Company	Nyota Minerals Limited
TIDM	NYO
Headline	Tulu Kapi Resource Update
Released	07:00 31-Mar-2014
Number	5185D07

RNS Number : 5185D
Nyota Minerals Limited
31 March 2014

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Nyota Minerals Limited
('Nyota' or 'the Company')

TULU KAPI RESOURCE UPDATE

Nyota Minerals Limited (ASX/AIM: NYO), the gold exploration company in East Africa, notes that the Table 1 disclosure required by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code 2012 Edition") is now available on the website of KEFI Minerals Plc ('KEFI') (www.kefi-minerals.com) and that accordingly the Company is able to update the market in compliance with ASX public reporting requirements.

On 12 March 2014, KEFI, the project manager and a 75% shareholder in KME, announced an updated total Mineral Resource for Tulu Kapi of 24.1Mt at 2.64g/t gold ('Au') for 2.05Moz Au in the Indicated and Inferred categories. Of which 1.83Moz Au at a grade of 2.73g/t Au is in the Indicated category.

The Table 1 disclosure comprises a checklist of assessment and reporting criteria necessary for the Public Reporting of Exploration Results and Mineral Resources in accordance with the JORC Code 2012 Edition.

Nyota is a 25% shareholder in Kefi Minerals (Ethiopia) Limited ("KME"), which owns 100% of the Tulu Kapi gold project in Ethiopia ('Tulu Kapi'). Nyota is also the largest shareholder in KEFI, with a 12.5% interest (107 million ordinary shares).

Richard Chase, Nyota Chief Executive Officer, commented, "We were delighted to see KEFI's announcement confirm the resource potential of Tulu Kapi, but had to wait for the Table 1 disclosure before being able to comment publicly. The new Mineral Resource replicates the work that was previously completed for the Feasibility Study in 2012, as well as incorporating the Feeder Zone drilling and other drilling results that were not available at that time. The additional conversion of Inferred Resources to the Indicated category goes a step further in terms of the level of confidence attached to the estimation by KEFI.

"KEFI's work in this regard is fundamental to demonstrating that the deposit can be mined more selectively than was envisaged in our Feasibility Study. Selectivity is the key to reducing mining dilution and to increasing the estimate of gold content per tonne of ore to be processed. Nyota will shortly be expected to contribute to the expenditure of the holding company, Kefi Minerals (Ethiopia) Limited, pro-rata to its 25% shareholding. With further resource updates expected during 2014 towards the compilation of a new Definitive Feasibility, and ultimately a new mining licence application, we have much to look forward to at this progressive gold development project, and are committed to maintaining a thorough dialogue with shareholders in the coming months."

Compliance with the JORC Code 2012 Edition

The previous Mineral Resource for Tulu Kapi was published by Nyota on 9 October 2012 and subsequent drilling results were announced by Nyota on 3 December 2012 and 21 January 2013. The Mineral Resource estimate and the public reporting of the resource and subsequent exploration results were compliant with the JORC Code 2004 Edition. There are no new exploration results being reported in this announcement.

What follows in this announcement is a reproduction of KEFI's two announcements dated 12 March 2014: the Upgraded JORC Resource at Tulu Kapi Gold Deposit in Ethiopia, and Table 1 of the JORC Code 2012. Those announcements can be found at www.kefi-minerals.com.

Nyota is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of the estimates of Mineral Resources, all material assumptions and technical parameters underpinning the estimates in those announcements continue to apply and have not materially changed. Nyota confirms that the form and context in which the Competent Person's findings are presented below have not been materially modified from the original market announcements.

Tulu Kapi Resource Update

The updated resource at Tulu Kapi has been calculated from additional drill results received after the October 2012 resource had been published. A total of 71 exploration drill holes were added to the post-October 2012 database comprising 25 reverse circulation holes, 44 diamond holes and 2 water-bore holes for a total of 16,000m. The total data set now considered is comprised of 231 diamond drill holes for 58,276m and 333 RC drill holes for 45,616m, and 74 RC drill holes with diamond tails for 17,430m.

The resource methodology involves using dynamic anisotropy to generate a block model directly from the drill hole data by using strike and dip strings to define the orientation of the mineralised structure. The strike and dip strings were generated from the drill hole data based on a cut-off grade of 0.3g/t Au. Dip strings are based on the current structural interpretation in which the mineralisation is defined by structures which dip around 30° to the northwest. Dip strings were generated on 20m section spacing and attempted to join intersections in which grade continuity was identified. As a review of the structural model and part of the verification process dip strings were created at an increased density and incorporation of the additional exploration drilling has enabled a much tighter control to be brought to the grade estimation process.

Geostatistical analysis was carried out on the revised database and "top cutting" was performed to reduce the influence of any values that were outside of the general population. Grade top-cuts were applied at 100g/t and the overall effect of the top cuts on the Tulu Kapi dataset has not resulted in any significant reduction in the mean grade of the deposit.

Variography was carried out on the revised database to confirm the spatial continuity of mineralisation and to confirm the selection of suitable search parameters upon which to base the resource estimation.

