



MASSAMBA CAMP DRILLING UPDATE

5th AUGUST 2011

Baobab Resources plc ('Baobab' or the 'Company'), the iron ore, base and precious metals explorer with a portfolio of mineral projects in Mozambique, is pleased to present an update on the exploration activities currently underway at its Massamba Camp, Tete iron/vanadium/titanium project.

Summary:

- The **South Zone** prospect resource estimate is scheduled for release during August. Final work is waiting on pending analyses from the laboratory.
- The expansion resource drilling campaign at **Chitongue Grande** has been completed with thirty six reverse circulation (RC) holes drilled for an aggregate total of 6,275m. Down dip and along strike projections of the existing resource have been intersected. Consultants will commence a resource estimation shortly.
- Drilling at **Tenge/Ruoni** is progressing rapidly. Drilling has intersected a heavily mineralised package varying in thickness from 60m to 150m. Mineralisation has been synformally folded with the fold hinge plunging gently to the west-northwest. Exploration campaigns in the prospect area have been divided into three resource blocks:
 - **Ruoni North:** representing 1km of strike along the northern limb of the fold. Twenty two RC and diamond holes have been completed to date across seven traverses for an aggregate total of 4,040m. Drilling has intersected a robust package of mineralisation from surface dipping at 25° to 45° to the southwest. An additional five drill holes need to be completed before resource estimation work may commence.
 - **Ruoni South:** representing 1.2km of strike along the southern limb of the fold and located approximately 1km south of Ruoni North. Twelve RC and diamond holes have been completed to date (2,270m) with an additional nine holes required to complete the programme. Mineralisation in the Ruoni South area is generally steeper dipping (c.65° to the north).
 - **Tenge:** representing the hinge zone of the fold and covering an area of approximately 0.5km². Drill sites are being constructed in preparation for two diamond rigs scheduled to commence drilling by the end of August. Approximately 3,000m has been designed to assess the Tenge area.

Mr Ben James, Baobab's Managing Director, said: *"a dramatic improvement in drilling productivity has enabled exploration campaigns over the Massamba Camp to get back on schedule. Drilling at Tenge/Ruoni is particularly encouraging and endorses our belief that the prospect will host substantial, readily exploitable, resources. We anticipate that the drilling campaigns at Ruoni North and South will be completed by the end of August to coincide with the commencement of drilling at Tenge.*

"We are working closely with the laboratories both in Mozambique and Australia to ensure the best possible analytical turnaround times and look forward to presenting the resource estimate for South Zone this month, followed by Chitongue Grande and Ruoni during September and October.

"From results received to date, Baobab is confident that, by Q4 2011, it will have exceeded its earlier guidance of an expected global resource of 300mt."

The information in this release that relates to Exploration Results is based on information compiled by Managing Director Ben James (BSc). Mr James is a Member of the Australasian Institute of Mining and Metallurgy, is a Competent Person as defined in the Australasian Code for Reporting of exploration results and Mineral Resources

and Ore Reserves, and consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

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