



DISCOVERY  
africa

## Discovery Africa Limited

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7 February 2014

## Exploration Projects 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:** 42,898,005 20c listed options

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

**DAFAI:** 1,100,000 20c unlisted options

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

The Directors of Discovery Africa Limited (“DAF” or the “Company”) advise that further to the ASX announcements lodged on 31 December 2013, 22 January 2014 and 28 January 2014, the Company provides the following update.

### Uganda – Kitgum Graphite Project

DAF envisage that the due diligence process will be completed well before the 31 March 2014 expiry of the Option. Meanwhile, quotations for a Geophysical assessment are being sourced. On successful completion of the due diligence, the company will initiate a Geophysical Study consisting of the following:

- In order to accurately delineate the mineralisation, Geographic Information System (“GIS”) and Remote Sensing techniques will be deployed;
- Incorporation of the regional geophysical interpretation of government magnetic data;
- Upon completion of the regional field work, the best areas will be determined to conduct localised Electro Magnetic Conductivity analysis and/or Induced Polarity (“IP”).

Results from the Geophysical study will then assist in the planning of a drilling program.

### Tanzania – Graphite Project

Following on from the previous announcement, an investigating team will travel to Tanzania during February to conduct an on-site due diligence. This will consist of a geological, including sampling, technical and legal assessment.

Further updates will be provided when results from this investigation are finalised.



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### Namibia – Brandberg Lithium Project

The Brandberg Lithium Project is located some 60 kilometres South West of the town of Uis in Namibia. The Project comprises of six Mining Claims registered over the area known as the Karlowa Pegmatite Valley.

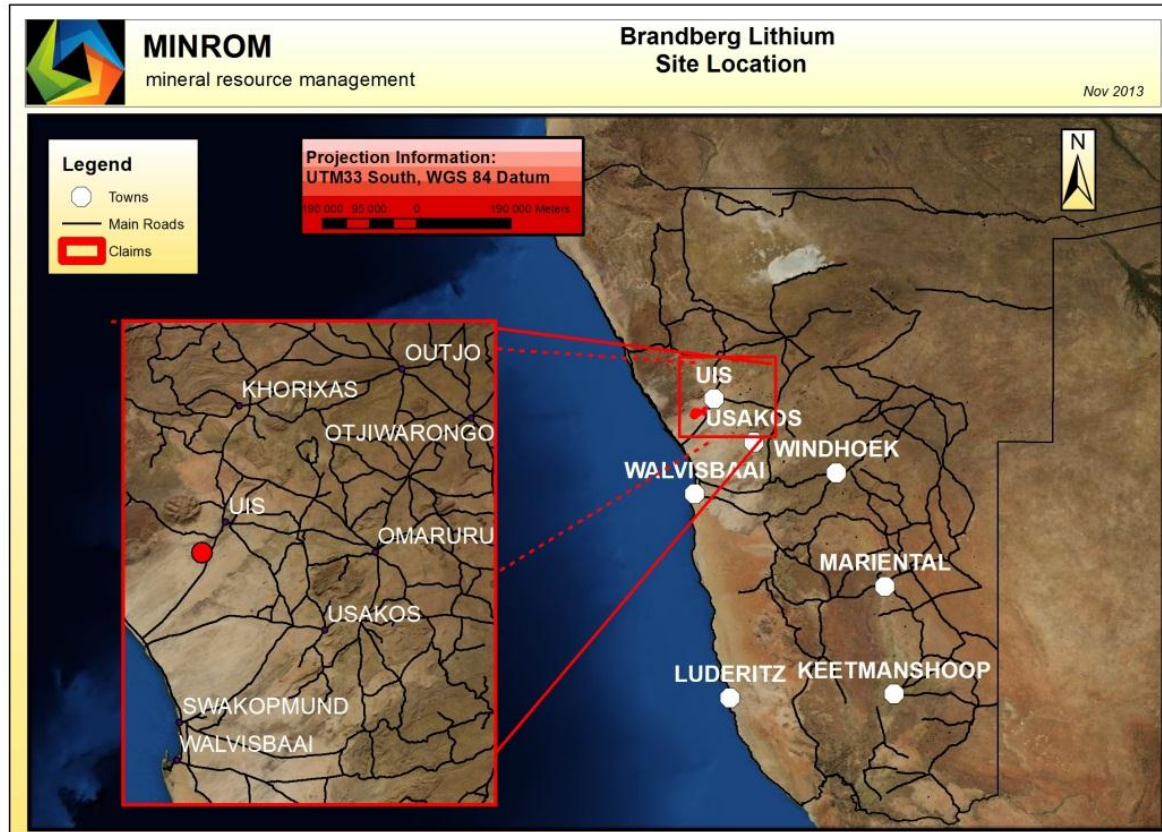


Figure 1: Location of Lithium Project

Minrom was engaged to map the six claims to delineate and characterise the pegmatite zonation and more importantly to locate lithium bearing mineralisation within the pegmatite. Once the lithium hosted minerals have been identified surface samples will be extracted and tested. The ground mapping program will assist in the development of a geophysical assessment and in addition the planning of a proposed drilling program. In order to understand the time line of the project the following phases were presented:

#### Phase 1: Non Invasive

- Geographic Information System Assessment: Purchase of satellite images, processing and analysis
- Perform a literature survey to obtain previous mapping and mineralogical assessments of the area (Geological Survey)
- Field Mapping: Identified targets investigation across the claim and EPL areas
- Sampling: Obtaining of surface outcrop samples for chemical and metallurgical analysis by SGS laboratory



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### Phase 2: Non Invasive

- Regional Geophysics: Incorporation of the Regional Geophysical interpretation of government magnetic data

### Phase 3: Invasive

- Drilling of boreholes
- Bulk sampling

Phase 1 commenced on the 20<sup>th</sup> January 2014 and is progressing well. Completion of Phase 1 is scheduled for the end of the current quarter.

