BAOBAB RESOURCES PLC

CHANGARA PROJECT UPDATE

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BAOBAB RESOURCES PLC
27/28 Eastcastle Street
London W1W 8DH
United Kingdom
Web: www.baobabresources.com
AIM : BAO

BAOBAB MINING SERVICES Pty Ltd
Unit 25 South Terrace Piazza
Fremantle
Western Australia 6160
Australia
Post: PO Box 1229 Fremantle
Western Australia 6959 Australia
Tel: (+61) 8 9430 7151
Fax: (+61) 8 9430 7664

CAPITOL RESOURCES Lda
Rua De França 19 / 2 Andar
Bairro Coop
Maputo
Moçambique
Tel: (+258) 21 415 200

Baobab Resources Plc ('Baobab' or the 'Company') is wholly focused in Mozambique where it is developing a pig iron and ferro-vanadium project in the Tete province (the 'Tete Project'), one of Africa's fastest growing mining centres. Other assets in the Company's portfolio include the Changara project which is being operated under a Joint Venture ('JV') with ASX listed Metals of Africa (please refer to RNS dated 28 November 2012).

Baobab announces that today an exploration update was made by Metals of Africa (ASX:MTA). An extract of the announcement is presented below and the full announcement is available on the Australian Stock Exchange website:

http://www.asx.com.au/asx/research/companyInfo.do?by=asxCode&asxCode=mta

Alternatively, Investors may be able to download a copy from the Company's website:

http://baobabresources.com/investor/aim-announcements

HIGHLIGHTS

- Ground exploration is continuing to identify additional zones of sulphide mineralisation, including a new lead bearing vein in the Mahdewa prospect within the Changara JV.
- The Mahdewa prospect is located between MTA's Rulio prospect, where recent rockchip sampling returned analyses of up to 75.7% lead and 229g/t silver, and the Fumo Dique prospect (also within the Changara JV tenure), where historical work returned grades of up to 15.3% lead and 39.3% silver.
- The outcropping Mahdewa vein has been mapped along strike for 200m with coarse grained galena (lead sulphide) disseminated through vein quartz. Initial XRF results of several hand samples has returned up to 80% lead, however the vein appears to have a representative grade of approximately 8.56% lead.
- The discovery of Mahdewa, in addition to the Rulio high grade lead occurrence and four other zinc bearing veins previously announced, adds to the growing evidence of the metal bearing potential of the Rio Mazoe and Changara projects and will assist in defining high priority Broken Hill Type ('BHT') drill targets.

CONTACT DETAILS

Baobab Resources PLC
Ben James: Managing Director — Tel: +258 21 415 200
Jeremy Dowler: Chairman — Tel: +44 1372 450529
Frank Eagar: CFO — Tel: +258 21 415 200

Grant Thornton UK LLP
Philip Secrett | David Hignell | Jamie Barklem — Tel: +44 20 7383 5100

Shore Capital Stockbrokers
Jerry Keen | Toby Gibbs — Tel: +44 20 7468 7964

Fortbridge Consulting
Matt Beale — Tel: +44 7966 389 196

High grade lead and silver grades confirmed at Rio Mazoe Project, Mozambique

Lead up to 75.7% Pb and Silver up to 229g/t Ag

- **Metals of Africa has confirmed high grade lead and silver results at the Rulio Prospect within the Rio Mazoe base metals project in Mozambique.**
- **Results of up to 75.7% and silver up to 229 g/t from rock chip sampling program.**
- **Multiple mineralised zones identified, including new surface mineralisation at the nearby Mahdewa prospect.**
- **Drilling of priority targets planned to commence this month.**
- **The recent Rulio and Mahdewa discoveries provides further evidence of the metal bearing potential of the project area.**
- **Metals of Africa is exploring the Rio Mazoe project for large Broken Hill-type deposits**

East African focused exploration company Metals of Africa Limited (ASX: MTA) is pleased to confirm outstanding high grade lead and silver results at the Rulio prospect within its 100% owned Rio Mazoe project located in the Tete Province of Mozambique.

The results come from a program of rock chip sampling which resulted in the discovery of the high grade Rulio base metals prospect (see ASX announcement 14th August 2013).

Laboratory analysis in Australia of 12 rock chip trench samples have returned high grade lead and silver results, of up to 75.7% lead and 229 g/t silver, with average grades of 59.6% lead and 115 g/t silver. A summary of the laboratory results of the 12 rock chip samples is provided in Table 1.

These results confirm the initial high grade portable XRF results from the Rulio prospect reported in August.

