

About MOD Resources

MOD Resources (ASX/LSE: MOD) is a dual listed copper explorer and developer with a dominant landholding in the central Kalahari Copper Belt, Botswana. A combination of 100% owned holdings and JV licences cover ~11,700km² of this under-explored copper-rich region.

Botswana operating company, Tshukudu Metals Botswana (Pty) Ltd is 100% owned by MOD, currently employing all in-country staff. Through Tshukudu Metals Botswana (Pty) Ltd, MOD has 100% ownership the flagship T3 Copper Project with options to acquire Metal Tiger Plc (AIM: MTR) 30% interest in any other new discoveries on JV licences.

Exploration assets, consisting 18 prospecting licences (~8,000km²) were successfully transferred to the new JV company, Tshukudu Exploration (Pty) Ltd. Tshukudu Exploration (Pty) Ltd is 70% owned by MOD, via its equity interest in the joint venture company, Metal Capital Exploration Ltd, and 30% by MTR.

MOD's substantial 100% holdings over 8 licences in the Kalahari Copper Belt include the T1 Underground Project, T5 and T7 prospects.

Julian Hanna	Managing Director
Mark Clements	Executive Chairman/ Company Secretary
Steve McGhee	Technical Director
Simon Lee AO	Non-Executive Director
Bronwyn Barnes	Non-Executive Director
Michael McNeilly	Non-Executive Director
Stef Weber	Chief Financial Officer

Market Capitalisation A\$83M / £47M

MOD Resources Limited

ABN 78 003 103 544

First Floor, 1304 Hay St,
West Perth WA 6005

PO Box 1927,
West Perth WA 6872

T: +61 (8) 9322 8233

F: +61 (8) 9322 8077

E: IR@modresources.com.au

ASX code: **MOD**

LSE code: **MOD**

Strong Progress on T3 Copper Project as MOD Strengthens Balance Sheet

- **Completed transaction for 100% ownership of T3 Copper Project**
- **T3 Feasibility Study on track for completion end Q1 2019**
- **Operating cost efficiencies identified for 3Mtpa process plant project**
- **Submitted draft T3 Environmental and Social Impact Assessment**
- **18 key prospecting licences extended for additional two years**
- **Continued strong exploration results near T3 Copper Project**
- **MOD commenced trading on the London Stock Exchange**
- **\$5.0M cash as at 31 December 2018, subsequently raised \$15M capital**
- **Received non-binding, indicative proposal for 100% of MOD shares**

MOD Resources Ltd. (**ASX/LSE: MOD**) (“**MOD**” or “**the Company**”) is pleased to release its fourth quarter report for the period ended 31 December 2018.

MOD's Managing Director, Julian Hanna said, “2018 was a transformational year for the Company. More specifically during the fourth quarter MOD took significant steps towards achieving its goal of becoming a copper developer within a highly prospective, emerging copper district. An important part of this process was completion of the acquisition of the remaining 30% of the T3 Copper Project as well as the extension of 18 key exploration licences for an additional two years. These accomplishments provide MOD with funding flexibility and security of tenure while demonstrating commitment to both the Project and to the Ghanzi District.”

“Subsequent to a busy 2018, MOD now has sufficient funding and significantly improved access to international debt and equity to take the 100% MOD owned T3 Copper Project towards development and production. MOD's focus has not changed. The Company remains on schedule to provide an ore reserve update and complete the T3 Copper Project Feasibility Study by the end of the first quarter, followed by a decision to mine targeted during the first half of 2019.”

During the fourth quarter, the Company made substantial progress on the T3 Copper Project Feasibility Study, including submission of the draft Environmental and Social Impact Assessment to the Department of Environmental Affairs.

Furthermore, the Company completed metallurgical and engineering test work programs required for the design of the process plant. Results identified opportunities to reduce operating costs through lower power consumption and lower reagent requirements.

Exploration continued across selected priority drill targets, returning good grades and widths of copper mineralisation notably at the A4 Dome, only 8 kilometres from the T3 Copper Project. Initial drilling at the T23 Exploration Project area, 100 kilometres west of the T3 Copper Project was also successful in intersecting disseminated copper mineralisation at shallow depth, to be followed up during 2019.

Subsequent to the end of the quarter, the Company announced a capital raising of \$15 million through a combination of a share placement and a rights issue. The Company also received an unsolicited, non-binding, indicative, conditional proposal from Sandfire Resources NL (**ASX: SFR**) equivalent to \$0.38 per share for 100% of MOD shares, which the Board believes undervalues MOD's assets.

OVERVIEW

During the fourth quarter, MOD was active at four key projects being the T3 Open Pit, T3 Underground, T3 Expansion Project and the T20 Exploration Project.

Notably, the Company completed a number of significant steps associated with the advancement of the T3 Copper Project, including:

- Finalised 100% acquisition of the T3 Copper Project;
- Submitted the draft Environmental and Social Impact Assessment (“ESIA”) to the Department of Environmental Affairs (“DEA”);
- Made major progress on the Feasibility Study which is on track for completion at the end of the first quarter of 2019
- Received two-year extensions for 18 key MOD prospecting licenses, including the T3 Copper Project;
- Progressed T3 Copper Project funding discussions and raised \$15 million to support T3 activities.

Additionally, during 2018, the Company completed a total of 148 drill holes, including 41 drilled during the fourth quarter across selected priority targets (Table 1).

Table 1: Holes Drilled Within MOD 100% and MOD 70% JV Licenses

Area / Target	Q4 2018	Comments
T3 Copper Project	25	Resource, geotechnical & sterilisation drill holes
A4 Dome	11	9 holes intersected NPF and / or vein hosted Cu
A1 Dome	1	1 hole intersected wide zone of disseminated Cu
T23 Dome	4	3 holes intersected visible Cu, 1 hole to be completed
TOTAL	41	

The Company has successfully used airborne electromagnetic (“EM”) surveys to identify priority drill targets, including the A1 and A4 Domes within the T3 Expansion Project. Early stage drilling at these targets has resulted in the intersection of significant copper mineralisation with very encouraging grades and widths within the A1 and A4 Domes (near the T3 Copper Project). Shallow, visible copper intersected at the T23 Dome on the northern edge of the large T20 Exploration Project also provides further confidence in the district-scale opportunity within MOD’s extensive holdings.

During the fourth quarter, the Minister for Mineral Resources, Green Technology and Energy Security granted two-year extensions for 18 key prospecting licences covering T3 Copper Project, the T3 Expansion Project and the highly prospective T20 Exploration Project. 17 of these licences were transferred to Tshukudu Exploration Pty Ltd, the exploration subsidiary of the MOD and Metal Tiger JV. The remaining licence was retained in Tshukudu Metals Botswana (Pty) Ltd and includes the T3 Copper Project. Importantly, 100% of the area of all these 18 licences was approved to be retained.

The extension of these licenses has provided the Company with certainty of title for the T3 Copper Project as it continues to advance towards a decision to mine in the first half of 2019. The extension of these critical licenses also serves as an indication of the strong and on-going support that the Botswana government has for the in-country activities conducted by MOD and Tshukudu.