Quotations for the geophysical work are being sourced and Phase 2 should commence during the second quarter of 2014.

### **Namibia - Erongo Graphite Project (Area 51)**

DAF appointed a Mineral Resource Company (“Minrom”) in Namibia to map and characterise the graphite flake distribution hosted by the Karabib Marble North West of Omaruru. During September 2013 Minrom successfully completed the Phase 1 mapping and sampling of the graphite enriched marble horizons. A Geophysical Induced Polarisation (“IP”) survey was conducted over one of the areas (“Area A”) and indicated several positive and negative anomaly areas. Minrom was subsequently tasked to investigate the high and low anomaly areas by means of a limited amount of exploration drilling.

The aim of the drilling project is to:

1. Determine the graphite quality and quantity down the hole, testing graphite continuation,
2. Investigate the IP Anomalies on Area A,
3. Determine the depth extent of Graphite Mineralization,
4. Investigate the mineralogy of the area

Boreholes of approximately 100 metres each were positioned over the anomalous areas as indicated on the map below.

The first borehole of 100 metres was completed on the 28<sup>th</sup> January 2014 and drilling commenced on the second hole.





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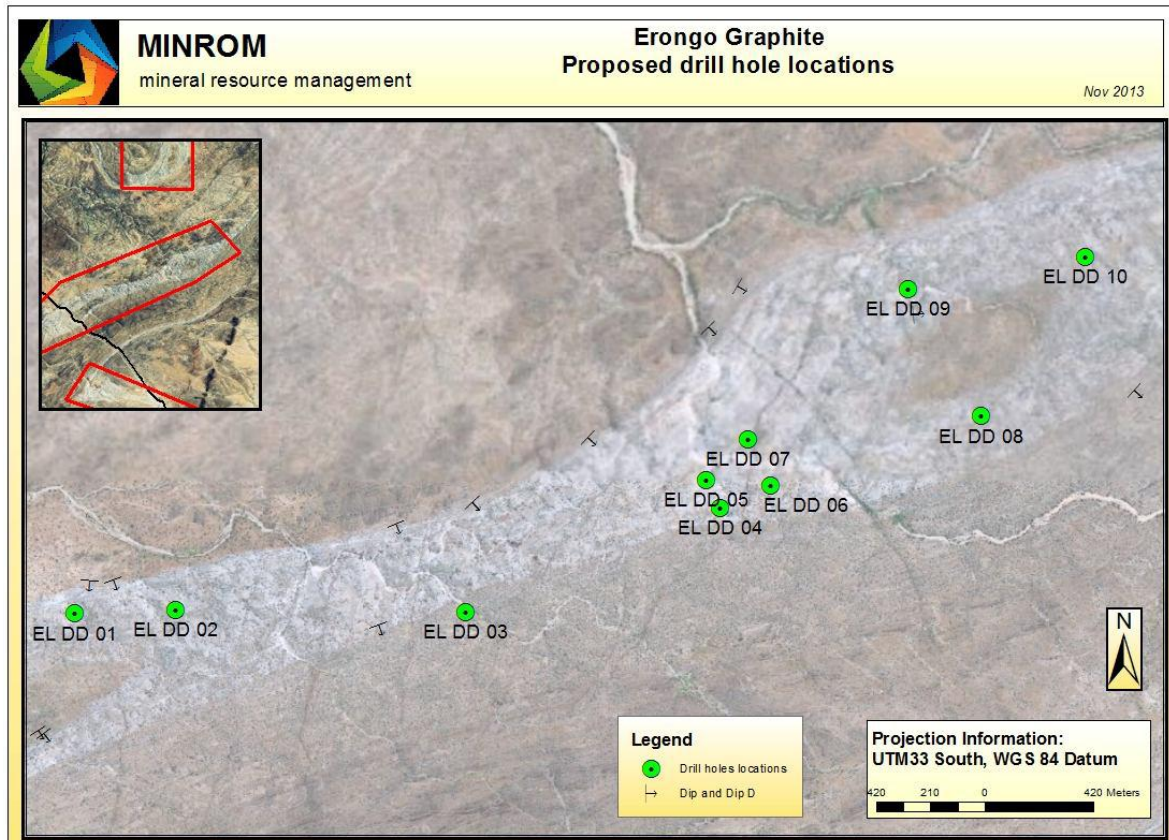
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The core will now be prepared, logged and sampled following JORC compliant protocols in order to characterise the encountered lithologies. The logging will identify the graphite layers and will attempt to describe the graphite mineralisation as either large dispersed flaky graphite and/or small flaky graphite in concentrated layers. Thereafter core sections will be prepared and sent to SGS laboratories in Johannesburg for analysis.

The marble host rock has a low drill penetration rate and the drilling program is earmarked to be completed by the end of the first quarter. Analytical results should follow during the second quarter of 2014.

The results from the first phase drilling will determine the follow on program.

### For further information:

**Kevin Nichol**

**Managing Director**

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### 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.