

T3 Airborne EM Survey Identifies New Anomalies

- Airborne EM (AEM) trial has confirmed a distinctive anomaly over T3 deposit
- AEM survey was extended to cover ~50km along the axis of the T3 Dome
- Preliminary interpretation of the data has identified other AEM anomalies
- Further interpretation is required to prioritise these anomalies for drill testing
- AEM appears to be a rapid and effective regional exploration technique

MOD Resources Ltd (ASX: MOD) today announced very encouraging preliminary results from a high-resolution airborne electromagnetic survey (AEM) completed along the interpreted axis of the T3 Dome, which hosts the Company's flagship T3 copper/silver deposit.

The heli-borne AEM survey, completed by contractors NRG Geophysics, used a state of the art data collection and processing system to identify potential conductors along the T3 Dome in the central Kalahari Copper Belt (ASX Announcement 20 June 2017).

T3 Dome is one of several regional scale exploration targets covered by licences held by Tshukudu Metals Botswana (Pty) Ltd ('Tshukudu') and MOD Resources Botswana (Pty) Ltd ('MOD Botswana').

Tshukudu (MOD 70% and Metal Tiger Plc 30%) and MOD Botswana (MOD 100%) have extensive licence holdings in the central and western parts of the Kalahari Copper Belt.

Initially, the survey was planned to cover a Trial Block in the area surrounding T3 (Figure 1). The trial AEM survey was successful and confirmed a distinctive anomaly associated with the T3 deposit.

As a result, the AEM survey was extended onto adjacent areas (Blocks 1 and 2) and was then further extended to cover an additional area west along the T3 Dome (Block 3). This increased the coverage of the survey for approximately 50km along the axis of the T3 Dome (Figure 1).

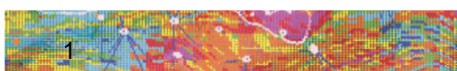
The objectives of the AEM survey were to confirm if the AEM technique could detect T3 at depth and to identify other conductive anomalies which could be potential targets for vein hosted mineralisation.

MOD's Managing Director, Mr Julian Hanna said he was very encouraged that the objectives of the AEM survey appear to have been achieved in such a short space of time.

Interpretation of the AEM data by Tshukudu's very experienced consultants in Botswana, Spectral Geophysics, in tandem with geological, structural, and surface geochemical data, is now underway.

"We plan to verify and prioritise the AEM anomalies and identify potential targets for drill testing at the earliest opportunity" Mr Hanna said.

MOD expects to update shareholders on the results of the interpretation of the AEM data once this work is finalised.



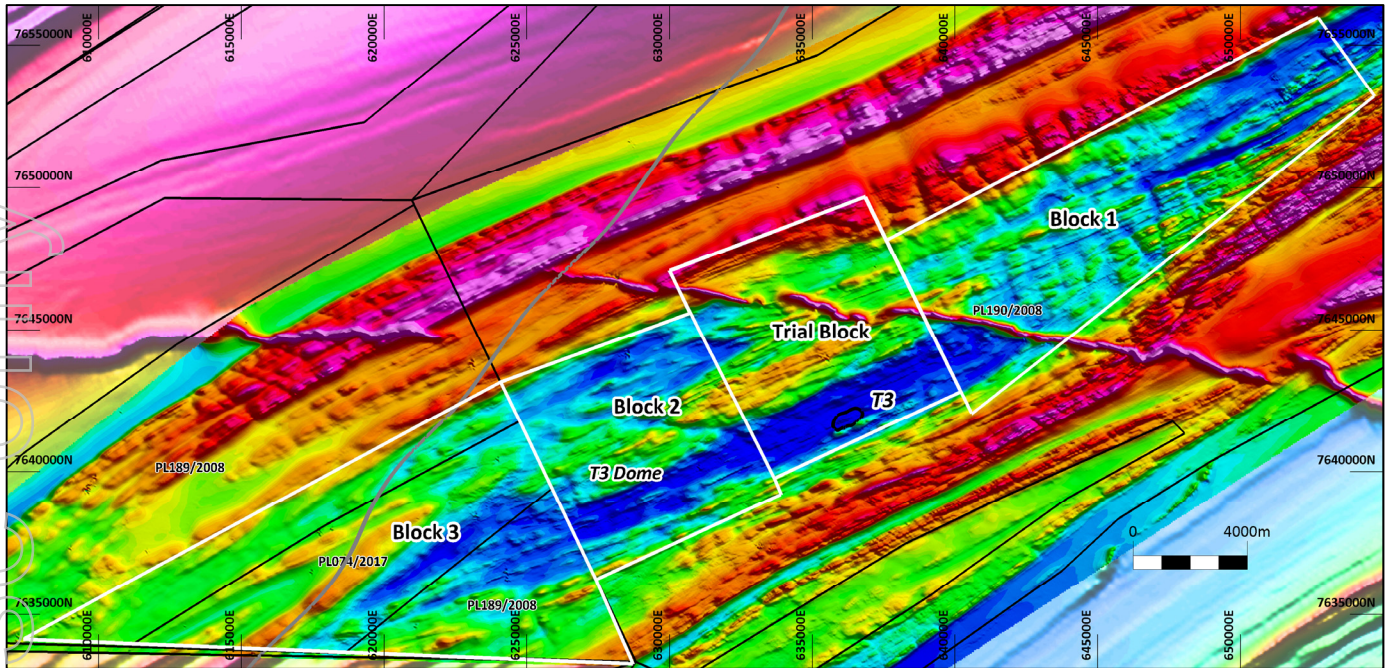


Figure 1: Magnetic image of T3 Dome showing ~50km long area covered by AEM survey