During the first quarter of 2019 the primary focus of the Company will be the completion of the T3 Copper Project Feasibility Study (“FS”). Following completion of the FS and approval of the ESIA, the Company will be in a position to apply for the T3 mining licence, targeted for approval before the end of the first half of 2019.

The Company has commenced infill drilling of part of the T3 Copper Project resource to upgrade the early stage production area of the planned mine into the higher confidence, JORC compliant Measured Resource category. The Company is also planning follow-up drilling of very encouraging shallow mineralisation along the T4-T23 Dome area, will undertake initial shallow drilling of the extensive Cu-Zn soil anomalies within the adjacent T20 Exploration Project and conduct follow-up drilling of the A4 Dome as a potential satellite resource to T3.

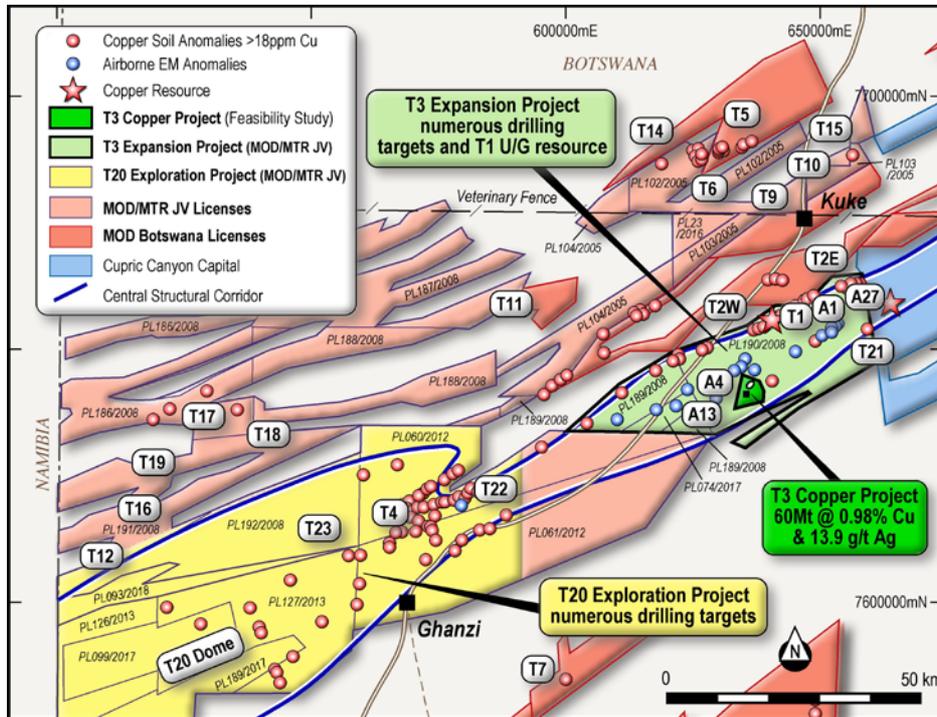


Figure 1: Licence plan showing T3 Copper Project, T3 Expansion Project and the T20 Exploration Project

T3 COPPER PROJECT (100% MOD)

T3 Pit Feasibility Study

During the quarter, significant progress was made towards finalising the open pit mine design, processing plant design and associated infrastructure requirements. Additional works included geotechnical drilling, mine dewatering and process water supply modelling and metallurgical test work. In addition, the Company held site visits for potential project financiers, mining contractors and key consultants.

On 16 October 2018 the Company provided a detailed update of the FS progress. This update included a revised process plant throughput and favourable metallurgical test work results.

The FS process plant design throughput is 3Mtpa with expansion capacity to 3.5Mtpa for modest incremental capital. This expansion capability will allow processing of potential future ore sources surrounding T3.



Figure 2: T3 Pit Project - Proposed site layout showing pit, plant and proposed infrastructure

Metallurgical test work completed during the quarter indicated that recoveries are not impacted with a coarser grind size of 212µm compared to the PFS target grind size of 106µm, reducing power requirements and operating costs of the process plant. Reagent optimisation test work was also completed, identifying that recoveries and grades would not be impacted with a native pH flotation circuit, lowering reagent requirements and subsequently reducing operating costs.

Test work was also completed to provide both engineering design parameters and metallurgical responses for the proposed flowsheet. Test work included:

- Mineralogy;
- Comminution;
- Flotation (including variability samples and locked cycle tests on pit stage composites);
- Concentrate and tailings thickening and filtration;
- Materials flow properties; and
- Tailings geochemical tests.

Table 2: Status of T3 Pit Feasibility Study related activities during the December Quarter

FS Activities	Status
Geotechnical Study (mining engineering)	Draft report received
Shadow Mining Estimate	Estimate developed, pending input mining costs from contractors
Mining Study	Pit optimisation and production scheduling commenced. RFQ sent to proposed mining contractors to obtain mining costs
Pit Dewatering – Drilling, pump testing and water modelling	Completed
Process Engineering	FS 3D model complete Draft operating and capital expenditure received; under review Recovery models being developed from test work
Flotation Test work	Completed
Engineering Test work	All engineering test work completed Commenced concentrate self-heating assessment; other transport related tests commenced
Engineering Services (Geotech, TSF, WRD, Water)	Water modelling and plant site geotechnical report received Additional geochemical samples being tested – preliminary results received TSF design continuing; civil contractor costs under review Developing surface water management and drainage system
ESIA	Draft ESIA report submitted to DEA for review EIA for accommodation village expansion commenced
Closure and Rehabilitation Planning	Closure plan submitted to DEA as part of ESIA Closure costs for FS to commence once site GA completed
Transport and Logistics Study	Draft report received, currently under review

T3 Environmental and Social Impact Assessment (ESIA)

The Company achieved a key milestone required to progress the T3 Copper Project towards development, by submitting a draft ESIA to the DEA in late December. The ESIA, which runs in parallel with the FS, requires approval from the DEA and is also subject to a public review period. Members of the ESIA review panel visited site early in the first quarter of 2019 as part of the project review process and held discussions with MOD’s environmental consultants and key stakeholders.

Subject to a favourable review, the Company targets receipt of approval of the ESIA during the second quarter of 2019.

Mining Licence Application

Upon successful completion of the T3 Copper Project FS targeted at the end of the first quarter of 2019, and receipt of the approved ESIA targeted in the second quarter of 2019, the Company expects to submit an application to the Department of Mineral Resources, Green Technology and Energy Security for the T3 Copper Project Mining Licence.

T3 Accommodation Village

Construction of the Stage 1, 40-person accommodation village was completed with the village handed over to the Company. Additionally, as announced on 16 October 2018, the Company submitted a Project Brief to the DEA to increase the size of the village from 40 up to 400 to accommodate operational personnel as well as allow for an additional 300 personnel during T3 project construction.

Following engagements with the DEA, the Company was advised that the village expansion requires an Environmental Management Plan ("EMP"), rather than a more onerous ESIA. The Company expects to submit this EMP to the DEA by the end of the first quarter of 2019.



