

30 June 2015

Market Announcements Platform
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Sale of Manica Gold Project

Highlights

- **Agreement with AIM-listed Xtract Resources plc to sell Manica Mining Concession 3990C**
- **Up to US\$12.5 million payable to be satisfied by:**
 - **US\$6.5 million worth of ordinary shares in Xtract (AIM:XTR)**
 - **US\$4.5 million cash**
 - **XTR to settle up to US\$1.5 million project-related creditors**

Auroch Minerals NL (ASX: AOU) (**Auroch** or the **Company**), is pleased to advise it has entered into a binding agreement to sell 100% of the Manica Mining Concession 3990C to AIM-listed Xtract Resources plc (**Xtract** or **XTR**) for total sale consideration of US\$11.0 million in a combination of cash and equity in Xtract, plus assumption of project related creditors of up to US\$1.5 million.

[Xtract Resources plc](#) is a gold and copper exploration development company with projects in Chile and South Africa with a current market capitalisation of approximately £22 million and is well funded. Xtract aims to become a mid-tier gold and copper producer with a focus on low cost, high margin shallow/surface deposits. Xtract's Chairman Mr Colin Bird and CEO Mr Jan Nelson have a long history of involvement in the Manica Mining Concession having initially acquired the Manica Gold Project whilst at Pan African Resources plc in 2006. Mr Nelson is also a former Director of the Company.

Commenting on the sale agreement, Chairman Glenn Whiddon stated: *"The agreement with Xtract is a great outcome for the Manica Gold Project. Colin Bird and Jan Nelson have been involved in the Manica project for many years prior to Auroch's involvement and they appreciate the significant opportunity the project affords. They have an excellent technical and operating team and have the ability, in the near future, to bring this project into production. From Auroch's perspective, we are pleased to be a shareholder of Xtract and participate in the growth of the project going forward."*

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Material Terms of Share Sale and Purchase Agreement

Auroch has entered into a binding share sale and purchase agreement for the sale of the Manica Mining Concession 3990C to Xtract on the following material terms (**Agreement**).

Consideration

Total amount payable under the Agreement is up to US\$12.5 million comprised of:

- Allotment and issue of new XTR ordinary shares to the value of US\$6.5 million at Completion. The issue price of the consideration shares shall be determined by the 10-day VWAP of XTR's shares in the 10 trading days prior to the issue of the consideration shares or 0.35 pence, whichever is lower (**Consideration Shares**);
- US\$4.5 million in cash payable at Completion; and
- In addition, XTR will also provide funding to settle project-related creditors up to a maximum of US\$1.5 million which is payable upon signing of the Agreement. This funding will be provided by Xtract by way of a subscription for new shares equal to 12% of the Company's subsidiary Auroch Minerals Mozambique Pty Ltd.

Effective from the date of signing the Agreement Xtract will be responsible for the management supervision of operations of the Manica Mining Concession as well as funding associated costs and liabilities from 1 June 2015.

Conditions Precedent to Completion

The Agreement is conditional upon Auroch obtaining prior consent of the Government of Mozambique through the Ministry of Mineral Resources and Energy to the extent required under the Mozambique Mining Act and other applicable laws relating to the change of control of the Company's subsidiary and communicating such change of control to the Mozambican mining authorities. Completion of the Agreement is also subject to Auroch obtaining shareholder approval under ASX Listing Rule 11.2 for the sale of the Manica Mining Concession and Xtract obtaining approval for the admission of the Consideration Shares to trading on AIM.

Statements of Voting Intention

Several major shareholders including the Chairman, have advised the Company that they intend to vote in favour of the Agreement at a shareholders' meeting to approve the disposal.

For further information visit www.aurochminerals.com or contact:

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