

**Company** [Xtract Resources plc](#)  
**TIDM** XTR  
**Headline** Exclusive Option on Namakwa Uranium Deposit  
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("Xtract" or the "Company")

### Exclusive Option Agreement on Namakwa Uranium Deposit in South Africa

Xtract Resources Plc (AIM:XTR) has signed an Exclusive Agreement (the "Agreement") with Aardvark Uranium Limited ("Aardvark") which provides an exclusive 90 day period to conduct the due diligence necessary in advance of the possible acquisition of the Namakwa Surface Uranium deposit in South Africa.

#### Summary

- Xtract has agreed to pay Aardvark US\$100,000 for a 90 day exclusive period to conduct due diligence on the Namakwa Surface Uranium deposit ("Namakwa Deposit")
- The Namakwa Deposit, which is divided into a northern and central zone, has an extensive dataset and full feasibility study that was completed by Anglo Operations Ltd, ("Anglo") a subsidiary of Anglo American plc
- The central zone of the Namakwa Deposit outcrops on surface, is approximately 500m wide with a strike extent of 3km and previous work by Anglo indicates a strip ratio of 1:2
- The central part of the Namakwa Deposit, covering 5km of strike extent has a SAMREC compliant measured and indicated resource of 2.59Mlb of uranium (1,6Mt @ 734 ppm U3O8 at a cut off grade of 250 ppm U3O8)
- In addition an inferred SAMREC compliant resource of 1.1Mlb of uranium has been defined (1,07Mt @ 463 ppm U3O8 at a cut off grade of 250 ppm U3O8)
- Test work done by Anglo indicates metallurgical recoveries of 91%
- The northern zone (also outcropping on surface) of the Namakwa uranium deposit has been drilled but not defined, with some of the best boreholes showing values of 13.5m @ 159g/t U3O8, 10m @ 176g/t U3O8, 13.5m @ 447g/t U3O8 and 8.5m @ 802g/t U3O8.

**Jan Nelson, CEO commented:** "The Namakwa Deposit is at an advanced stage and there is excellent infrastructure in the area. No further geological work or drilling would be required to evaluate the central zone and our due diligence will concentrate on the consideration of the metallurgical test work programme that would be required to confirm recoveries and determine the capital cost of a plant.

"South Africa is looking to increase its contribution to nuclear power electricity generation from 5% to 30%. The Namakwa project fundamentals position it well to become a supplier to the new generating capacity. As a result of the end of the Highly Enriched Uranium Purchase agreement between Russia and the US and the cancellation of several uranium projects in Russia and Kazakhstan approximately 45Mlb of uranium supply will be taken off the market, which is anticipated to have a positive impact on the uranium price."

The Namakwa Deposit covers an area of 58,375 hectares in the Northern Cape province of South Africa some 45km north of the town of Springbok. The area has a valid prospecting right granted by the Department of Mineral Resources that has been renewed in terms of Section 18(1) of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002) for three years until 18 December 2015. Aardvark owns 74% and Gilstra Exploration CC, the local empowerment partner, owns 26% of Namakwa Uranium Proprietary Limited, which in turn owns 100% of the Namakwa Deposit.

Anglo has a 10% free carry in the Namakwa Deposit which becomes contributory on a pro-rata basis until the Bankable Feasibility Study has been completed. It may then elect to convert to a 2% Gross Revenue Royalty. Niger Uranium also retains a 0.5% Gross Revenue Royalty in the project.

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