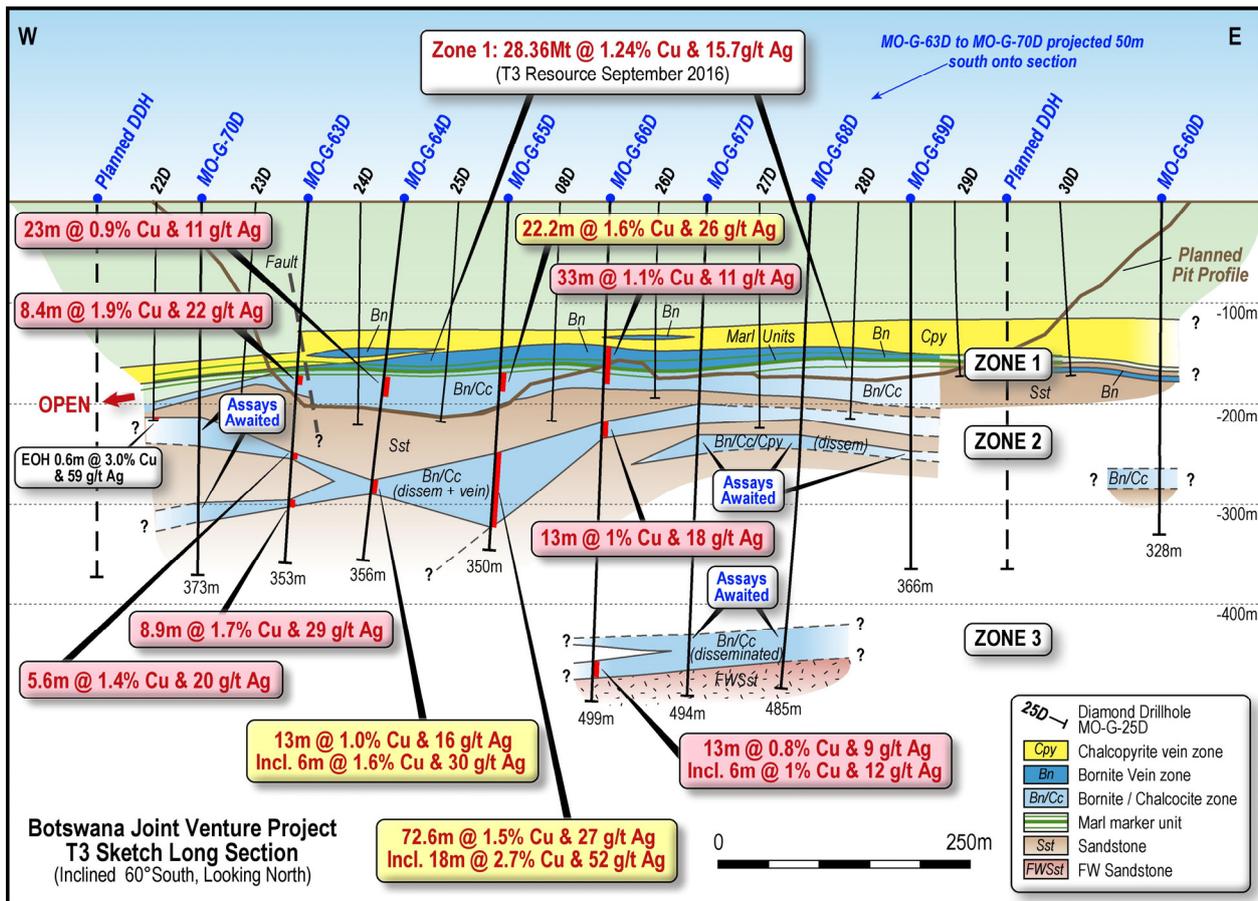


Figure 1: Longitudinal Section showing significant Intersections in extension drilling up to the date of this release

