



DISCOVERY  
africa

## Discovery Africa Limited

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17 March 2014

## Tanzanian Project Acquisition Update

### Board of Directors

Danie Van Den Bergh (Executive Chairman)

Kevin Nichol (Managing Director)

Philip Thick (Non-Executive Director)

Ian Lovett (Non-Executive Director)

### Company Secretary

Melanie Leydin

### Securities on Issue:

**DAF:** 162,734,698 ordinary shares

**DAFO:** 43,998,005 20c listed options

**DAFAK:** 12,500,000 9c unlisted options

**DAFAL:** 5,000,000 9c unlisted options

### About Discovery Africa Limited

Discovery Africa Limited ("Discovery" or "the Company") is an Australian public company that is focused on the exploration and development of the Kitgum Graphite Project in Uganda, Area 51 Graphite Project in Namibia, the Tanzanian Graphite Project and the Brandberg Lithium Project in Namibia.

The Directors of Discovery Africa Limited ('Discovery', 'DAF' or 'the Company') provide the following update on the acquisition of the Tanzanian Graphite Project following the ASX Announcement dated 30 January 2014 and recent Due Diligence carried out on the project.

### Renegotiation of Acquisition terms

The Board of Discovery has successfully renegotiated to acquire 100% of the Tanzanian Graphite Project. The renegotiated terms are as follows:

- Discovery will pay an initial amount of \$50,000 to carry out due diligence on the licenses and Hatua (these funds were settled in January 2014 and due diligence was completed in March 2014)
- Discovery will pay a further \$100,000 and issue 10,000,000 fully paid ordinary shares in the Company to acquire 100% of the issued capital of Hatua upon the execution of the Share Sale Agreement.

This renegotiation has also enabled the Company to remove the expenditure commitment of \$1,500,000 on these exploration licenses in order to acquire the 100% equity interest in Hatua.

### Execution of Share Sale Agreement

The Board of Discovery are pleased to announce that they have executed the Share Sale Agreement this day and will now finalise the acquisition of Hatua Resources (Tanzania) Limited ("Hatua"). Hatua hold the rights to four exploration licenses located in Tanzania, which are prospective for Graphite.

The Company will lodge an Appendix 3B following completion of the share transfers by Hatua.

### For further information:

**Kevin Nichol**  
Managing Director

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