MOD is also pleased to report that the Botswana Department of Environmental Affairs (DEA) has authorised the T3 Environmental Management Plan (EMP) to proceed to a four week public review period commencing 7 July 2017. This is the final requirement to enable the next substantial phase of drilling to commence at T3 and surrounding targets.

Tshukudu's environmental consultants are also preparing applications to obtain approvals from DEA to drill other high priority targets including:

- T1 - test potential extensions to the existing high grade copper/silver resource
- T5 - follow up elevated platinum and palladium values intersected in a large gabbro intrusion
- T20 - follow up soil anomalies at the T20 Dome (ASX Announcement 20 June 2017)

-ENDS-

For and on behalf of the Board.

Julian Hanna
Managing Director

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Executive Chairman and Company Secretary

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About MOD Resources

MOD Resources Ltd (ASX: MOD) is an Australian-listed copper company actively exploring in the Kalahari Copper Belt, Botswana. The Company has a joint venture with AIM-listed Metal Tiger Plc (30%) which includes the T3 vein hosted copper/silver deposit where a discovery RC drill hole intersected 52m @ 2.0% Cu and 32g/t Ag from shallow depth in March 2016.

MOD announced a substantial maiden copper/silver resource at T3 on 26 September 2016. Total cost of discovery of T3 and delineation of the maiden resource was an exceptionally low US\$1.7 million, equivalent to only US 0.22 cents/lb copper contained within the resource.

On 6 December 2016, MOD announced the results of its scoping study for an open pit mine at T3. A pre-feasibility study (PFS) commenced in early 2017 and is targeted for completion in the December quarter 2017. A revised resource for T3 to include the recently discovered Zone 2 mineralisation is targeted to be completed in July 2017. This is expected to be incorporated into an expanded PFS.

MOD is continuing with the strategy to increase mineral resources and complete a PFS for a potential open pit mine and processing plant at T3 and conduct a substantial regional exploration program exploring for satellite deposits at other priority targets around T3 and on its regional holdings.

Competent Person's Statement

The information in this announcement that relates to Geophysical Data and Airborne Electromagnetic (AEM) results at the Botswana Copper/Silver Project, which includes T3 is reviewed and approved by Cas Lötter, MSc, Geophysical Consultant from Spectral Geophysics for MOD Resources Ltd. He is an active member of the Australian Society of Exploration Geophysicists (ASEG) and South African Geophysical Association (SAGA) and has reviewed the technical information in this report. Mr Lötter has more than 30 years of experience, which is relevant to the type of geophysical survey conducted, which is required 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 Lötter 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, which includes T3 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 include AEM anomalies and targets referred to in this announcement. The quantity and quality of the Exploration Targets referred to in this announcement are conceptual in nature. Apart from T3 and T1, there has been insufficient exploration at other Exploration Targets (for example the “T3 Dome” and the AEM anomalies) mentioned in this announcement to define a Mineral Resource and it is uncertain if further exploration will result in the Exploration Targets along the T3 Dome being delineated as a Mineral Resource. This announcement includes exploration results, 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.

Examples of forward looking statements included in this announcement are: “Interpretation of the AEM data by Tshukudu’s very experienced consultants in Botswana, Spectral Geophysics, in tandem with geological, structural, and surface geochemical data, is now underway.” and “We plan to verify and prioritise the AEM anomalies and identify potential targets for drill testing at the earliest opportunity.” and “MOD expects to update shareholders on the results of the interpretation of the AEM data once this work is finalised.” and “the Botswana Department of Environmental Affairs (DEA) has authorised the T3 Environmental Management Plan (EMP) to proceed to a four week public review period commencing 7 July 2017. This is the final requirement to enable the next substantial phase of drilling to commence at T3 and surrounding targets.” and “Tshukudu’s environmental consultants are also preparing applications to obtain approvals from DEA to drill other high priority targets”.

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.

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Electromagnetic System	
Company/Type	NRG/Xcite™
Sensor Configuration	Coincident Tx-Rx
Transmitter	
Diameter/Height	18.4m/30-40m height
Number of turns	4
Minimum line length	3km
Line intervals	200m
Receiver	
Diameter	0.613m (effective) (X), 1.0m (Z)
Number of turns	200 (X), 100 (Z)
Acquisition System	
Type	NRG RDAS II
CPU	Dual Core ARM 1.5Ghz
Magnetometer Sensor	
Type	Single Sensor Scintrex CS3
Measurement Range	15 000 – 105 000 nT
Magnetometer Counter	
Type	NRG RDAC II
Internal System	<0.0001 nT

Table 1: AEM system equipment specifications