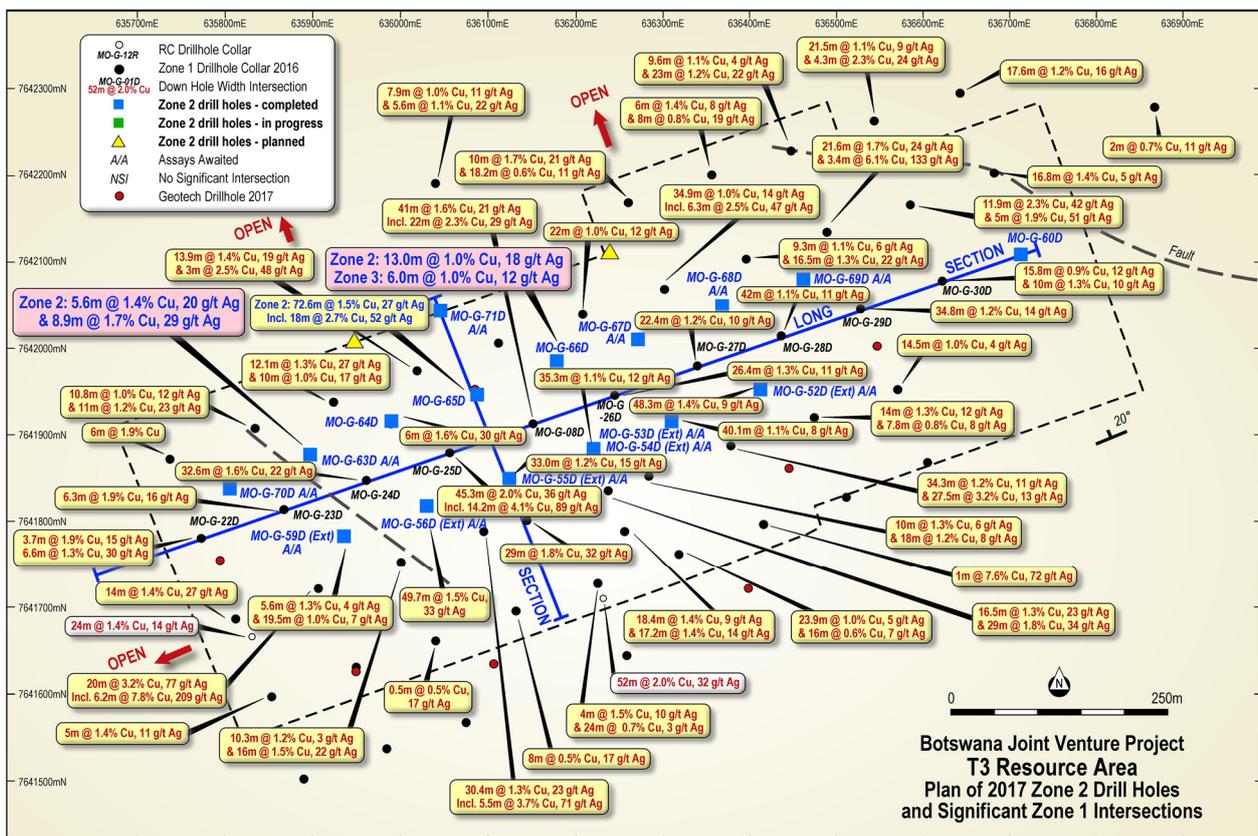


Figure 2: Plan of T3 resource drill hole collars, significant Zones 2 & 3 intersections and holes awaiting assays (blue)

T3 Dome Program and Targets

In addition to the extension drilling at T3, MOD continued an exploration program focused along the T3 Dome.

During the quarter, detailed interpretation of the results of the 3D IP survey at T3 was carried out by consultants Spectral Geophysics to identify potential new sulphide targets within the immediate area of T3 and adjacent areas of the T3 Dome. This identified a substantial IP anomaly associated with the T3 deposit and two additional anomalies northwest of T3 (announced 24 April 2017). The two targets commence at approximately 250m depth and are now considered a high priority for drilling (Figure 3).

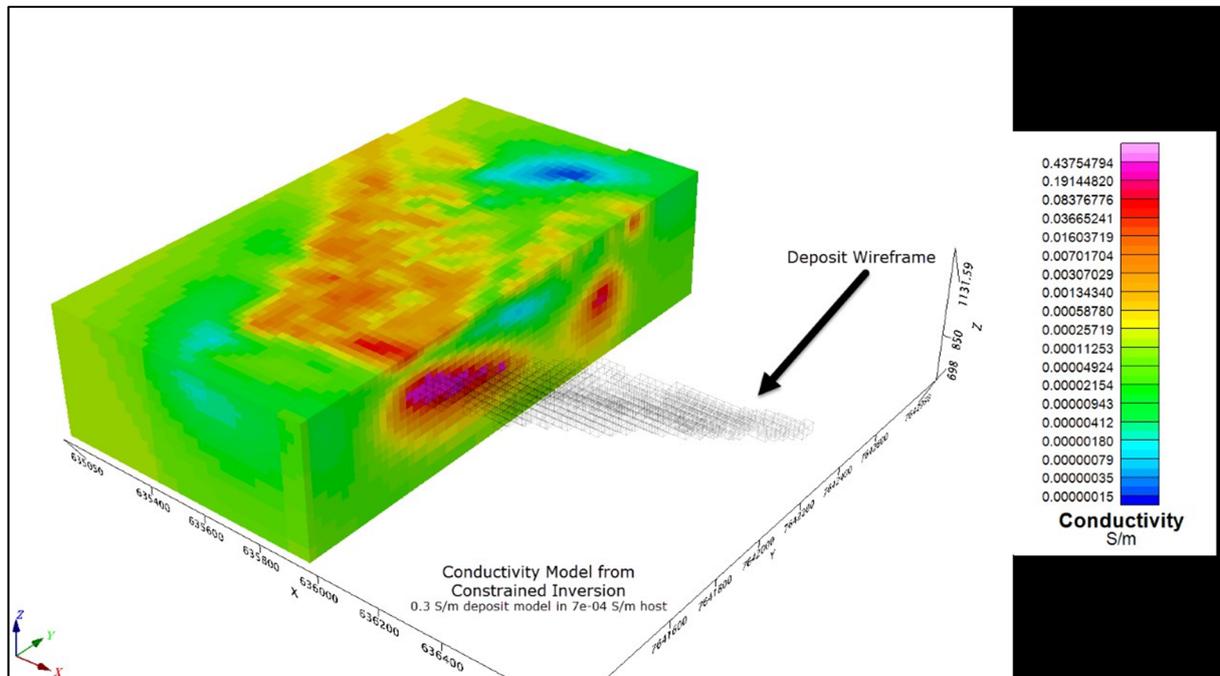


Figure 3: T3 conductivity anomalies interpreted from 3D trial IP survey, looking northwest

The conductivity anomaly associated with the T3 deposit wireframe is considered by the geophysical consultants to be likely to be detectable by airborne electromagnetics (AEM) to a depth of >400m. A trial AEM survey covering approximately 100km² (~10% of the area of the T3 Dome) is planned to commence in May 2017. This provides the opportunity to rapidly screen the >50km long T3 Dome for anomalies that may have potential for other T3 vein hosted deposits.