Figure 3: Stage 1 Accommodation Village near Ghanzi. (Office and Kitchen/Mess complex located to right of picture)

T3 EXPANSION PROJECT

The T3 Copper Project is centrally located within the T3 Expansion Project (963km²) comprising PL 189/2008, PL 190/2008, PL 074/2017. It includes the T1 (100% MOD), A1 Dome (70% MOD), A4 Dome (70% MOD) and the T3 Underground (100% MOD) Projects. The T3 Expansion Project (Figure 4) forms part of a strategy to explore for additional resources within transport distance of the planned T3 Copper Project process plant, to potentially add significant value to the project.

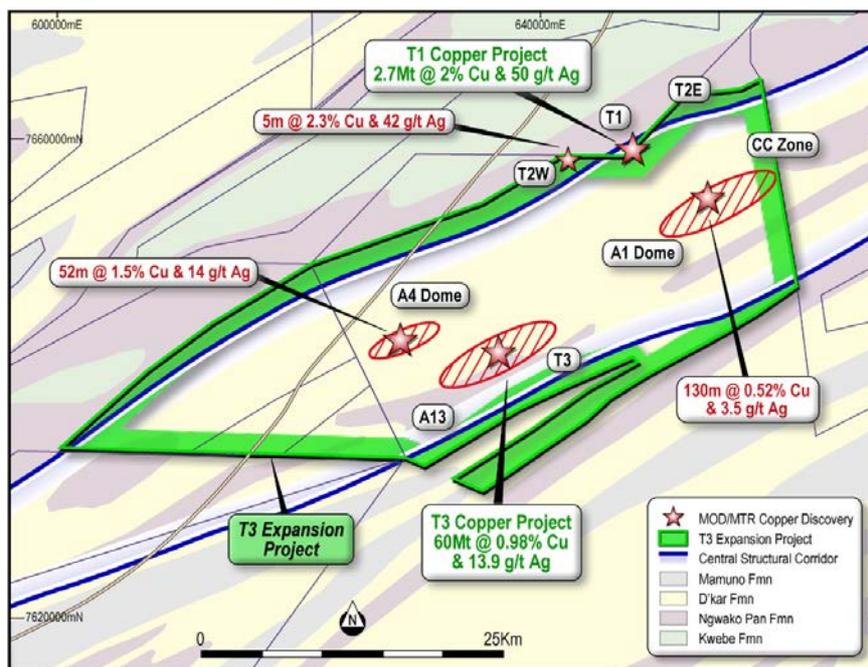


Figure 4: T3 Expansion Project Area

T3 Underground Project (100% MOD)

The T3 resource remains open along strike and at depth and the previously announced results from drilling has indicated the potential for high-grade mineralisation below and down-dip from the planned T3 open pit.

As part of the T3 Copper Project FS, open pit optimisation studies will define the final boundaries of the T3 open pit. Following this, it will be possible to estimate the tonnes and grade of ore that could be available for underground mining. A conceptual underground mining study commenced in the December quarter with results expected in the first quarter of 2019.

T1 (Mahumo) Underground Project (100% MOD)

T1 Mahumo is a high-grade, vein hosted copper and silver deposit located approximately 20km northeast of T3. T1 has potential to be considered for future underground mining which could produce high-grade ore for the planned T3 processing plant.

EM data covering the T1 deposit and associated prospective structures immediately south of the current drilling, has been received and is being interpreted. The EM and magnetic data will be used to identify future drill targets at T1.

A4 Dome (70% MOD)

The large A4 Dome, 8 kilometres from T3 Copper Project is the first of several 'buried domes' to be drilled within the T3 Expansion Project.

The A4 Dome drilling program which commenced in mid-2018 had immediate success intersecting **52m @ 1.5% Cu and 14 g/t Ag** in from **232.2m** downhole depth MO-A4-003D, including **15.5m @ 2.9% Cu and 42g/t Ag** (announced 6 August 2018).

As announced on 20 December 2018, an initial 20-hole drilling program was completed to test a small part of the potential of the A4 Dome. Many of the 18 holes that reached the target depth, intersected very encouraging grades and widths of both vein hosted and NPF contact copper mineralisation (Figure 5).

During the quarter, the Company commenced a preliminary, conceptual underground mining study, which evaluated the merits of developing a decline to access the NPF contact, incorporating a room-and-pillar method for the higher-grade contact mineralisation and a long hole, open stop methodology for the overlying, disseminated mineralisation. While the study is conceptual at this stage, the Company is very encouraged by the preliminary findings. Further drilling is planned during the second half of 2019 with the objective of moving the A4 Dome towards a resource.

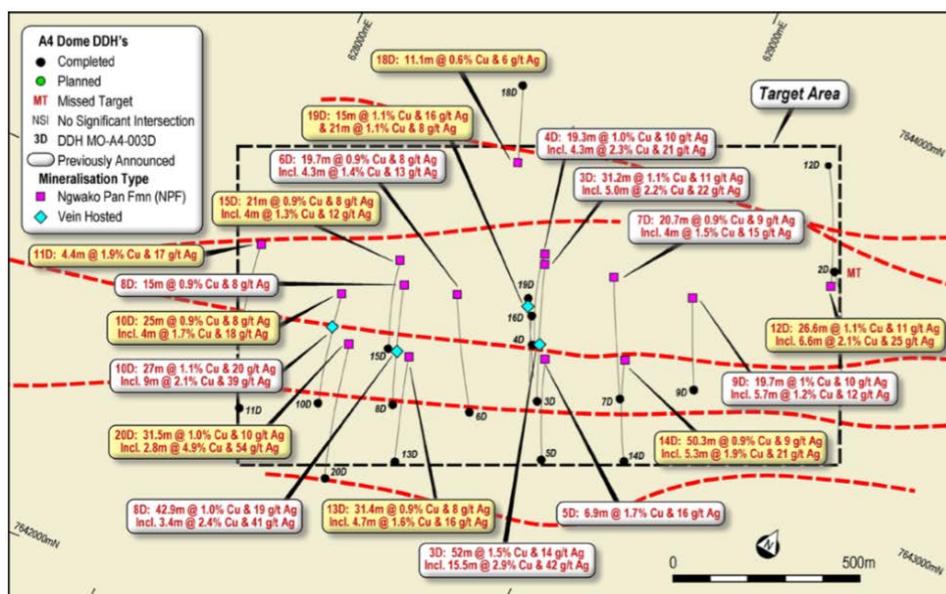


Figure 5: Plan of A4 Dome Target Area showing significant intersections in initial drilling on 200m sections

A1 Dome (70% MOD)

The A1 Dome is the second 'buried dome' drilled at the T3 Expansion Project and lies approximately 22km northeast of the T3 Copper Project. The A1 Dome has a number of important similarities to the T3 and A4 Domes (Figure 4).

