

Market Announcements Platform
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

2 December 2013

Approval of Grant Funding from DTI - ~A\$870,000

Highlights

- ~A\$870,000 of grant funding approved for Definitive Feasibility Study (**DFS**) expenditure by Department of Trade and Industry of South Africa.
- Opens the door to Export Credit Insurance Corporate of South Africa (**ECIC**) funding at the project level on the completion of the DFS in Q3 2014.

Emerging Mozambique focused gold producer Auroch Minerals NL (ASX:AOU) (**Auroch** or the **Company**) is pleased to advise that the Department of Trade and Industry (**DTI**) South Africa, through Basil Read Matomo (Pty) Limited (**Matomo**), has approved the Company's application for grant funding under the Capital Projects Feasibility Programme. Matomo is the manager of the DFS.

Grant funding for the Project has been approved to the value of up to ZAR8,000,000 (~A\$870,000)¹ by the DTI and the effective date for commencement of activities is **1 November 2013**. These funds represents a significant portion (33%) of the estimated DFS cost and will be paid directly to Matomo to cover qualifying engineering services and offset against amounts owing.

Matomo is a leading design, project engineering, procurement and construction (**EPC**) company servicing the minerals processing, chemical and renewable energy sectors. They offer a full range of turn-key solutions for project implementation, ranging from concept development and feasibility studies, through to final project execution.

¹ Based on an exchange rate of 1 AUD = 9.19 ZAR

The mining component of the DFS will be subcontracted to Royal Haskoning DHV (RHDHV Mining, formerly Turgis Consulting) by Matomo. This experienced Mining Consulting and Engineering group with headquarters in South Africa and the United Kingdom, has a mining history spanning more than two decades. RHDHV Mining specialises in all aspects of mining engineering and has an impressive track record with projects of this type, size and degree of complexity.

The DTI application and the current DFS parameters were based on the Scoping Study prepared by independent technical advisers JP Mining Consulting (Pty) Limited. The scoping study reached the following conclusions and recommendations:

- Simple shell open pits for Fair Bride and Dot's Luck deposits are viable;
- Shallow depth underground open stoping for the Guy Fawkes deposit is viable on a selective mining basis;
- A centralised processing plant on the Mining Concession with a throughput rate of 720,000tpa (60,000tpm) is an optimal capital solution for the life of mine of the non-refractory and transitional resources, approximately 14% of the total resource;
- An average head grade of 2.23 g/t Au to produce +40,000 oz per annum is achievable;
- An initial capital expenditure of US\$31,617,244 in May 2013 constant money terms;
- Estimated production of 273,469 oz Au over an operating life of mine (**LOM**) of 7 years;
- Average total operating cost of \$39.29/t milled or US\$641.92/oz produced (excludes capex and before tax, depreciation and royalties); and
- The Study has assumed a long term gold price of US\$1,200/oz.

The approval of DTI grant funding will enhance the Company's ability to secure project financing from South Africa, including ECIC funding, which is South Africa's official Export Credit Agency, 100% owned by the Government of South Africa.

ECIC's Mission Statement is to facilitate and encourage South African export trade by underwriting export credit loans and investments outside the country in order to enable South African contractors to win capital goods and services' contracts in other countries.

ECIC provides insurance cover on risks associated with investments and loan finance for capital goods and services projects in foreign countries.

Project Director Jim Porter commented "Auroch, through Matomo, has assembled a remarkably experienced team covering all aspects of the project life cycle and including engineers with over 30 years' experience in mining and processing projects for non-refractory sulphide gold bearing ores."

Managing Director Dean Cunningham commented "This grant funding represents a significant portion of the definitive feasibility costs. It also puts Auroch in the sights of South African banks to utilise the ECIC funding mechanism, which in some respects can be seen as an extension to the DTI grant funding. The Company remains on track to complete its DFS by Q3 2014".

