Dutwa nickel laterite deposit, Tanzania
African Eagle Resources plc, UK.

LOCATION: The Dutwa Nickel Laterite Project is located in Tanzania, 100 km east of the city of Mwanza, in the Kilimafedha greenstone belt of Lake Victoria Goldfield

STORY: In June 2008, African Eagle began a reverse circulation drilling program to investigate a strong nickel – cobalt geochemical anomaly, extending for more than 2.5 km over a hill composed of highly weathered ultramafic rocks. A total of 9598 m of RC drilling and 595 m of diamond drilling was completed by September 2008.

The drill results returned high nickel values from a considerable thickness of laterite, with grades comparable with those of many major nickel laterites world wide.

In November 2008, the Company announced an independently calculated, inferred resource of 31 Mt at average grades of 1.1% Ni and 0.034% Co, equating to a contained metal endowment of some 340,000 tonnes of nickel and 11,000 tonnes of cobalt.

GEOLOGY: The Dutwa project is underlain by greenstones, ultramafic bodies and granites. The greenstones are Nyanzian in age (~2.5 Ga), and composed of intermediate and mafic volcanics and schistose metasediments. Banded iron formation (BIF) outcrops in the east of the project area. Abundant dolerite dykes occur throughout the area.

The ultramafic bodies, variously described as peridotite with olivine picrites, orthocumulates and gabbro-norite, have been emplaced into the greenstones along an easterly trend, cutting across the main east-northeast structural and lithological strike. The ultramafics have been variably silicified and serpentinized and form rounded hills preserved by siliceous cuirasse capping.

Lateritization is widespread throughout the project area, but it is particularly well developed over the ultramafic bodies.

DEPOSITS: The Dutwa Nickel laterite is a high silica (~32%), low iron (~8.7%), low magnesium (3.53%) laterite, developed over a prominent 200 m high ridge, 2.5 km long and up to 350 m wide. The thickness of the laterite varies from 5 m on the margins, up to 60 m+ at the core of the deposit. The resource extends over most of the interval from the surface down to fresh bedrock, and remains open on the northern and southern flanks of the hill, providing some upside to the current inferred resource.

Preliminary metallurgical test work of drill core and percussion chip samples involving bottle rolls is very positive, with more than 90% nickel recoveries and very low sulphuric acid consumption, averaging 210 kg/t**.**

DISPLAY: The core displays typical garnierite mineralisation, manganese wad rich in nickel and cobalt and the ortho-cumulate parent rock. Cross sections and maps will also be on display to illustrate the deposit.