Drilling commenced during the third quarter of 2018 with six widely spaced holes (MO-A1-001D to MO-A1-006D) completed to date. As announced on 15 November 2018, drilling was successful in intersecting potentially significant copper mineralisation across a wide area, including intersections of disseminated copper and NPF contact mineralisation. Notably, drill hole MO-A1-006D intersected 52m at 0.61% copper from 624 meters and included two individual assays of **3.66% copper and 4.29% copper** on the NPF contact from 673 meters down hole (composited in Table 3).

These early copper intersections spread along 4 kilometres of the large A1 Dome, may indicate potential for a significant mineralised system. Results of this drilling program are being reviewed to identify additional targets within the A1 Dome to be tested later in 2019.

Table 3: Significant intersections from the first six holes into A1 Dome

HOLE_ID	A1 SIGNIFICANT INTERSECTIONS	Style	Assay Status
MO-A1-002D	7m @ 0.9% Cu & 14g/t Ag from 190m downhole	Vein	Complete
MO-A1-003D	19m @ 0.8% Cu & 6g/t Ag from 660m downhole Incl. 3m @ 2% Cu & 15g/t Ag from 676m downhole	Disseminated NPF Contact	Complete
MO-A1-005D	130m @ 0.52% Cu & 3.5g/t Ag from 590m downhole	Disseminated	Hole to be deepened
MO-A1-006D	52m @ 0.61% Cu & 4.6g/t Ag from 624m downhole Incl. 1.4m @ 3.8% Cu & 26g/t Ag from 673m downhole	Disseminated NPF Contact	Complete

T20 EXPLORATION PROJECT

The T20 Exploration Project area (~3,350km²) lies 120km west of the T3 Expansion Project and includes an extensive area of soil anomalies, the T23 Dome and the T4 prospect. The T20 Exploration Project is interpreted to occur within the same structural corridor which hosts the T3 Copper Project and the T3 Expansion Project (Figure 6).

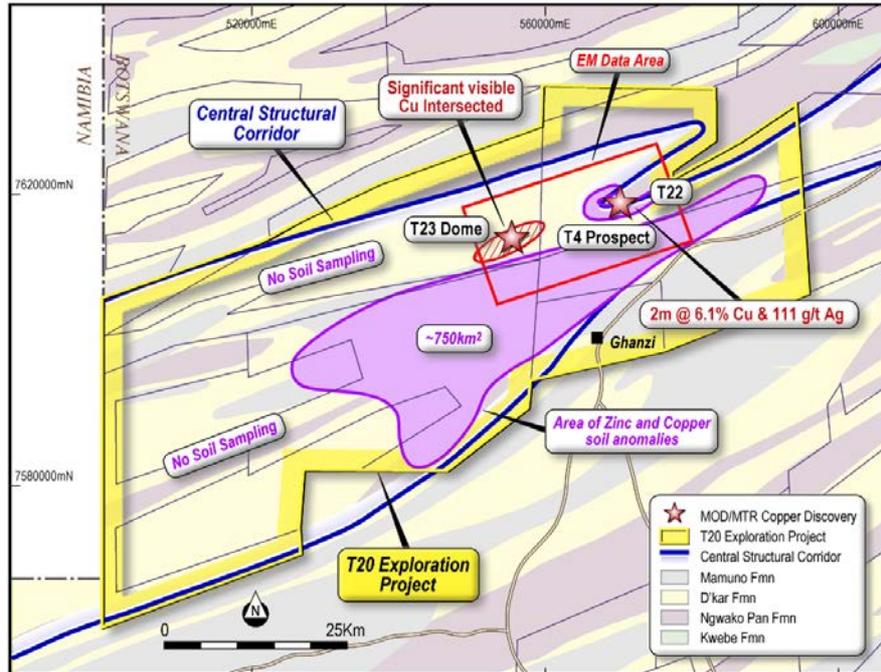


Figure 6: T20 Exploration Project Area

Multiple anomalous copper and zinc soil values have been identified within the T20 Exploration Project, several with similar or higher values to those associated with the original T3 discovery. Anomalies occur within an approximate 750km² area extending approximately ~60 kilometres along the centre of the T20 Exploration Project towards T4 (Figure 6).

A surface calcrete layer covers large parts of the T20 Exploration Project and there is no known previous exploration drilling apart from the shallow drilling at T4 and the four shallow drill holes drilled during the fourth quarter at the T23 Dome.

An EMP for drilling within the northern section of the T20 Exploration Project was approved in September 2018 following the public review period. Drilling at T23 Dome commenced in the fourth quarter.

The initial shallow drilling at T4 intersected **2m @ 6.1% Cu and 111g/t Ag** from 101m depth along the same interpreted structural zone that hosts the T23 Dome (announced 1 April 2016). T4 remains a priority for follow-up drilling during 2019.

T23 Dome

Following the announcement on 10 December 2018, assays from three initial drill holes (MO-T23-001D to MO-T23-003D) from the T23 Dome prospect have been received. The drilling consisted of four shallow holes on two sections spaced 600 metres apart, to test the potential of the prospective NPF contact, interpreted from EM to occur at shallow depth. The fourth hole, MO-T23-004D did not reach target depth before the Christmas break and will be deepened in the first quarter of 2019.

Intersections of disseminated copper mineralization from the first three holes are included in Table 4, including an encouraging intersection of vein hosted chalcocite-bornite mineralization which assayed at **0.6m @ 3.1% Cu & 128g/t Ag from 268** metres downhole within MO-T23-003D. Drill hole data is presented in Appendix 1 – Table 2.

These initial results from T23 Dome, while not yet demonstrating economic grades, indicate the presence of lower grade disseminated copper mineralization with relatively high silver values at shallow depth (Figure 7). This supports the potential of the structural zone, interpreted to extend ~15 kilometres east to the T4 prospect, where MOD previously announced significant copper intersections (announced 1 April 2016). Further drilling is planned at T23 Dome and along the structural zone extending towards T4, during 2019.

MOD considers the T23 Dome results also open up the wider potential of the as-yet undrilled zinc and copper anomalies in the centre of the T20 Exploration Project, immediately south of T23 Dome (Figure 6).

The T23 Dome results again confirm the effectiveness of the targeting methods being used by MOD to discover new copper occurrences in this largely under-explored copper belt.