In early January, Tshukudu commenced a substantial soil sampling program consisting of approximately 11,000 samples to cover the ~1,000km² T3 Dome, with the objective to define potential copper soil anomalies to target drilling. T3 was discovered at shallow depth below a subtle copper soil anomaly (28ppm Cu). Throughout January and February 2017 the Ghanzi region experienced very heavy rains which restricted access throughout the T3 Dome, apart from the T3 deposit where drilling of Zone 2 was able to continue.

The soil sampling program has moved to other areas west of Ghanzi (T20 Dome, 150km west of T3) and soil sampling will resume at T3 Dome in the June quarter. Approvals have been granted from Department of Environmental Affairs (DEA) and from cattle farmers for the soil sampling programs to proceed at both T3 Dome and T20 Dome.

In March 2017, Tshukudu Metals applied for approval for the next phase of exploration drilling at T3 and was notified by DEA that an Environmental Impact Assessment (EIA) would be required for T3. Tshukudu Metals has appointed a certified Environmental Practitioner and discussions are now in progress with DEA and the Botswana Chamber of Mines. Tshukudu's objective is to continue with all EIA activities associated with the mining PFS whilst seeking environmental approvals that will enable the next stage of exploration drilling at T3 and along the T3 Dome to proceed as soon as possible.

Several environmental components of the mining PFS have already been completed and this should help expedite the exploration approval process (Table 2).

T3 Pre-Feasibility Study (PFS)

In December 2016, MOD announced the results of its scoping study for an open cut mine at T3 with a 2Mtpa processing plant, an indicative mine life of 10 years and an average production rate of 21,800tpa of copper and 665,000tpa of silver. The scoping study has indicated potential for strong financial outcomes and will be further evaluated during the pre-feasibility study (PFS). A cautionary statement included with the scoping study announcement on 6 December 2016 is also included in the Forward Looking Statements and Disclaimer section included in this Quarterly Report.

The PFS commenced early in the March 2017 quarter with geotechnical, metallurgical and resource infill drilling within the T3 pit area starting in January. PFS-related site activities also included environmental work (an archaeological study, baseline environmental studies and commencement of early stage permitting activities) and commencement of geotechnical logging and modelling.

Pump testing of existing water bores in the area around T3 to identify potential sources of process water for the proposed ore treatment plant at T3 is planned in the June Quarter.

The contract for the open pit mining study was awarded to Sound Mining in South Africa and the process and infrastructure study has been tendered.

Existing infrastructure in the region includes a sealed two lane highway only 12km from site and the substantial town of Ghanzi is approximately 80km away from T3. Botswana Power Corporation has advised that they plan to have grid power down the highway by 2020 adjacent to T3 and MOD has made allowances for a diesel generator power station on site.

Table 2: Update of T3 PFS related activities

Pre-feasibility Study Activities Update	Status
Baseline flora and fauna studies – wet season	Complete
Archaeological Impact assessment	Complete
Stakeholder engagement planning and policy	Underway
Geology resource update	Underway
Geotechnical study	Underway
Mining study	Contract awarded
Hydrogeological study	Underway
Process and infrastructure study	Tendering
Metallurgical testwork	Drilling complete, samples in transit
Tailings storage facility	Scoping
Digital terrain modelling and imagery	Underway

Regional Exploration

MOD’s extensive landholding in the Kalahari Copper Belt includes targets that extend over approximately 200 kilometres (Figure 4).