Drill data was composited at 1m, which is the mean sample length present in the database and to preserve narrow high grade structures, after which a dynamic anisotropy procedure is run using an inverse distance squared estimation on the composites to identify blocks within the deposit boundaries that satisfies the cut-off grade criteria identified in the mineralised zone interpretation. The mineralised zone model was generated based on a prototype of 5m by 5m by 1m block sizes

Grade estimation was carried out using ordinary kriging (OK) as the principal interpolation method. Inverse power of distance squared (ID2) and nearest neighbor (NN) were also used for comparative purposes. The ordinary kriging method used estimation parameters defined by the variography. The estimation was performed only on mineralised material defined within the deposit boundaries as defined by the mineralised zone model. Drill hole samples

with a grade of less than 0.3g/t Au were excluded from the input data for the estimation process.

The estimate compares well with the previous October 2012 estimate on tonnage and grade with the influence of the additional data, particularly deeper intercepts and infill drill holes, resulting in the additional ounces and improved resource category conversion as reported.

The updated JORC Compliant Indicated and Inferred resource estimate has been reported above a 0.3g/t Au cut-off as below:

KEFI, March 2014			
	Tonnes (Mt)	**Au g/t**	**Contained Gold Moz**
Indicated	21.2	2.73	1.86
Inferred	2.89	2.03	0.19
Total	**24.09**	**2.64**	**2.05**

KEFI has calculated a resource using a lower economic cut-off grade of 0.3g/t Au and has excluded intervals of internal waste which are <0.3g/t Au over the 1m composite sample intervals. These zones of internal waste (tonnes and grade) will be treated and included in the diluted probable reserve. KEFI recognises that this internal dilution could be an issue (see AMC comments below) and has run a Resource estimate using 2m down hole composites, which helps account for internal dilution, with the result showing the same total gold resource ounces, and an expected drop of 16% in grade and an increase of 16% of tonnes. AMC has not, as yet, verified the 2m composite model. KEFI will address this matter comprehensively when in due course it applies suitable dilution parameters in the Probable Reserve estimate.

AMC Independent Resource Review

AMC Consultants Pty Ltd (AMC) was contracted to independently review KEFI's updated Tulu Kapi Mineral Resource model for estimated tonnes and grade, to review various aspects of the Mineral Resource estimation method and to advise on matters to be addressed particularly during the reserve estimation process. It is important to note that AMC was not contracted to sign off as the Competent Person (CP). CP sign off would require a more comprehensive and lengthy review of all sampling, assay and geostatistical procedures which KEFI will commit to in an independent review in due course when a final resource model is completed after planned surface sampling and infill drilling.

AMC has completed the first pass of this review and has confirmed that the model received by KEFI reports the same tonnes and grade as those in the reported resource tabulations,

when using the same reporting criteria. AMC comments from this review are listed as bullet points below.

AMC's review was based on data provided by KEFI, including drill hole database, geological interpretation, wireframes for the mineralised interpretation, natural topography interpretation, bulk density data, assay composites, variography and block models. AMC has not at this stage undertaken an assessment of data collection and QA/QC monitoring procedures.

AMC comments and recommendations:

- While the interpretation of the mineralisation is generally reasonable, the interpretation should be revised in due course to rationalise the extent of the mineralisation defined by the mineralised zone model and to ensure that the blocks selected for use in the final grade estimate form contiguous zones where possible.
- Inclusion of all mineralised zone model cells above a 0.3g/t Au grade cut-off, regardless of location, is likely to have resulted in some over-estimation of tonnes and grade, as the process used to define the mineralised zone model has assigned grades of 0.3g/t Au and over to areas of the model where surrounding drillholes are all below 0.3g/t Au. KEFI has advised that these intervals mostly relate to zones within the inferred resources category, which will be excluded from reserve estimation.
- AMC recommends that the block size for the final estimate should in due course be in the order of at least 20m x 20m in X and Y and 5m to 10m in Z dimensions. This roughly approximates half the drillhole spacing.
- AMC recommends that in due course KEFI incorporates the results of the current surface structural mapping and close spaced trench sampling and apply this to the mineralisation model on a section by section basis and create wire-framed shapes to define the mineralised volume prior to commencing with the grade estimate.
- AMC recommends that in due course all drillhole grades within the defined mineralisation boundary are used in the final estimate, regardless of whether they are above or below 0.3g/t Au. KEFI has advised that this will be done in the diluted reserve estimation.

Ongoing Exploration

Surface sampling of hand dug trenches and structural mapping at the Tulu Kapi deposit is approximately 50% complete. This work is important to confirm continuity of mineralisation

as projected to surface from the revised block model and also to provide additional structural data in which to further constrain and improve the model for further resource updates.

An RC drill programme of some 20 holes (4,000m) is due to commence in late March. The aim is to infill the existing drill database where required for final confirmation of mineralisation within the expected open pit reserve.

JORC Code, 2012 Edition, Table 1

The full Table 1 disclosure, as detailed in the "Reports" section of the KEFI website: www.kef-minerals.com, is set out below in Appendix 1.

http://www.rns-pdf.londonstockexchange.com/rns/5185D_-2014-3-28.pdf

****ENDS****

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