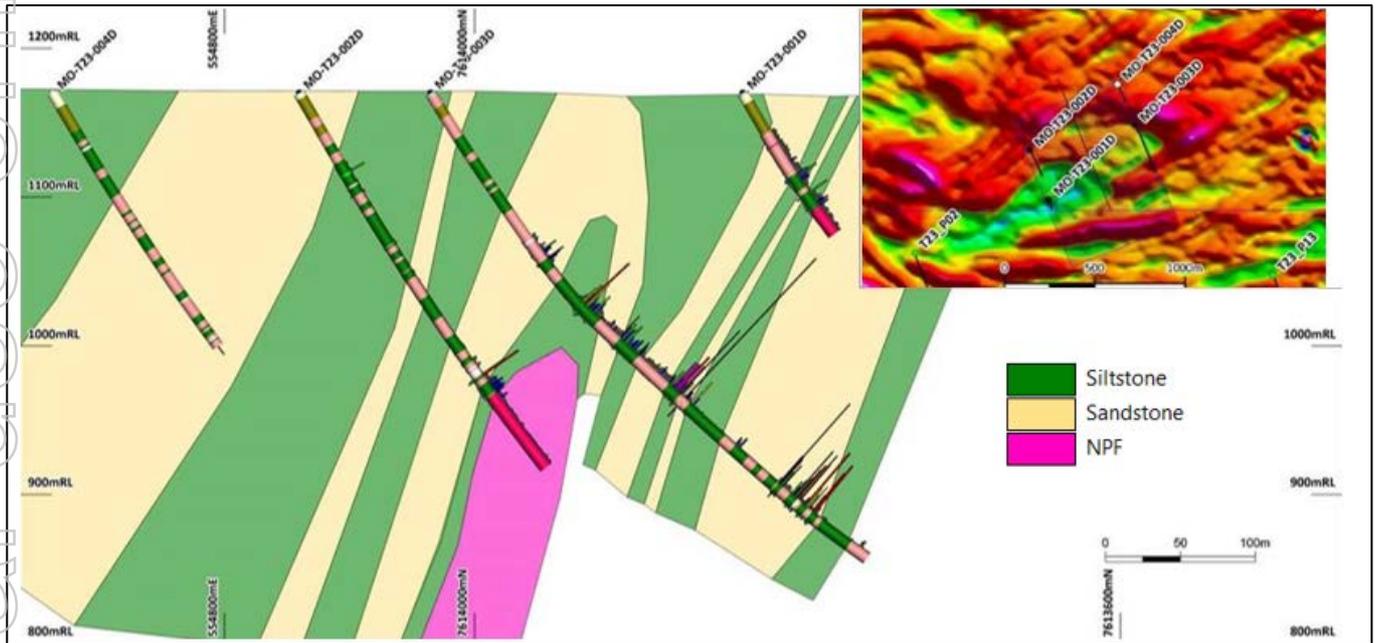


Figure 7: Composite interpreted geology cross section of T23 Dome (holes on sections spaced 600m apart – refer plan). (silver assays plotted on RHS, copper LHS)

Table 4: Intersections from first three holes at T23 Dome (refer Figure 4)

HOLE ID	T23 DOME INTERSECTIONS	STYLE	ASSAY STATUS
MO-T23-001D	25m @ 0.4% Cu & 4g/t Ag from 65m downhole	Disseminated	Complete
Incl.	3m @ 0.7% Cu & 10g/t Ag from 65m downhole	Disseminated	
Incl.	1m @ 1% Cu & 13g/t Ag from 80m downhole	Disseminated	
MO-T23-002D	1.7m @ 1.2% Cu & 24g/t Ag from 225.3m downhole	Disseminated	Complete
MO-T23-003D	18m @ 0.4% Cu & 10g/t Ag from 172m downhole	Disseminated	Complete
Incl.	7m @ 0.5% Cu & 16g/t Ag from 172m downhole	Disseminated	
	0.6m @ 3.1% Cu & 128g/t Ag from 268m downhole	Vein	
	4m @ 0.5% Cu & 22g/t Ag from 353m downhole	Disseminated	
	5.3m @ 0.4% Cu & 22g/t Ag from 366.5m downhole	Disseminated	
	9m @ 0.4% Cu & 18g/t Ag from 376m downhole	Disseminated	

SUSTAINABILITY

Health and Safety

For 2018, the Company recorded a Lost Time Injury Frequency Rate (“LTIFR”) of 1.44 per million hours worked and during the fourth quarter, the Company did not record any Lost Time Injuries (“LTI”s). These statistics include both contractors and employees.

The health and safety of contractors and employees is MOD’s highest priority and the Company is striving to ensure that it creates a workplace that is free from serious injuries so that all employees and contractors return home from work, safely, each day. As the Company continues to evolve and progresses towards a decision to mine, its health and safety practices and procedures must also evolve, and through the development of a culture of risks identification and mitigation and continuous safety improvement, MOD and Tshukudu aims to create a safe working environment for everyone.

Environment

The draft ESIA for the T3 Copper Project was successfully completed and submitted to the DEA on 24 December 2018.

During October 2018, approval was granted by DEA for drilling to commence over part of the vast T20 Exploration Project.

Environmental consultants, LOCI Environmental, performed its usual monthly inspections and all progressive site rehabilitations were completed on schedule.

Community Relations

At the end of the quarter, the Company finalised the appointment of Ms. Ketsile Molokomme, as Tshukudu’s in-country, Senior Community Relations Manager, based in Ghanzi, Botswana.

Ms. Molokomme has significant international experience and is an important strategic appointment for the Company, tasked initially with developing the consultation strategy to support the ESIA submitted for approval by the DEA. Furthermore, Ms. Molokomme will transition to become the primary contact for all future community and stakeholder engagements. With this appointment, the Company expects to increase stakeholder engagement activities as it continues to work collaboratively to ensure that social development and investment activities are targeted towards promoting the development of skills and infrastructure of Ghanzi and Botswana to create a positive and lasting legacy.

During the quarter, the Community Liaison Committee (“**CLC**”) met to approve funding for the upcoming quarterly Community Relations projects. Some of the approved projects include the construction of a vegetable garden for the D’Kar Children’s Home, donation of graduation regalia for children of the West Hannahai Primary School and the donation of desks, a notice board and other educational material to the Windows of Hope Trust for orphans and vulnerable children.

The Company also continued to progress the Ghanzi Bee Project, an initiative that could see bee hives used as a wildlife deterrent, run and managed by members of the Ghanzi community, overseen by members of the CLC. The Bee Project would also see honey harvested and sold, generating a business opportunity to support the Ghanzi community.



Figure 8: Tshukudu employees at exploration office and core shed in Ghanzi

CORPORATE

Cash & Debt Position

At the end of the quarter, the cash balance was \$5.0 million. The Company remains debt free.

Subsequent to the end of the quarter the Company announced an equity raise of \$10 million through placement of 33.33 million shares to institutional and sophisticated investors at \$0.30 per share. Following the Placement, a fully underwritten Rights Issue, priced at \$0.24 per share will be offered to existing shareholders, offering 1 new share per 13 held to raise up to \$5.2 million from approximately 21.7 million shares.

The funds raised from the Placement and Rights Issue will be used for;

- Completion of purchase of the farm on which T3 Open Pit is located and construction of initial project infrastructure;
- Infill drilling to upgrade a part of the early stages of T3 production to a JORC compliant Measured Resource;
- Conceptual underground mining studies for the T3 Expansion Project and A4 Dome with resource drilling as appropriate;
- Conducting follow-up drilling of initial, shallow copper and silver intersections at the T4 - T23 Dome; and
- Initial shallow drilling of selected targets within extensive T20 soil anomaly.

In addition, the Company has also advanced discussions with a number of substantial global parties who have provided the Board with confidence in the availability of funding options to progress the T3 Copper Project.