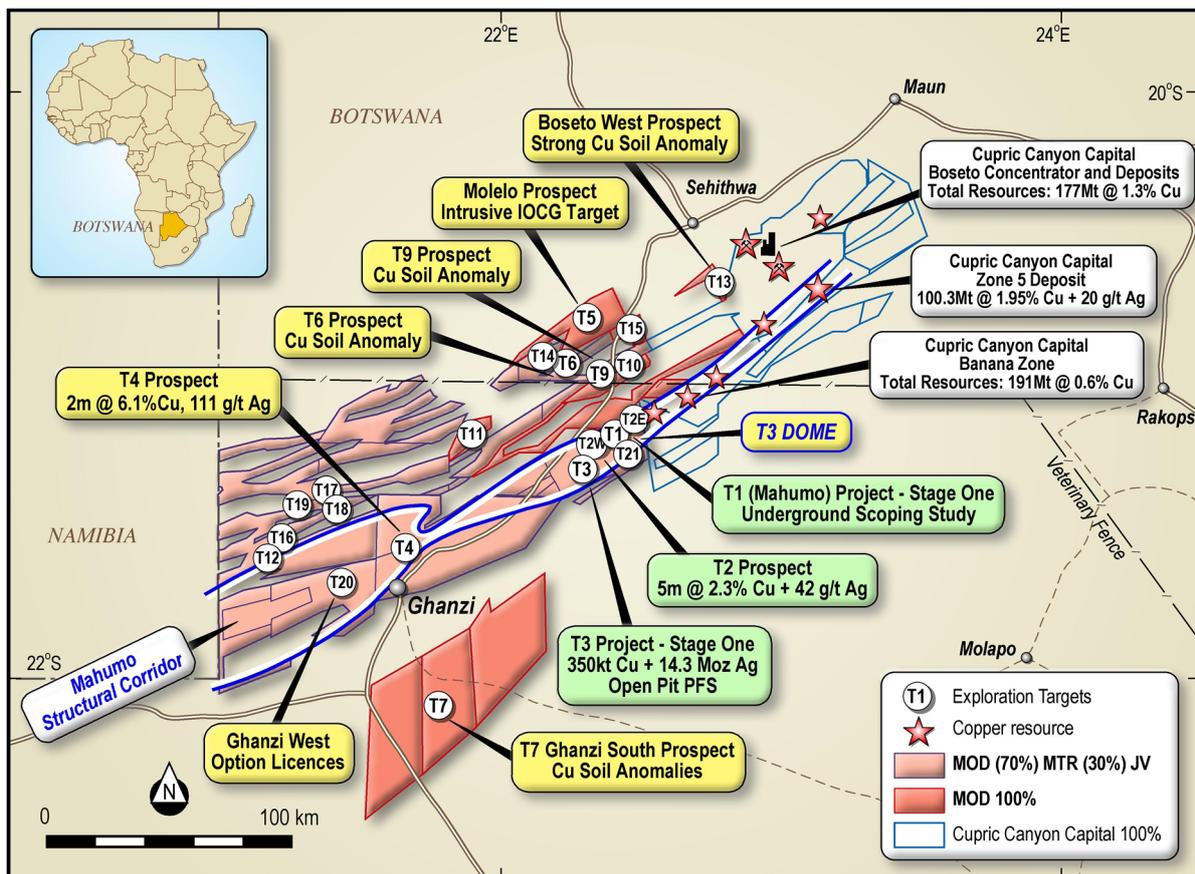


Figure 4: Kalahari Copper Belt showing T3 and regional targets on MOD/MTR and MOD 100% licences

During March 2017, systematic regional exploration commenced on an extensive area west of the town of Ghanzi towards the Namibian border on licences held either 100% by the Tshukudu Metals Botswana (Pty) Ltd ("Tshukudu") joint venture (MOD 70%), or under an option agreement which enables Tshukudu to acquire a 100% interest of two key licences. (Figure 4)

This area is centred around an interpreted ~60km long dome (T20 Dome) within a structural corridor which extends 300km northeast from T20 and includes the T3 Dome and 35km long Banana Dome held by Cupric Canyon Capital. The current targets in this area are:

T20: Interpreted from magnetic data to be a broad, shallow dipping domal feature cut by northeast trending regional structures extending to the T3 Dome. There is minimal previous exploration and no known effective drilling across the T20 Dome. A widely spaced soil sampling program covering ~40km of the eastern part of the T20 Dome commenced at the end of March.

T12: Interpreted from magnetic data to be located in an area of structural complexity at the intersection of a major NE trending regional structure and the prospective Kalahari Footwall Contact north of the T20 Dome. A soil sampling program has commenced to test the potential of this area under surface sand and calcrete cover.

T4: In February 2016, MOD conducted RC drilling along a shear zone associated with an anticlinal fold north of the T20 Dome. Copper sulphides were intersected in five RC holes with the highest grade intersection being **2m @ 6.1% Cu and 111g/t Ag** from 101m down hole depth in hole MO-A-4R. (announced 1 April 2016). Drilling stopped at T4 when the T3 discovery was made in March 2016. A reinterpretation of previous data from T4 is in progress to enable drilling to resume.

In addition to systematic exploration of the T20 Dome area commencing during the quarter, preliminary shallow RC drilling was also conducted at three widely spaced targets (T7, T11 and T13) with the objective to confirm if the favourable geological sequence occurs at these targets and to meet Department of Mines licence requirements (Figure 4). Ten RC holes were completed and most are interpreted by site geologists to have intersected the favourable D'Kar Formation and Ngwako Pan Formation sediments. Results from this drilling are still being interpreted and will be reported when the interpretation is complete.

Sams Creek Gold JV, New Zealand (MOD 80%)

As a non-core asset for the Company, MOD previously announced its intention to divest the Sams Creek Gold Project in New Zealand. The Company has earned an 80% interest with OceanaGold Corporation (20%). Sams Creek has a JORC compliant inferred and indicated mineral resource containing 1.02Moz gold (Appendix, Table 3).

During the quarter, MOD advanced discussions with a potential acquirer of MOD's interest in Sams Creek. An update on a potential transaction is expected to be announced during the June quarter.

Local Community and Government

Botswana operating company, Tshukudu was incorporated in late 2016, became fully operational during the March 2017 quarter and now employs all in-country staff. Tshukudu is owned 70% by MOD via its equity interest in the joint venture company, Metal Capital Limited and holds 16 prospecting licences including the T3 Project. Tshukudu is an important part of MOD's long term plan to build a successful operating company in Botswana.

During the quarter, Mr Boikobo Paya was appointed as Chairman of Tshukudu. Tshukudu means rhinoceros in Setswana, the official language of Botswana and has been incorporated into the subsidiary's new logo (Figure 5).

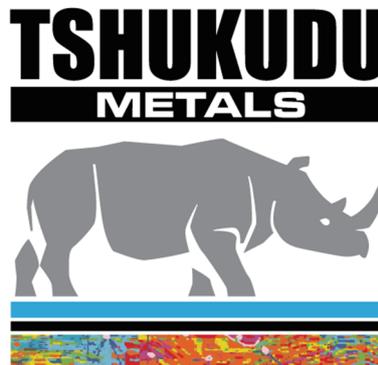


Figure 5: Official logo of Tshukudu Metals

In February 2017, MOD's Managing Director Mr Julian Hanna presented at the Mining Investment Botswana conference in Gaborone, Botswana. He provided an update on the T3 Project, discussed investor perceptions of Botswana mining projects and capital allocation strategies. The conference was attended by ministers, mining companies and investors from Africa and internationally.

