

14 January 2013

FOR IMMEDIATE RELEASE

**Option to Farm-in to San Marcos Gold Project
Arizona USA**

- **60 day option period to enter into a farm-in agreement**
- **Ability to earn up to a 100% interest in the project**

Pelican Resources Limited (ASX: PEL) (**Pelican** or **Company**) is pleased to announce that it has today signed an agreement with Australian American Mining Corporation Limited (ASX: AIW) (**AusAmerican**) pursuant to which Pelican has been granted an option to enter into a farm-in agreement (**Option Agreement**) with AusAmerican allowing Pelican to earn up to a 100% interest in the San Marcos Gold Project located in Arizona, USA (**Project**).

San Marcos Gold Project

The Project consists of 10.3km² of ground in Arizona, acquired by AusAmerican, consisting of 125 contiguous lode mining claims. The Project is located in the detachment fault terrain of western Arizona which hosts numerous gold prospects and mines, including Copperstone.

AusAmerican reported completion of Phase 1 RC drilling at the Project and the drilling results and further information regarding the Project can be found in the 2012 Annual Report of AusAmerican. Significant results included:

DRILL HOLE ID	INTERVAL	LENGTH	Au GRADE
SM-10A	1.5-18.3 m	16.8 m	2.25 g/t
SM-11A	7.6-15.2 m	7.6 m	2.67 g/t
SM-12A	0-4.6 m	4.6 m	18.49 g/t

Option Agreement

Pursuant to the Option Agreement, AusAmerican has granted to Pelican, an option for a period of up to 60 days from 11 January 2013, to enter, through a US subsidiary (to be established), into a farm-in agreement in relation to the Project.

Pelican is able to exercise the option at any time during the 60 day period by providing notice, and a payment of \$25,000, to AusAmerican.

Upon exercise of the option, Pelican and AusAmerican will enter into a formal farm-in agreement, based on, in addition to customary terms found in farm-in agreements, specific terms agreed upon by the parties in the Option Agreement (**Farm-in Agreement**).

Key Terms of the Farm-In Agreement

Under the Farm-in Agreement, Pelican will have the sole and exclusive right, but not the obligation, to:

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PELICAN
RESOURCES LIMITED

ABN 12 063 398 821

- (a) earn a 30% interest by funding not less than \$75,000 of exploration expenditure within the first 12 months of the date of exercising the option (**Commencement Date**);
- (b) earn a further 21% interest by funding not less than \$75,000 of exploration expenditure within the 12 month period commencing on the date which is 12 months after the Commencement Date; and
- (c) earn a further 29% interest by funding not less than \$250,000 of exploration expenditure within the 12 month period commencing on the date which is 24 months after the Commencement Date.

Any expenditure incurred in an earn-in period in excess of the required amount will be off-set against the required expenditure amount in the following earn-in period.

Once Pelican earns an 80% interest, it must elect to either:

- (a) earn a further 15% interest by funding not less than \$300,000 of exploration expenditure within the 12 month period commencing on the date of providing notice to AusAmerican of satisfaction in obtaining the 80% interest. Once Pelican earns a 95% interest, AusAmerican's remaining 5% interest will be extinguished and revert to a 2% net smelter return royalty up to a maximum of \$1,000,000; or
- (b) form a joint venture with AusAmerican. In this event, Pelican and AusAmerican will form an unincorporated joint venture where initially, Pelican will hold an 80% interest and AusAmerican will hold a 20% interest in the Project.

Pelican and AusAmerican will each have a first right of refusal over the sale or other disposal of all or part of the other party's interest in Project tenements from time to time.

The Farm-in Agreement will otherwise be on terms customary for a transaction of this nature.

For further information:

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