

ABN 89 119 670 370 Tel: +61 8 6298 7500

Fax: +61 8 6298 7501 PO Box 263, West Perth WA 6872

Level 3, 681 Murray Street, West Perth WA 6005

www.nimrodel.com.au

ASX ANNOUNCEMENT

9 January 2013

Activity Update

- Drilling at Specimen Reef completed Awaiting assay results
- Draft Mining Options Study at Takatokwane Project highlights potential for two stage, technically efficient development plan
- Final results received for washability tests on Phase 2 drilling at Takatokwane
- Indicated Resource definition underway for Takatokwane
- Appointed a professional services group to assist in seeking a commercial partner for development of the Takatokwane Project
- Company is finalising negotiations in terms of several low entry-cost, prospective brownfields opportunities in line with strategy review
- Company is funded and will not seek to raise capital on equity markets in 2013

Exploration and Project Update

Takatokwane Coal Export Project

The draft Mining Options Study has been received. The draft report highlights the potential for a two stage development plan which will optimise the diverse range of quality and quantity inherent in the Target Mining Area of the Takatokwane Inferred Resource.

Despite Nimrodel's Takatokwane coal resource already possessing amongst the highest quality thermal coal of all the reported Botswana coal resources, seams 3 and 4 at Takatokwane are better and the report has highlighted the potential for these seams to be exploited as an underground "starter-mine" to supply the emerging South African demand market at an initial rate of around 1 million tonnes sales per annum.

The objective of the Pre-Feasibility Study (to be commenced during this quarter) will be to determine whether such an underground mine may produce a higher quality thermal coal at a premium and offset the interim trucking costs required to haul coal to the planned South African Transnet railhead.

The second stage and later development plan includes the exploitation of the wider sections of Seam 2 by means of a large open-cut, high tonnage bulk mine to supply one of the possible

^{*}The current study numbers are conceptual in nature, drilling to date is insufficient to define an Indicated Resource and conclude detailed study parameters. it is uncertain that future drilling and study work will result in the determination of an Indicated Resource or a viable mining operation.



future export rail-lines to either Mozambique or Namibia. Stage 2 of the development plan is contingent on one of these prospective rail projects being approved.

This staged approach addresses several issues with regard to development timing, mining rights, and risk amelioration.

Technical scoping of a Pre-Feasibility Study is currently underway with plans to launch a study in the 1st quarter of 2013.

The Company has appointed an international professional services group to procure a commercial partner that may assist in developing the Takatokwane Project.

Specimen Reef

The helicopter-mobilised drill campaign was completed successfully at Specimen Reef during the quarter. Assay results are due this month.

General

In line with the diversification strategy announced in late 2012, the Company is well advanced in discussions with third parties regarding low-cost entry into further exploration opportunities. These will provide a "pipe-line" of projects and reduce single commodity risk.

The Company is currently well funded and does not contemplate, under its existing strategy, to seek capital from the equity markets during 2013.

Details of Nimrodel Resources projects are available at the Company's website, www.nimrodel.com.au

Allan Mulligan Managing Director Nimrodel Resources Ltd 08 6298 7500