Corporate

MOD's dual focus on rapid development of a new copper mine in Botswana and aggressive exploration to build on the standout T3 discovery underpinning project development studies has attracted the interest of investors in Australia and internationally.

On 17 March 2017, MOD announced it had raised A\$14.6 million (before costs) in an oversubscribed share placement to institutions, professional and sophisticated investors. The placement involved receiving commitments from investors for 235.42 million fully paid ordinary shares at \$0.062 per share to raise \$14.6 million before costs. The placement was done using the Company's existing placement capacity and the offer price represented a discount of approximately 2.2% to the 15-day VWAP. Blue Ocean Equities acted as the Lead Manager to the Placement.

During the quarter, institutions such as Melbourne-based Contango Funds Management (Contango) joined the register as the Company reached a 52-week high in March and exceeded the A\$100 million market capitalisation for the first time. At the time of this report, Contango held an interest of 5.64% in MOD.

In February, MOD presented at the 121 Mining Investment Forum in Cape Town, South Africa exposing the Company to a variety of new international mining funds.

During the quarter, the Company strengthened its executive team. MOD Director, Mr Steve McGhee, transitioned to an executive role as part of a planned strategy to progress development and exploration simultaneously to drive shareholder value. Additionally, Mr Stef Weber was appointed as MOD's Chief Financial Officer (CFO).

On 20 February 2017, MOD held a General Meeting at which all resolutions put to shareholders were passed on a show of hands. Following this approval, MOD Directors subscribed for 10,344,825 fully paid ordinary shares at \$0.029 per share on the same terms and conditions as the placement announced 19 December 2016 and 47,000,000 Performance Rights were issued to twelve key management personnel, including directors, staff and select contractors operating on the Company's exploration, development, administrative, financial and corporate activities in Australia and Botswana. The Performance Rights expire five years from the date of issue and are conditional upon the Company achieving market capitalisation milestones of \$120 million and \$180 million for a period of 30 consecutive days.

On 21 February 2017, the Company also issued 1,400,000 fully paid ordinary shares pursuant to the acquisition of a further 20% interest in PL141/2012 and PL044/2012.

During the quarter, MOD's JV partner, AIM-listed Metal Tiger Plc, exercised 29,166,667 listed \$0.01 options in MOD. Subsequent to the March quarter, Metal Tiger announced that it had closed its private placement offering, run by Sprott Capital Partners (Sprott) and on 21 April 2017, Metal Tiger confirmed the placement raised a total of £4,390,000 through Sprott and a further £460,000 through a placing of subscription of shares to fund its 30% contribution toward the JV.

Also during the quarter a further 145,167 listed \$0.01 options expiring 1 May 2018 and 450,139 unlisted \$0.06 options expiring 15 April 2019 were exercised and 63,000,000 unlisted \$0.06 options exercisable on or before 4 March 2017 expired without exercise.

For and on behalf of the Board.

Julian Hanna
 Managing Director

Mark Clements
 Executive Chairman and Company Secretary

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Background

Botswana Copper/Silver Project

The combined MOD holdings are located in the relatively unexplored central and western Kalahari Copper Belt, which is largely covered, by shallow sand and surface calcrete (Figure 4). MOD's holdings comprise: 100% interest in granted prospecting licences held through a subsidiary MOD Resources Botswana (Pty) Ltd and a 70% joint venture interest are held through UK joint venture company, Metal Capital Ltd (MCL) and its wholly owned subsidiary Tshukudu Metals Botswana (Pty) Ltd, following the acquisition of DMI announced on 16 December 2015.

MOD has been an active explorer in the Kalahari Copper belt since 2011 and discovered the 'Corner K Deposit', now re-named Mahumo Copper/Silver Deposit (T1). The T1 deposit was discovered by drilling a soil anomaly along the northern margin of a regional 20km wide structural zone (Mahumo Structural Corridor) which can be interpreted to extend >300km along the Kalahari Copper Belt. T1 resource remains open below the limit of drilling along 2.4km strike length and diamond drilling is proposed to test for extensions to ~600m depth.

In March 2016, MOD and MTR announced the discovery of significant Copper/Silver mineralisation in drilling at shallow depth at T3, 20km southwest of T1 (Mahumo). Mineralisation at T3 consists of vein hosted and disseminated chalcopyrite, bornite and chalcocite within a 50-60m wide sequence of shallow dipping green siltstones and marl units (T3 'Host Sequence').

There is no outcrop or previous drilling at T3, which is interpreted to form part of a ~60km long 'dome' (T3 Dome) within the Mahumo Structural Corridor. Since the discovery of T3 in March 2016, MOD and MTR have defined a substantial maiden resource, which was announced on 26 September 2016 and have completed a scoping study to determine the open pit potential at T3 to approximately 220m depth. Soil sampling and IP geophysical surveys in the area surrounding T3 have also identified additional high priority drilling targets where drilling commenced during the March 2017 quarter.

In November 2015, neighbouring Cupric Canyon Capital announced the potential development of a substantial underground mine at the Zone 5 deposit. Zone 5 is located ~100km NE and on the same structural contact as the T1 (Mahumo) deposit. Cupric's reported resources at Zone 5 are 100.3Mt @ 1.95% Cu and 20g/t Ag (December 2015). Zone 5 is currently the largest announced resource in the Kalahari Copper Belt and demonstrates the wider potential of this under-explored, sand covered region.