Sandfire Indicative Proposal

On 16 January 2019, the Company received an unsolicited, non-binding, indicative and conditional proposal ("Indicative Proposal") from Sandfire Resources NL ("Sandfire") to acquire 100% of the shares in MOD.

The Indicative Proposal was made after a period of due diligence, including access to a data room and a site visit by Sandfire, with respect to a potential joint venture arrangement, the potential sale of a partial interest in the T3 Copper Project, and/or a potential market placement to support development of the T3 Copper Project.

The Indicative Proposal comprised full scrip consideration equivalent to \$0.38 per MOD share, valuing the Company's equity, on a fully diluted basis, at \$113 million - as at close of market on 15 January 2019, this is equivalent to an exchange ratio of 1 Sandfire share for approximately every 17 MOD shares, which the Board believes undervalues the MOD assets.

The Indicative Proposal is subject to conditions, including:

- Completion of definitive due diligence to the satisfaction of Sandfire;
- Execution of a Merger Implementation Agreement;
- Receipt of a unanimous recommendation from the MOD Board;
- Binding commitments or statements of intent by MOD shareholders holding 19.9% or more, in support of the transaction; and
- Sandfire Board approval.

The Board remains fully committed to act in the best interests of, and to maximise value for shareholders. The Company is willing to engage with Sandfire and grant confirmatory due diligence if a compelling price is offered and capable of being supported by the Board and MOD shareholders.

MOD has not received any offer capable of acceptance by the Company's shareholders and no certainty that the Indicative Proposal will result in a transaction. The Company will continue to update the market with any material developments in relation to the Indicative Proposal.

Metal Tiger Transaction

On 18 July 2018, the Company announced it had signed binding agreements with JV partner MTR, to consolidate 100% of the T3 Project and acquire the rights to purchase, at the Company's election, MTR's 30% interest in all other JV assets up to three years from completion ("Transaction").

As announced on 16 November 2018, the Company successfully completed the acquisition of MTR's 30% interest in the T3 Copper Project and now holds 100% ownership of the T3 Copper Project providing the Company with significant operational flexibility in the lead up to the decision to mine. Additionally, the Company welcomes Mr. Michael McNeilly to the Board of Directors as a Non-Executive Director and as a nominee of MTR.

Mr. McNeilly is an experienced corporate financier having advised several private, Main Market listed, AIM quoted and ISDX listed companies on a variety of transactions. Mr McNeilly and his experience and understanding of the markets in the United Kingdom and throughout Europe will be a valuable addition to the Board of Directors.

UK Listing

In early August MOD announced it had commenced the process to seek a dual listing of the Company's shares on the Standard Segment of the Main Market of the LSE. As announced, the Company commenced trading at 8am BST on Monday, 26 November 2018 under the ticker code "MOD".

The ASX will remain as MOD's primary listing. It is an important market and strategic focus for the Company, however due to the significant size of the retail and institutional investor base in the United Kingdom and Europe, the robust liquidity and perceivably a stronger investor appetite for junior mining companies with African exposure, a secondary listing on the LSE is pertinent during this period of rapid growth and activity. The secondary listing on the LSE is expected to continue to enhance the Company's international reputation while improving access to the significant base of retail and institutional investors in the UK and throughout Europe.

Investor Conferences

In November, a number of MOD's executive team attended the London 121 Mining Investment Conference with numerous meetings held with potential and existing investors and advisors, ahead of the successful listing on the LSE. This also provided the opportunity for discussions regarding funding the T3 Copper Project.

In early February 2019, MOD will attend the Cape Town 121 Mining Investment Conference and at the end of February will attend the BMO global resource conference in Florida.

Subsequent to the end of the quarter the Company welcomed Mr. Jeffrey Sansom as Manager of Investor Relations. Mr. Sansom holds a Masters of Mineral Economics, a Grad. Dip. Applied Finance and Investment and a Bachelor of Science, with significant capital markets experience in the Resource sector. Previously, Mr. Sansom held Investor Relations positions at the dual listed, multinational, mid-cap gold producer, OceanaGold and the diversified mining company, BHP Billiton.

Mr. Sansom will assume carriage of MOD's global investor relations mandate to expand the already strong, supportive and diversified shareholder base as the Company continues to progress towards its goal of becoming an internationally recognised copper developer working towards responsibly operating the T3 Copper Project, a long-life, expandable, high-margin copper mine in the supportive and stable jurisdiction of Botswana while generating strong and consistent returns for our valued shareholders.

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

Sams Creek is a substantial undeveloped gold project with >1 million-ounce porphyry hosted gold resource (see Appendix 1 -Table 3) which remains open at depth and along strike, supporting significant additional exploration potential. The Company remains focussed on advancing its T3 Copper Project in Botswana and is considering opportunities to divest this non-core project.

- ENDS -

For and on behalf of the Board.

Julian Hanna
Managing Director

Mark Clements
Executive Chairman and Company Secretary

Jeffrey Sansom
Investor Relations
E: IR@modresources.com.au
P: +61 (8) 9322 8233

Jos Simson / Emily Fenton (UK PR & IR)
Tavistock
E: MOD@tavistock.co.uk
P: +44 (0) 207 920 3150
P: +44 (0) 778 855 4035

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About MOD Resources

MOD Resources is a dual listed (**ASX/LSE: MOD**) copper exploration and development company with a dominant land position within the Kalahari Copper Belt in Botswana. The Company is focussed on the 100% MOD owned T3 Copper Project, expecting to release a Feasibility Study in the first quarter of 2019. In parallel with the development of the T3 Copper Project, MOD continues its exploration program across several priority drill targets and within untested areas of interesting and potentially significant Cu-Zn soil anomalies.

The Company is continuing to engage with interested parties in relation to T3 funding opportunities and is targeting to begin development of the T3 Copper Project in 2H 2019, with a vision of commencing production in the mid-term while focussing on generating strong, consistent and predictable returns for shareholders.

MOD has a strong social licence to operate within Botswana as well as within the host community of Ghanzi. MOD will continue to work collaboratively with regulators and members of the Ghanzi District to ensure that any social investments and developments are targeted to create a positive and lasting legacy.

Competent Person's Statement

The information in this news release that relates to Mineral Resource estimates (excluding prior estimates) is based on and fairly represents information and supporting documentation compiled by Dr Matthew Cobb; an employee of CSA Global Pty Ltd. Dr Cobb is a member of both The Australasian Institute of Mining and Metallurgy and Australian Institute of Geoscientists. Dr Cobb has sufficient experience relevant to the style of mineralisation under consideration and to the activity which he is undertaking 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". Dr Cobb consents to the inclusion in this announcement of the matters based on their information in the form and context in which it appears.

