

Zanzui Project Fact Sheet

PROJECT SUMMARY

Located 110km southeast of Mwanza, the Zanzui layered ultramafic-mafic complex was investigated by the United Nations Development Programme (UNDP) in the 1980s. The UNDP reported 1.24g/t Palladium in diamond drill core samples. African Eagle's (AFE) work has also returned anomalous values for nickel (up to 0.93%), platinum (37ppb) and gold (52 ppb), pan concentrates up to 8.3g/t gold were recorded from the Ndudumo river on the southern margin of the complex. AFE has conducted a scout drilling programme and the results show that parts of the Complex have a nickel-enriched laterite blanket. Subsequent acid leach tests on the drill samples show nickel recoveries averaging 71%, with very low sulphuric acid consumption, averaging 185 kilograms per tonne.

LICENCES

Four licences cover a combined area of 358km² with AFE holding a 90% stake in two licences and 85% in the remaining two.

EXPLORATION HISTORY

The UNDP explored the area extensively in the mid 1980s. They did not routinely assay for platinum group metals (PGEs), but did analyse 10 core samples from one drill hole for platinum, palladium and rhodium, reporting a single value of 1.24g/t palladium. Reliable sources have also reported platinum grains being panned from the Ng'wangulu River on the eastern margin of the complex.

AFE has compiled the historical survey data and completed reconnaissance and infill geochemical surveys (> 880 samples) over all of the licence areas, returning values up to 37ppb platinum in a well defined north trending zone extending over 6kms. AFE also recorded elevated soil values of nickel (up to 0.93%), chrome (up to 0.82%) and cobalt (up to 1360ppm) in the same area.

AFE has recently completed a VTEM survey over the Zanzui complex and the results of a ground magnetometer survey clearly show the layering of the complex (shown opposite).



GEOLOGY

The Zanzui Complex is a circular, layered ultramafic-mafic intrusion covering approximately 140km² and forms a prominent hill which is capped by siliceous duricrust of weathered dunite.

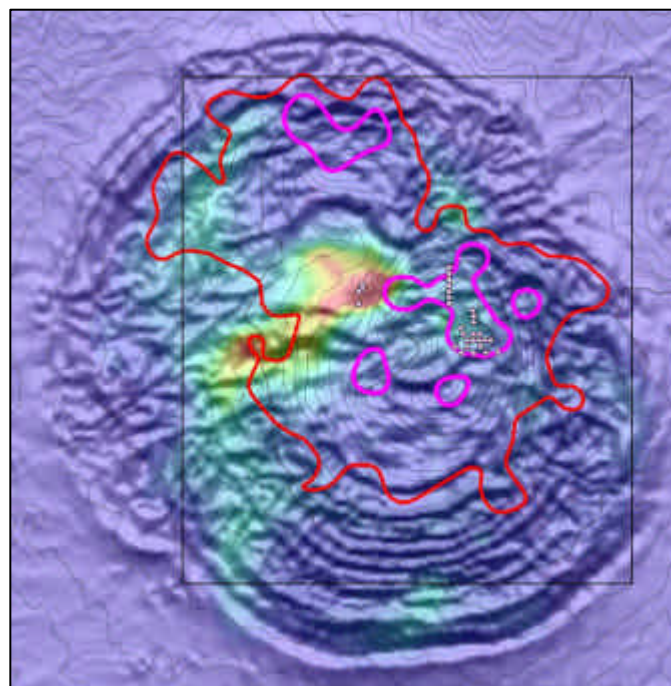


Image of magnetic field, VTEM, nickel soil geochemistry with scout drill hole locations





VTEM survey underway at Zanzui.

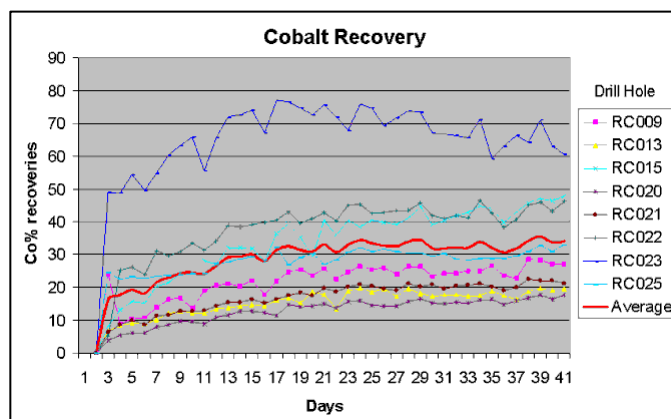
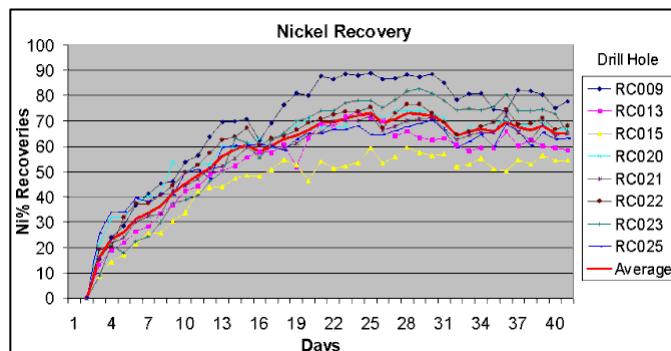
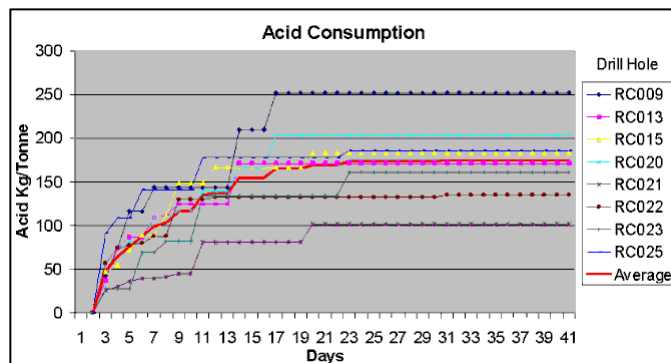
CURRENT STATUS

African Eagle recently has completed a 30 hole reverse circulation scout drilling programme for 1940m to investigate the potential for nickel laterite. The drill results show that parts of the Complex have a nickel-enriched laterite blanket with grades and thicknesses similar to those announced by the Company from its Dutwa project and suggest that Zanzui is potentially another significant laterite deposit. Intersections include:

Drill Hole	From (m)	Intersection	Ni Grade %
ZZRC - 9	0	18	1.34
ZZRC	9	39	0.76
ZZRC - 14	9	6	1.15
ZZRC - 20	9	18	1.14
ZZRC - 21	9	24	0.92
ZZRC - 22	18	24	1.02
ZZRC - 23	12	42	1.05
ZZRC - 25	9	33	0.91

To determine the suitability of the Zanzui laterite for heap/tank leaching, bottle roll acid leach tests were performed by Mintek Laboratories in South Africa on eight samples of drill cuttings (results shown opposite). Around 8-10kg of material from each hole was dried, blended and composited, with representative 0.5kg sub-samples of each taken for the leach tests. Each sample was placed in a glass bottle with two litres of dilute sulphuric acid and agitated continuously by rolling on rotating rollers. Leaching was complete after approximately 30 days. Nickel extractions varied between 55% and 87%, and cobalt extractions ranged from 21% to 75%, calculated from the head and residue assays.

Acid consumption ranged from 140 to 250 kilograms per tonne, with an average of 190, even less than for the Dutwa laterite samples.



FUTURE PROGRAMME

The company is seeking to joint venture this project with a suitable development partner.