Based on the continuing high grade results generated from exploration at the Rio Mazoe project, the Company is preparing to conduct the next phase of drilling. A drill rig is expected to arrive onsite by 20 October 2013, and drilling is planned to commence shortly after.

	Pb (lead)	Zn	Ag	Cu
	%	ppm	ppm	ppm
Minimum	7.51	9.00	24.97	909.5
Maximum	75.77	735.00	229.66	3872.0
Average	59.69	115.42	146.50	1848.1

Table 1. Summary table of the twelve rock chip sample lab results which from the Rulio Prospect via a series of hand dug trenches along strike of the outcroppingmineralisation. Assay resulted were received from an accredited laboratory in Australia. Additional analytical information is available in Table 3 of the Appendix.

New lead vein discovered at Mahdewa prospect

Ground exploration, including mapping and soil sampling, is continuing at the Rio Mazoe project to identify additional zones of sulphide mineralisation. A new lead bearing vein has been discovered in the Mahdewa prospect within the adjacent Changara JV project. Initial Portable XRF (pXRF) analysis on three hand samples from the Mahdewa vein have returned results of up to 80% lead (however, the vein appears to have a representative grade of approximately 8.56% lead). The results are displayed in Table 2.

Sample	Pb (%)	No. Analyses
RNM001	3.04	20
RNM002	8.56	20
RNM003	3.34	20

Table 2: pXRF results for Mahdewa vein samples

The outcropping Mahdewa vein shows strong similarities to the Rulio vein with coarse grained galena (lead sulphide) disseminated through vein quartz. The Mahdewa vein is hosted by a regional fault that strike NW-SE and runs roughly parallel to the Rulio lead-silver prospect and four additional zinc bearing veins.

The discovery of Mahdewa, in addition to the Rulio high grade lead occurrence (and four other zinc bearing veins previously announced), adds to the growing evidence of the metal bearing potential of the Rio Mazoe and Changara projects and will assist in defining high priority Broken Hill-type (BHT) drill targets, which the Company is exploring for at Rio Mazoe.

The Mahdewa vein strikes 120° and appears to dip steeply toward the south at 80°. The vein is quartz dominant and hosts coarse grained galena with trace malachite. Occasional amethyst (purple quartz) and yellow sulphur staining occur. The vein shows strong bladed carbonate replacement texture and minor levels of goethitic material that suggests possible alteration of sulphide minerals. The Mahdewa vein is hosted in quartzo-feldspathic rocks in an area dominated by amphibolite and arkosic quartzite lithologies. A historical exploration trench 10m long and 2.5m deep has exposed the vein which is 0.5m thick. The vein is seen to subcrop along strike for 200m.

About the Rulio Lead-Silver Prospect

The high grade Rulio prospect hosts outcropping mineralisation in conjunction with a 2.5km long elevated geochemical anomaly (refer to Announcement made 16th September for additional details), coincident with a geophysical anomaly. Four drill holes for approximately 1000 metres have been planned for this target, with drilling planned to commence in late October.

Project Prospectivity

Discovery of these secondary veins adds further weight to the growing evidence of the metal bearing potential at Rio Mazoe. To date, field work has identified two large, high grade lead veins and four smaller veins with elevated zinc. It is pleasing to note that all veins have a similar orientation (trending NW-SE with steep dips to the south), which suggests their formation is linked (probably resulting from one of the later stage regional deformation events that occurred in the area).

The veins trend NW towards the prospective schist and quartzo-feldspathic units of the Rushinga Group where a highly encouraging BHT style alteration package has been identified, as previously announced. At its centre, this alteration hosts massive garnet layers with elevated zinc surrounded by spessartine and microcline rich rocks that are generally thought proximal to mineralisation in BHT systems. It is possible that penetration of epithermal fluids in the region became enriched in base metals as they passed through a BHT deposit and later precipitated galena and sphalerite in the secondary veins seen further east. The location and metal bearing content of these veins relative to the BHT alteration package will be used to define high priority targets for the upcoming drill program.

Soil sampling and detailed geological mapping will continue in the coming weeks with a well-defined drill program to be announced soon. The drill program will commence in late-October 2013 and is planned to be completed before the end of the year.