For further information please visit www.aurochminerals.com

Dean Cunningham

Managing Director

Auroch Minerals NL

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Competent Person Statement

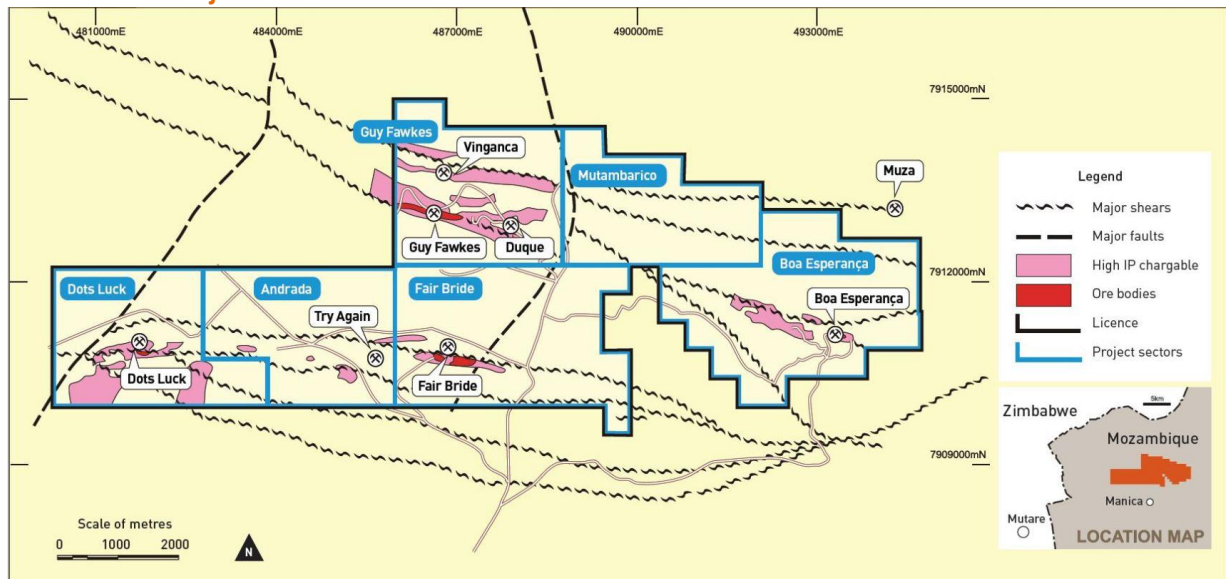
The information in this report that relates to Mineral Resources is based on information reviewed by Dr W.D. Northrop who is a consultant to ExplorMine and is appointed as Independent Geologist to Auroch Minerals NL project team. He is registered by the South African Council for Natural Scientific Professions as a Professional Natural Scientist in the field of practice of Geological Science, Registration Number 400164/87, and as such is considered to be a Competent Person. Dr Northrop has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Northrop consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the Scoping Study is information compiled and reviewed by Professor Jim Porter who is a Fellow of the Southern African Institute of Mining and Metallurgy, Director of the Centre for Mechanised Mining Systems at the University of the Witwatersrand and has wide experience in gold deposits and mining methods as envisaged in the Scoping Study; accordingly he is a Competent Person as required by the JORC code for the reporting of reserves. In terms of the Scoping Study he is responsible for the Mineral Reserve Estimate and has reviewed and approved the Scoping Study section of this press release.

About Auroch Minerals NL

Auroch Minerals NL (ASX:AOU) is developing the **multi-million ounce** Manica Gold Project, Mozambique. Auroch owns 100% of the Mining Concession which has a granted **25 year Mining Right** and is the largest JORC Code compliant gold resource in Mozambique.

Manica Gold Project Sectors



Manica Gold Project Resource Table

Category	Project Sector	Cut-off Au (g/t)	Tons (000')	Grade Au (g/t)	Total Au (oz)
Measured	Fair Bride	0.5	11,561	1.73	642,000
Total Measured Resources			11,561	1.73	642,000
Indicated	Fair Bride	0.5 < 300 m	10,795	1.64	570,000
		1.0 > 300 m			
	Guy Fawkes	1.25	2,150	2.44	170,000
Total Indicated Resources			12,945	1.77	740,000
Inferred	Fair Bride	0.5	24,598	1.83	1,449,000
	Guy Fawkes	1.25	620	2.81	60,000
	Dot's Luck	1.00	480	3.25	50,000
	Boa Esperanza	1.25	330	2.94	30,000
Total Inferred Resources			26,028	1.89	1,589,000
Total Manica Gold Project Resource			50,534	1.83	2,971,000