

## Regulatory Story

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**Company** Red Rock Resources plc  
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### RED ROCK RESOURCES PLC

Conditional Acquisition of interest in Mid-Migori Mining Company Ltd

Dated: 17 August 2009

#### *Summary*

Red Rock Resources plc ('Red Rock' or the 'Company') the mining exploration and mineral investment company with interests in iron ore, manganese and gold exploration in Australia, manganese in Zambia, and uranium investments in Africa and Australia, is pleased to announced that it has on 14 August 2009 entered into an agreement (the "SPA") with Kansai Mining Corporation Limited ("Kansai") whereby it may acquire up to 60 per cent of the issued share capital of Kansai's wholly owned subsidiary company Mid-Migori Mining Company Ltd ("MMM"), a company incorporated in Kenya which owns the beneficial title and mining rights to the Migori Gold Project.

The Migori Gold Project has an Indicated Resource of 1,172,000 ounces gold, with an expectation that this figure may be raised significantly on resumption of the incomplete 2007 drill programme.

The Company has paid a non-refundable cash deposit of US\$25,000 and has until 10 September 2009 to complete due diligence. On satisfactory completion of due diligence, the Company will be allotted 15 per cent of the issued share capital of MMM for a total consideration of US\$725,000 ("Consideration").

#### *Details of the Migori Gold Project*

The Migori Gold Project comprises two contiguous special prospecting licenses SP202 and SP122 (the "Mining Tenements") covering an area of 310.5 square kilometers and situated in south western Kenya approximately 290 km west of Nairobi. It consists of a 68 km. belt of Archaean greenstone facies striking west-northwest to east-southeast and just north of the Tanzanian border. This belt contains outcropping gold shows, structures and geochemical anomalies over the entire 68 km. strike length of the two tenements together with the well-known Macalder volcanic massive copper-zinc deposit.

[http://www.rns-pdf.londonstockexchange.com/rns/5072X\\_-2009-8-14.pdf](http://www.rns-pdf.londonstockexchange.com/rns/5072X_-2009-8-14.pdf)

The westernmost 10 kms. of strike has seen the most intense exploration to date. Four major zones of mineralization have been discovered in this sector of the belt, and other shows have been scout drilled with positive signs of additional potential resource.

The major zones comprise:

(1) the Kakula-Kalange-Munyu mineralization of 679,000 ounces of gold with over 22,000,000 tonnes at approximately 1g/t of gold; 3 km long and drilled vertically to about 140m depth with varying widths (10-60m) of low grade gold values enveloping a high-grade (5-12 g/t) and up to 10m thick core of gold mineralization, striking for about one kilometre and persisting in depth from surface to the deepest intersections drilled to date. Exploration fence drilling of over 300 holes of RCP and diamond drilling has delineated this Indicated Resource.

(2) Gori Maria is a 500m striking zone, with true widths of up to 100m., drilled by over 100 RCP and DD holes to a depth of over 150m, for 8,600,000 tonnes of approx. 0.9g/t gold, for an Indicated resource of 240,000 ounces. Much of the zone grades 1-2g/t gold and there is no diminution of grade with depth and it seemingly has the character of a block-caving operation.

(3 and 4) The MK and Nyanza zones both have significant promise of hosting higher grade mineralization than the former two zones. More drilling is warranted.

(3) The calculated figure at MK is 1,444,000 tonnes at 2.32 g/t gold for an Indicated Resource of 108,000 ounces gold. 63,000 ozs. of this total grade is at over 9g/t at shallow depths and there are probabilities of two more high grade shoots merely clipped to date. All drilling is diamond drilling, to a depth of about 100m vertically. This is considered a highly prospective zone with some drifting and rises from an adit 25m below outcrop. There is a possible strike length of over 700 metres.

(4) Nyanza is a zone of multiple gold bearing veinlets and stockworks with some high grade intersections running in excess of 1 ounce of gold per tonne. Presently the Indicated Resource is 842,000 tonnes at 5.32g/t gold for 144,000 ounces. More drilling is warranted, present strike known is about 300 metres and open, while depth drilled is less than 100m vertically.

In summary the 1,172,000 ounces of Indicated Resource to date, together with tailings from the old Macalder mine of 67,000 ounces seemingly measured, together with over thirty other gold shows either scout drilled or as yet untested, indicates potential for development of a significant gold field of several million ounces of recoverable gold, analogous to recent discoveries across the border in Tanzania, and the probability of further volcanic massive sulphide ore-bodies similar to Macalder.

A late 2007 drill programme, which aimed to raise the resource base to over 2,000,000 oz completed 14 holes before it was curtailed by the drill company withdrawing rigs from the country in the period of instability following the Presidential election that year. Samples were analysed from these holes at Kakula and Gori Maria and Macalder, but no revision of the 43-101 resource base has yet been made to take account of the results, pending the completion of the programme with planned holes at MK and Nyanza.

### *Payment and Nature of Consideration*

On satisfactory completion of due diligence the Company will be allotted 15 per cent of the issued share capital of MMM in consideration for the payment of US\$725,000, payable in cash and new shares of Red Rock in three tranches, the first on completion (which shall be not later than 30 September 2009), and the second and third tranches three and six months thereafter. The number of shares to be issued will be calculated by reference to the volume-weighted average share price of Red Rock in the three trading days before each payment is due. The total cash element of the Consideration will be US\$350,000 and the amount payable in each tranche is as below:

	Cash	Shares
Tranche 1	\$75,000	\$80,000
Tranche 2	\$125,000	\$135,000
Tranche 3	\$150,000	\$160,000

### *Other Information*

From completion, Red Rock will become the manager of the Mining Tenements and related information and intellectual property rights and will be responsible for the cost of exploration of the Mining Tenements until completion of a bankable feasibility study. Provided that Red Rock has not terminated the SPA on the giving of six month's notice and that a bankable feasibility study has been completed within six years of the SPA, Kansai will issue or transfer a further 45 per cent of the issued share capital of MMM to Red Rock.

Any net income generated by sale of minerals from the Mining Tenements will be applied, first, to offset Consideration amounts; secondly, to finance exploration up to completion of a bankable feasibility study; and finally, to payment of dividends to the shareholders for the time being of MMM.

At 30 September 2007, MMM had total assets of KES 88.78 million (approximately £682,000) and had net liabilities of KES 23.4 million (approximately £183,000) and made pre-tax losses of KES 4.90 million (approximately £38,000) in the year then ended.

*All figures for Resources stated herein are compiled in accordance with the standards of Canadian National Instrument 43-101. The technical information in this announcement has been prepared and approved for release by Bruce Walsham, BSc, FIM, CEng., FIMM, FSEG, the President of Kansai Mining Corporation. He is a qualified person in terms of National Instrument 43-101 and as defined in the Note for Mining and Oil & Gas Companies, June 2009, of the London Stock Exchange.*

#### Enquiries:

Andrew Bell	0207 402 4580 07766 474849	Red Rock Resources plc	Chairman
John Watkins	07768 512404		
Peter Trevelyan-Clark/ Ben Jeynes	020 7489 4500	Blomfield Corporate Finance Ltd	Nominated Adviser
Nick Emerson	01483 413500	Simple Investments Ltd	Broker

Ron Marshman /  
John Greenhalgh

020 7011 9411

Lothbury Financial Limited

Public Relations

Updates on the Company's activities are regularly posted on its website, [www.rrrplc.com](http://www.rrrplc.com).

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