Sams Creek Gold Project

The Sams Creek Gold Project is located 100km north of the Reefion gold field in the South Island of New Zealand. MOD through subsidiary Sams Creek Gold Limited, owns 80% of Sams Creek Joint Venture with OceanaGold Corporation, which is New Zealand's largest gold producer holding 20%.

Sams Creek has an existing JORC 2012 compliant Mineral Resource containing approximately 1.0Moz gold (announced 9 October 2013). The resource estimate was prepared by Golder Associates Pty Ltd. The resource has not materially changed since it was last reported in an announcement to ASX on 9 October 2013. However, on 18 September 2015, MOD announced the results of a review of high-grade mineralisation at a 2.0g/t gold cut-off grade, based on 58 drill hole intersections within the Mineral Resource.

Gold mineralisation at Sams Creek is contained within a porphyry dyke up to 35m wide in the Main Zone deposit. The dyke can be traced 6km along strike within the Sams Creek permit area and extends into the 100% owned Barrons Flat permit area, which directly adjoins Sams Creek. It should be noted that the Sams Creek porphyry dyke does not always contain gold mineralisation.

Competent Person's Statement

The information in this announcement that relates to Mineral Resource estimation and classification of the T3 Copper/Silver Project was conducted and approved by Mr A.I. Pretorius, MSc. Pri.Sci.Nat. Mr Pretorius is an independent consultant to MOD Resources Ltd and a member of the South African Council for Scientific Professionals (SACNASP Membership Number 400060/91). Mr Pretorius has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Pretorius consents to the inclusion in this announcement of the matters based on information in the form and context in which it appears.

The information in this announcement that relates to Geological Data and Exploration Results at the Botswana Copper/Silver Project is reviewed and approved by Jacques Janse van Rensburg, BSc (Hons), Business Development Manager for MOD Resources Ltd. He is registered as a Professional Natural Scientist with the South African Council for Natural Scientific Professions (SACNASP) No. 400101/05 and has reviewed the technical information in this report. Mr Janse van Rensburg has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and the activity, which it is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Mr Janse van Rensburg consents to the inclusion in this announcement of the matters based on information in the form and context in which it appears.

No New Information

To the extent that this announcement contains references to prior exploration results and Mineral Resource estimates, which have been cross referenced to previous market announcements made by the Company, unless explicitly stated, no new information is contained. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Exploration Targets and Results

This announcement refers to Exploration Targets as defined under Sections 18 and 19 of the 2012 JORC Code. The Exploration Targets quantity and quality referred to in this announcement are conceptual in nature. There has been insufficient exploration at Exploration Targets mentioned in this announcement to define a Mineral Resource and it is uncertain if further exploration will result in the Exploration Targets being delineated as a Mineral Resource. This announcement includes several drill hole intersections, which have been announced by MOD Resources Limited previously.

Forward Looking Statements and Disclaimers

This announcement includes forward-looking statements that are only predictions and are subject to risks, uncertainties and assumptions, which are outside the control of MOD Resources Limited.

Actual values, results, interpretations or events may be materially different to those expressed or implied in this announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements in the announcement as they speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and ASX Listing Rules, MOD Resources Limited does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward-looking statement is based.

This announcement has been prepared by MOD Resources Limited. The document contains background information about MOD Resources Limited current at the date of this announcement. The announcement is in summary form and does not purport to be all-inclusive or complete. Recipients should conduct their own investigations and perform their own analysis in order to satisfy themselves as to the accuracy and completeness of the information, statements and opinions contained in this announcement.

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Recipients should seek professional advice when deciding if an investment is appropriate. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments. To the fullest extent of the law, MOD Resources Limited, its officers, employees, agents and advisers do not make any representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of any information, statements, opinion, estimates, forecasts or other representations contained in this announcement. No responsibility for any errors or omissions from the announcement arising out of negligence or otherwise is accepted.

Scoping Study Parameters - Cautionary Statements

The scoping study referred to in this announcement has been undertaken to determine the potential viability of an open pit mine and sulphide flotation processing plant constructed onsite at T3 and to reach a decision to proceed with more definitive feasibility studies commencing in early 2017.

It is a preliminary technical and economic study of the potential viability of the T3 deposit. It is based on low level technical and economic assessments that are not sufficient to support the estimation of ore reserves. Further evaluation work and appropriate studies are required before MOD will be able to estimate any ore reserves or to provide any assurance of an economic development case.

Approximately 88% of the total LOM production target is in the Indicated Resource category with 12% in the Inferred Resource Category. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further infill drilling of the T3 resource will result in the determination of indicated mineral resources or that the production target itself will be realised.

The scoping study is based on the material assumptions outlined in MOD's announcement of 6 December 2016. These include assumptions about the availability of funding. While MOD considers all the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the scoping study will be achieved.

To achieve the range of proposed feasibility studies and potential mine development outcomes indicated in the scoping study, additional funding will likely be required. Investors should note that there is no certainty that MOD will be able to raise funding when needed. The Company has concluded it has a reasonable basis for providing the forward looking statements included in this announcement and believes that it has a "reasonable basis" to expect it will be able to fund the development of the project.

Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the scoping study.