The information in this announcement that relates to Geological Data and the T3 Mineral Resource described in this release is reviewed and approved by Mr Bradley Ackroyd, BSc (Hons), Manager Mine Geology for MOD Resources Ltd. Mr Ackroyd is a registered member of the Australian Institute of Geoscientists and has reviewed the technical information in this report. Mr Ackroyd 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 of Exploration Results, Mineral Resources and Ore Reserves. Mr Ackroyd 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 Sams Creek Gold Project is based on and fairly represents information compiled by Mr Paul Angus, Project Manager of Sams Creek and a Director of MOD Resources Limited's subsidiary, Sams Creek Gold Limited. Mr Angus 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 to qualify as a Competent Person as defined in the December 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Angus has approved the Statement as a whole and consents to the inclusion in this announcement 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 material 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 including the A4 Dome, A1 Dome, T23 Dome, T20 Exploration Project and T3 Expansion Project 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 Statement - Inferred Resources

The Company notes that there is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that in-fill drilling of the T3 deposit will result in confirmation of additional Measured and Indicated Mineral Resources or that the Expansion Case Production Target will be realised. A substantial in-fill drilling program is in progress with the objective to upgrade Inferred Mineral Resources to Measured and Indicated Mineral Resource categories.

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 in the Expansion Case will be achieved. The Company has concluded it has a reasonable basis for providing the forward-looking statements included in this announcement.

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.

The announcement is for information purposes only. Neither this announcement nor information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sale of shares in any jurisdiction. The announcement may not be distributed in any jurisdiction except in accordance with legal requirements applicable in such jurisdiction. Recipients should inform themselves of the restrictions that apply to their own jurisdiction as a failure to do so may result in a violation of securities laws in such jurisdiction.

This announcement does not constitute investment advice and has been prepared without taking into account the recipient's investment objectives, financial circumstances or particular needs and the opinions and recommendations in this announcement are not intended to represent recommendations of particular investments to particular persons.

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.

Pre-Feasibility Study Parameters - Cautionary Statements

The Base Case is based on Proved and Probable Ore Reserves derived from Measured and Indicated Mineral Resources respectively. No Inferred Mineral Resource was included in the estimation of Ore Reserves. The Base Case was prepared to an overall level of accuracy of $\pm 25\%$. It is based on material assumptions in Appendix 1 Material Assumptions Base Case of the ASX announcement dated 31 January 2018. The Company has concluded it has a reasonable basis for providing the forward-looking statements included in this announcement.

The Expansion Case assumes open pit mining and conventional flotation processing with a plant throughput of 2.5Mtpa for the first three years. Assuming the Expansion Case proceeds, the plant will then be upgraded to 4Mtpa in Year 3 to enable the throughput rate to increase from Year 4.

The Expansion Case includes material that is currently in the Inferred Mineral Resource category. Inferred Mineral Resources represent approximately 34% of the Expansion Case Production Target by tonnage. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that in-fill drilling of the T3

deposit will result in confirmation of additional Measured and Indicated Mineral Resources or that the Expansion Case Production Target will be realised. A substantial in-fill drilling program is in progress with the objective to upgrade current Inferred Mineral Resources to Measured and Indicated Mineral Resource categories.

The Expansion Case is based on a Production Target using the material assumptions summarised in Appendix 2 Material Assumptions Expansion Case of the ASX announcement dated 31 January 2018. 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 in the Expansion Case will be achieved. The Company has concluded it has a reasonable basis for providing the forward-looking statements included in this announcement.

Given the uncertainties involved, investors should not make any investment decisions based solely on the Expansion Case.

APPENDIX 1

Table 1: T3 Revised Mineral Resources (16 July 2018)

JORC Category	Cut-off Cu%	Tonnes	Grade Cu%	Grade Ag g/t	Contained Cu (Kt)	Contained Ag (Moz)
Indicated	0.25	50,040,000	0.92	13	461.3	20.95
	0.4	36,631,000	1.14	16	417.0	18.60
	0.5	27,139,000	1.38	19	374.5	16.82
	1	14,154,000	2.06	31	291.9	14.30
	1.5	10,962,000	2.29	36	250.7	12.61
Inferred	0.25	27,667,000	0.68	10	187.3	9.18
	0.4	23,524,000	0.74	11	173.3	8.30
	0.5	19,884,000	0.79	11	156.9	7.35
	1	3,511,000	1.58	22	55.6	2.46
	1.5	1,640,000	2.04	29	33.5	1.55
TOTAL	0.25	77,706,000	0.83	12	648.6	30.14
	0.4	60,155,000	0.98	14	590.4	26.90
	0.5	47,023,000	1.13	16	531.5	24.17
	1	17,665,000	1.97	30	347.6	16.77
	1.5	12,602,000	2.25	35	284.2	14.16

Table 2: T23 Drill Hole Data

Hole ID	WGS84_34S_E	WGS84_34S_N	RL (m)	EOH (m)	Azi (UTM)	Dip	COLLAR SURVEY
MO-T23-001D	554653	7613723	1170	112.90	160.00	-60.00	GPS
MO-T23-002D	554550	7614001	1170	301.40	160.00	-60.00	GPS
MO-T23-003D	555134	7614141	1170	430.90	160.00	-60.00	GPS
MO-T23-004D	555036	7614373	1170	In Progress	160.00	-60.00	GPS
MO-T22-001D	575872	7619250	1160	349.47	340.00	-60.00	GPS

Table 3: Sams Creek Resource Table (9 October 2013)

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

APPENDIX 2

Schedule of Prospecting Licences

Botswana Copper/Silver Project

Permit/Licence Number	Size (km ²) (approx.)	Holding	Title Holder	Licence Commencement Date	Renewal Date
MOD Licences					
PL686/2009	463.0	100%	MOD Resources Botswana (Pty) Ltd	01 Jan 19	31-Dec-20
PL204/2014	35.5	100%	MOD Resources Botswana (Pty) Ltd	01 Apr 18	31-Mar-20
PL280/2014	70.2	100%	MOD Resources Botswana (Pty) Ltd	01 Apr 18	31-Mar-20
PL034/2015	619.5	100%	MOD Resources Botswana (Pty) Ltd	01 Apr 18	31-Mar-20
PL035/2015	496.6	100%	MOD Resources Botswana (Pty) Ltd	01 Apr 18	31-Mar-20
PL036/2015	470.0	100%	MOD Resources Botswana (Pty) Ltd	01 Apr 18	31-Mar-20
PL141/2012	387.3	100%	MOD Resources Botswana (Pty) Ltd	01 Apr 18	31-Mar-20
PL211/2017	974.0	100%	MOD Resources Botswana (Pty) Ltd	01 Jan 18	31 Dec 20