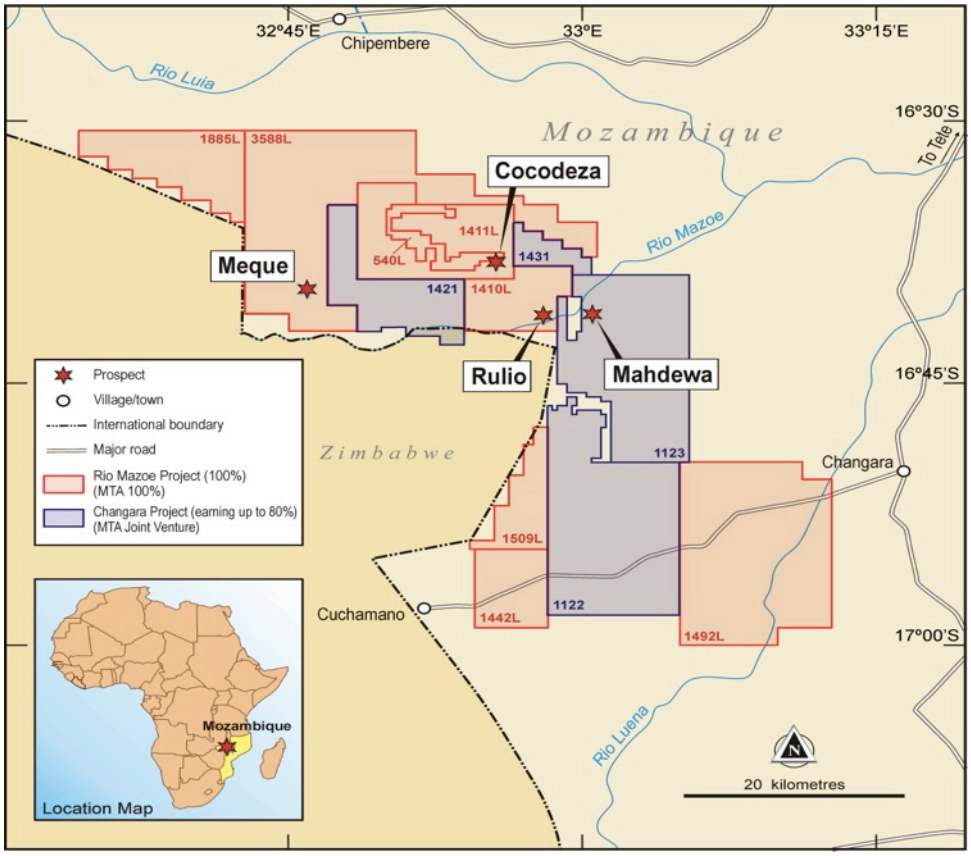

Figure 1. General location map illustrating tenure and main prospects

Figure 2: Trench location of Mahdewa vein

Figure 3: Mahdewa hand samples collected for analysis. These grade 3.04% and 8.56% Pb respectively according to a portable XRF machine.

For further information please contact:

Cherie Leeden
Executive Director
Metals of Africa
T: +61 8 9322 7600
E: Cherie@metalsofafrica.com.au

James Moses
Media and Investor Relations
Mandate Corporate
T: +61 420 991 574
E: james@mandatecorporate.com.au

Competent Persons Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Ms. Cherie Leeden, who is Executive Director of the company. Ms Leeden is a Member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2004 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ms Leeden consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Appendix 1

Table 3. Laboratory results displaying all twelve rock chip samples for lead, silver and copper, which were collected from the Rulio Prospect.

ELEMENTS	Pb (lead)	Pb (lead)	Ag	Cu	
UNITS	ppm	%	ppm	ppm	
DETECTION	5		0.05	0.5	
METHOD	4AH/MS		4A/MS	4A/OE	
NUMBER					REMARKS
AN0506	473479	47.3479	130.31	3872	Galena Rich outcrop - trench within license 1410L
AN0507	75090	7.509	24.97	909.5	Galena Rich outcrop - trench within license 1410L
AN0519	676730	67.673	113.84	1796.6	Galena Rich outcrop - trench within license 1410L
AN0520	568162	56.8162	125.26	1058	Galena Rich outcrop - trench within license 1410L
AN0521	757697	75.7697	163.41	1222.4	Galena Rich outcrop - trench within license 1410L
AN0522	757016	75.7016	165.3	1235.9	Galena Rich outcrop - trench within license 1410L
AN0523	576079	57.6079	167.08	1961.2	Galena Rich outcrop - trench within license 1410L
AN0524	730473	73.0473	157.24	1863.6	Galena Rich outcrop - trench within license 1410L
AN0525	678283	67.8283	229.66	2739.3	Galena Rich outcrop - trench within license 1410L
AN0526	611334	61.1334	177.04	1989.1	Galena Rich outcrop - trench within license 1410L
AN0527	623762	62.3762	137.67	1949.8	Galena Rich outcrop - trench within license 1410L
AN0528	634099	63.4099	166.27	1579.8	Galena Rich outcrop - trench within license 1410L