APPENDIX

Table 1: T3 Resource Table (September 2016)

JORC Category	Cut-off Cu%	Tonnes	Grade Cu%	Grade Ag g/t	Contained Cu (tonnes)	Contained Ag (oz)
Indicated	0.5	18,071,000	1.35	16.7	244,320	9,724,550
	1.0	10,103,000	1.84	24.2	186,198	7,848,794
	1.5	6,773,906	2.12	29.6	143,675	6,450,935
Inferred	0.5	10,287,000	1.03	13.7	105,853	4,546,534
	1.0	3,162,296	1.82	26.0	57,396	2,640,127
	1.5	1,706,001	2.30	34.5	39,221	1,892,814

TOTAL (Indicated & Inferred)	0.5	28,358,000	1.24	15.7	350,221	14,271,083
	1.0	13,265,000	1.84	24.6	243,678	10,488,664
	1.5	8,479,907	2.16	30.6	182,912	8,343,592

Table 2: T3 Diamond Drill Hole Parameters (revised as at 31 March 2017)

Drill Hole ID	WGS84_34S_E	WGS84_34S_N	RL	Azi	Dip	EOH (m)
MO-G-01D	636192	7641821	1116	160	-60	313.70
MO-G-02D	636229	7641730	1116	160	-60	283.60
MO-G-03D	636112	7642011	1116	160	-60	256.90
MO-G-04D	635922	7641936	1115	160	-60	253.70
MO-G-05D	636303	7642071	1117	160	-60	268.80
MO-G-06D	635744	7641870	1115	160	-60	259.70
MO-G-07D	636046	7642191	1115	160	-60	328.70
MO-G-08D	636154	7641914	1116	160	-60	214.54
MO-G-09D	636493	7642137	1117	160	-60	268.84
MO-G-10D	636238	7641836	1116	160	-60	169.60
MO-G-11D	636144	7641806	1116	160	-60	178.74
MO-G-12D	636258	7641790	1116	160	-60	157.60
MO-G-13D	636681	7642204	1117	160	-60	271.79
MO-G-14D	636568	7641953	1116	160	-60	169.50
MO-G-15D	636475	7641921	1116	160	-60	166.50
MO-G-16D	636383	7641889	1116	160	-60	181.60
MO-G-17D	636287	7641855	1116	160	-60	181.69
MO-G-18D	636098	7641789	1116	160	-60	181.50
MO-G-19D	636004	7641751	1116	160	-60	169.52
MO-G-20D	635910	7641722	1116	160	-60	184.74
MO-G-21D	635816	7641689	1116	160	-60	181.50
MO-G-22D	635775	7641782	1116	160	-60	211.60
MO-G-23D	635871	7641814	1116	160	-60	205.79
MO-G-24D	635969	7641846	1116	160	-60	226.50
MO-G-25D	636058	7641881	1116	160	-60	220.55
MO-G-26D	636246	7641948	1116	160	-60	198.79
MO-G-27D	636342	7641980	1116	160	-60	220.42
MO-G-28D	636437	7642012	1117	160	-60	220.50

MO-G-29D	636527	7642044	1116	160	-60	184.80
MO-G-30D	636625	7642080	1117	160	-60	187.62
MO-G-31D	636588	7642169	1117	160	-60	226.89
MO-G-32D	636868	7642271	1117	160	-60	214.67
MO-G-33D	636393	7642113	1117	160	-60	220.70
MO-G-34D	636208	7642041	1116	160	-60	226.82
MO-G-35D	636023	7641961	1116	160	-60	232.52
MO-G-36D	635834	7641904	1115	160	-60	247.76
MO-G-37D	635852	7641597	1116	160	-60	133.64
MO-G-38D	635950	7641632	1116	160	-60	160.48
MO-G-39D	635892	7641504	1117	160	-60	109.74
MO-G-40D	635993	7641542	1117	160	-60	109.79
MO-G-41D	636041	7641662	1117	160	-60	172.54
MO-G-42D	636079	7641572	1118	160	-60	85.79
MO-G-43D	636133	7641694	1117	160	-60	118.71
MO-G-44D	636320	7641762	1116	160	-60	91.47
MO-G-45D	636419	7641798	1117	160	-60	115.69
MO-G-46D	636512	7641829	1117	160	-60	91.64
MO-G-47D	636607	7641862	1117	160	-60	91.77
MO-G-48D	636263	7641639	1117	160	-60	79.71
MO-G-49D	636456	7642226	1116	160	-60	301.69
MO-G-50D	636364	7642200	1116	160	-60	265.67
MO-G-51D	636263	7642160	1116	160	-60	273.57
MO-G-52D	636408	7641948	1116	160	-60	193.48
MO-G-53D	636310	7641913	1116	160	-60	193.49
MO-G-54D	636219	7641881	1116	160	-60	196.57
MO-G-55D	636128	7641839	1116	160	-60	340.00
MO-G-56D	636031	7641818	1116	160	-60	450.00
MO-G-57D	636541	7642258	1116	160	-60	271.48
MO-G-58D	636636	7642291	1116	160	-60	274.57
MO-G-59D	635934	7641784	1116	160	-60	320.00
MO-G-60D	636716	7642108	1116	160	-60	328.73
MO-G-63D	635897	7641876	1116	160	-60	352.60
MO-G-64D	635990	7641912	1116	160	-60	355.53
MO-G-65D	636089	7641946	1116	160	-60	349.57
MO-G-66D	636184	7641985	1116	160	-60	499.42
MO-G-67D	636276	7642014	1116	160	-60	493.60
MO-G-68D	636373	7642048	1116	160	-60	484.68
MO-G-69D	636466	7642080	1116	160	-60	366.39
MO-G-70D	635805	7641838	1116	160	-60	373.42
MO-G-71D	636053	7642039	1116	160	-60	451.73
T3_GEOTECH_1	636107	7641632	1116	340	-60	205.80
T3_GEOTECH_2	636398	7641718	1116	310	-60	185.28
T3_GEOTECH_3	636085	7641950	1116	198	-60	215.26
T3_GEOTECH_4	636271	7642006	1116	223	-60	197.27
T3_GEOTECH_5	635950	7641625	1116	43	-60	221.33
T3_GEOTECH_6	635794	7641753	1116	100	-60	221.33
T3_GEOTECH_7	636445	7641859	1116	262	-60	170.20
T3_GEOTECH_8	636547	7642001	1116	225	-60	176.28