Permit/Licence Number	Size (km ²) (approx.)	Holding	Title Holder (after transfer of licences complete)	Licence Commencement Date	Renewal Date
MOD/MTR JV Licences					
PL186/2008	557.0	70%	Tshukudu Exploration (Pty) Ltd	01 Jan 19	31-Dec-20
PL187/2008	648.8	70%	Tshukudu Exploration (Pty) Ltd	01 Jan 19	31-Dec-20
PL188/2008	395.0	70%	Tshukudu Exploration (Pty) Ltd	01 Jan 19	31-Dec-20
PL189/2008	210.7	70%	Tshukudu Exploration (Pty) Ltd	01 Oct 18	30 Sep 20
PL190/2008	708.0	70%	Tshukudu Metals Botswana (Pty) Ltd (Includes 25km² T3 Project)	01 Oct 18	30 Sep 20
PL191/2008	572.0	70%	Tshukudu Exploration (Pty) Ltd	01 Jan 19	31-Dec-20
PL192/2008	604.5	70%	Tshukudu Exploration (Pty) Ltd	01 Jan 19	31-Dec-20
PL102/2005	331.1	70%	Tshukudu Exploration (Pty) Ltd	01 Jan 19	31-Dec-20
PL103/2005	131.1	70%	Tshukudu Exploration (Pty) Ltd	01 Jan 19	31-Dec-20
PL104/2005	285.3	70%	Tshukudu Exploration (Pty) Ltd	01 Jan 19	31-Dec-20
PL060/2012	809.2	70%	Tshukudu Exploration (Pty) Ltd	01 Jan 19	31-Dec-20
PL061/2012	974.9	70%	Tshukudu Exploration (Pty) Ltd	01 Jan 19	31-Dec-20
PL231/2016	65.0	70%	Tshukudu Exploration (Pty) Ltd	01 Oct 16	30 Sep 19
PL074/2017	45.0	70%	Tshukudu Exploration (Pty) Ltd	01 Apr 17	31 Mar 20
PL093/2018	160.0	70%	Tshukudu Exploration (Pty) Ltd	01 Oct 18	30 Sep 21
PL099/2017	285.0	70%	Tshukudu Exploration (Pty) Ltd	01 Oct 17	30 Sep 20
PL189/2017	370.0	70%	Tshukudu Exploration (Pty) Ltd	01 Oct 17	30 Sep 20
PL126/2013	341.4	70%	Tshukudu Exploration (Pty) Ltd	01 Oct 18	30 Sep 20
PL127/2013	668.6	70%	Tshukudu Exploration (Pty) Ltd	01 Oct 18	30 Sep 20
TOTAL	11,678.66				

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 17	25 Sep 22
TOTAL	62.6				

JORC Code, 2012 Edition
Table 1 Reporting Exploration Results from Botswana Copper/Silver Project
Section 1 Sampling Techniques and Data
(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Drill core from T23 Dome was sampled in 1m intervals or as appropriate to align with the geological contacts All samples were geologically logged by a suitably qualified geologist on site Samples are submitted to ALS Laboratories in Johannesburg
Drilling techniques	<ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.). 	<ul style="list-style-type: none"> The diamond drilling referred to in this release was drilled by NQ diameter drill core
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Drill core recovery was assessed as part of the diamond drilling process. Core recovery was considered excellent
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> During the core logging, geologists follow MOD's standard operating procedure for Diamond logging processes. The metre interval (from and to) is recorded and the data below is described within the drill logs: <ul style="list-style-type: none"> Major rock unit (colour, grain size, texture) Weathering Alteration (style and intensity) Mineralisation (type of mineralisation, origin of mineralisation, estimation of % sulphides/oxides) Veining (type, style, origin, intensity)

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> Data is originally recorded on paper (hard copies) and then transferred to Excel logging sheets Logging is semi quantitative based on visual estimation For diamond drilling, the geological logging process documents lithological and structural information as well as geotechnical data such as RQD, recovery and specific gravity measurements
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> All NQ diameter core samples for the drill hole intersections were taken as half core sample. MOD took photos of all core samples on site MOD has implemented an industry-standard QA/QC program. Drill core is logged, split by sawing and sampled at site. Samples are bagged, labelled, sealed and shipped to ALS laboratory in Johannesburg, SA. Field duplicates, blanks and standards are inserted at a ratio of 1:10. ALS also has its own internal QA/QC control to ensure assay quality
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. 	<ul style="list-style-type: none"> Field duplicates, blanks and standards are inserted at a ratio of 1:10 on site At the lab the split for analysis is milled to achieve a fineness of 90% less than 106 µm (or a fineness of 80% passing 75 µm). Prep QC: At least one out of every 10 samples of every batch is screened at 75µm or 106µm, whichever is applicable, to check that 80% of the material passes. The % loss for samples screened should be <2% Analysis for Cu and Ag by HF-HNO3-HClO4 acid digestion, HCl leach and ICP-AES. ME-ICP61 as well as Non sulphide Cu by sulfuric acid leach and AAS: Cu-AA05 All reported results are down hole widths
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic protocols). Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> 15-20% QA/QC checks are inserted in the sample stream, as lab standards, blanks and duplicates
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> The collar coordinates of the drill holes were taken by GPS and later by DGPS and are reflected in Appendix 1 - Table 2 Down hole surveys have been done on all diamond drill holes.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. 	<ul style="list-style-type: none"> Samples of drill core for assaying were taken at a maximum of 1m intervals

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> Drilling planned at right angles to known strike and at best practical angle to intersect the target mineralisation at approximately right angles
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Sample bags were tagged, logged and transported to ALS laboratory in Johannesburg
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> MOD's sampling procedure is done according to standard industry best practice

Section 2 Reporting of Exploration Results
(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> PL192/2008 is a granted Prospecting Licence which is held under the title of Tshukudu Exploration (Pty) Ltd under the 70/30 JV agreement with Metal Tiger. Tshukudu Exploration (Pty) Ltd is a wholly owned subsidiary of MOD Resources. wholly owned by MOD Resources Botswana (Pty) Ltd In December 2018, the Minister of Minerals, Water and Energy transferred the licence and extended the licence date to 31 December 2020
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Limited previous exploration in the area of drilling
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The copper mineralisation intersected is interpreted to be a Proterozoic or early Palaeozoic age vein related sediment-hosted occurrence similar to other known deposits and mines in the central Kalahari Copper Belt
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth 	<ul style="list-style-type: none"> Information relating to the diamond drill holes described in this announcement are listed within the release above. All diamond drill holes are surveyed There is no material change to this drill hole information

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> ○ hole length. ● If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	
Data aggregation methods	<ul style="list-style-type: none"> ● In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high-grades) and cut-off grades are usually Material and should be stated. ● Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. ● The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> ● Significant copper and silver intersections will be compiled and reported by MOD when all assay results from the current drilling program are received from the laboratory
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> ● These relationships are particularly important in the reporting of Exploration Results. ● If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. ● If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). 	<ul style="list-style-type: none"> ● True widths are not estimated due to the wide spacing of the few holes completed at T23 Dome to date ● Down hole widths are used throughout
Diagrams	<ul style="list-style-type: none"> ● Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> ● Figure 7: Composite Interpreted Geology Cross Section of the T23 Dome (holes shown are on two sections spaced 600m apart – refer to plan). Assays for silver are plotted on RHS and copper on LHS on the Cross Section in Figure 7
Balanced reporting	<ul style="list-style-type: none"> ● Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high-grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> ● The accompanying document is considered to be a balanced report with a suitable cautionary note
Other substantive exploration data	<ul style="list-style-type: none"> ● Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> ● All substantive data is reported
Further work	<ul style="list-style-type: none"> ● The nature and scale of planned further work (tests for lateral, depth extensions or large-scale step-out drilling). ● Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> ● Further drilling at T23 Dome is planned during 2019