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MO-G-52D (ext)	636408	7641948	1116	160	-60	352.67
MO-G-53D (ext)	636310	7641913	1116	160	-60	265.47
MO-G-54D (ext)	636219	7641881	1116	160	-60	274.57
MO-G-55D (ext)	636128	7641839	1116	160	-60	322.52
MO-G-56D (ext)	636031	7641818	1116	160	-60	376.51
MO-G-59D (ext)	635934	7641784	1116	160	-60	322.50

Table 3: Sams Creek Resource Table

Sams Creek Resource Category	Cut-Off g/t Au	Tonnes (Mt)	Grade g/t Au	Contained 000's oz Au
Indicated	0.7	10.1	1.77	575
Inferred	0.7	10.4	1.31	439
TOTAL	0.7	20.5	1.54	1,014
Indicated	1.0	7.9	2.03	515
Inferred	1.0	5.8	1.70	315
TOTAL	1.0	13.7	1.89	830
Indicated	1.5	5.0	2.48	402
Inferred	1.5	2.5	2.33	187
TOTAL	1.5	7.5	2.43	588

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Schedule of Exploration Licences

Botswana Copper/Silver Project

Permit/Licence Number	Size (km ²) (approx.)	Holding	Title Holder	Licence Commencement Date	Renewal Date
MOD Licences					
PL686/2014	463.0	100%	MOD Resources Botswana (Pty) Ltd	01 Jan 17	31 Dec 18
PL203/2014	77.7	100%	MOD Resources Botswana (Pty) Ltd	01 Apr 14	31 Mar 17
PL280/2014	116.0	100%	MOD Resources Botswana (Pty) Ltd	01 Jul 14	30 Jun 17
PL034/2015	921.0	100%	MOD Resources Botswana (Pty) Ltd	01 Apr 15	31 Mar 17
PL035/2015	789.0	100%	MOD Resources Botswana (Pty) Ltd	01 Apr 15	31 Mar 17
PL036/2015	941.0	100%	MOD Resources Botswana (Pty) Ltd	01 Apr 15	31 Mar 17
PL141/2012	387.3	100%	MOD Resources Botswana (Pty) Ltd	01 Oct 15	30 Sep 17
PL044/2012	75.7	100%	MOD Resources Botswana (Pty) Ltd	01 Oct 15	30 Sep 17
MOD/MTR JV Licences					
PL186/2008	557.0	70%	Tshukudu Metals Botswana (Pty) Ltd	01 Jan 17	31 Dec 18
PL187/2008	648.8	70%	Tshukudu Metals Botswana (Pty) Ltd	01 Jan 17	31 Dec 18
PL188/2008	395.0	70%	Tshukudu Metals Botswana (Pty) Ltd	01 Jan 17	31 Dec 18
PL189/2008	210.7	70%	Tshukudu Metals Botswana (Pty) Ltd	01 Jan 17	31 Dec 18
PL190/2008	708.0	70%	Tshukudu Metals Botswana (Pty) Ltd	01 Jan 17	31 Dec 18
PL191/2008	572.0	70%	Tshukudu Metals Botswana (Pty) Ltd	01 Jan 17	31 Dec 18
PL192/2008	604.5	70%	Tshukudu Metals Botswana (Pty) Ltd	01 Jan 17	31 Dec 18
PL102/2005	331.1	70%	Tshukudu Metals Botswana (Pty) Ltd	01 Jan 17	31 Dec 18
PL103/2005	131.1	70%	Tshukudu Metals Botswana (Pty) Ltd	01 Jan 17	31 Dec 18
PL104/2005	285.3	70%	Tshukudu Metals Botswana (Pty) Ltd	01 Jan 17	31 Dec 18
PL060/2012	809.2	70%	Tshukudu Metals Botswana (Pty) Ltd	01 Jan 16	31 Dec 18
PL061/2012	974.9	70%	Tshukudu Metals Botswana (Pty) Ltd	01 Jan 16	31 Dec 18
PL231/2016	65.0	70%	Tshukudu Metals Botswana (Pty) Ltd	01 Oct 16	30 Sept 19
PL074/2017	45.0	70%	Tshukudu Metals Botswana (Pty) Ltd	01 Jan 17	31 Dec 19*
PL126/2013	341.4	70%	Senyetse Resources (Pty) Ltd	01 Jul 16	30 June 18**
PL127/2013	668.6	70%	Senyetse Resources (Pty) Ltd	01 Jul 16	30 June 18**
TOTAL	11,118.26				

Note:

*Replaces PL335/2016

**Tshukudu has an option agreement to acquire 100% of these licences

Sams Creek Gold Project

Permit/Licence Number	Size (km ²)	Holding	Title Holder	Licence Commencement Date	Renewal Date
EP40338	30.6	80%	Sams Creek Gold Limited	27 Mar 98	26 Mar 21
EP54454	32.0	100%	Sams Creek Gold Limited	25 Sep 12	25 Sep 17
TOTAL	62.6				