



28 August 2018

## **Drilling commences at Longonjo targeting large high grade NdPr Mineral Resource**

Rift Valley Resources Limited (“Rift Valley” or “Company”) (ASX: RVY) is pleased to report that drilling has commenced at its Longonjo NdPr Project in the emerging West African economy of Angola.

A reverse circulation rig is on site and has commenced the 9,000 metre programme, which will test the full extent of the shallow weathered NdPr mineralisation across the six square kilometre Longonjo carbonatite.

### **Chief Operating Officer Dave Hammond commented:**

*“It has been a great team effort to complete the preparation programmes on time to allow the drilling to commence bang on schedule. We are targeting a large tonnage, high grade deposit that could rank Longonjo as one of the world’s biggest NdPr projects and are really looking forward to reporting the first results within the next few weeks. “*

### **About the Longonjo NdPr Project**

The Longonjo NdPr Project is being developed at a time when demand for NdPr in magnet metals in electric motors is growing rapidly.

Driven by the electrification of all aspects of motive power, notably electric vehicles and wind turbines, the permanent magnet motor market is projected to grow from US\$26.6 billion in 2017 at a CAGR of 10.47% over the next five years to reach US\$48.3 billion by 2023.

The market is dominated by China which controls over 95% of NdPr metal production. Prices of the feedstock NdPr oxide have risen recently to \$53,000 tonne and are forecast to continue to rise as NdPr magnets are targeted in the US China trade war and demand outstrips supply.

The only independent non-Chinese producer of note is Lynas Corporation (ASX: LYC) which produces around 7% of world production much of which is contracted for supply to China and has a market capitalisation of A\$1.5 billion.

Located adjacent to the \$1.8 billion rail link to the Atlantic Port of Benguela in the emerging West African economy of Angola, Rift's 9,000 metre drill programme is setting out to confirm that the Longonjo six square kilometre carbonatite hosts one of the world's largest resources of NdPr.



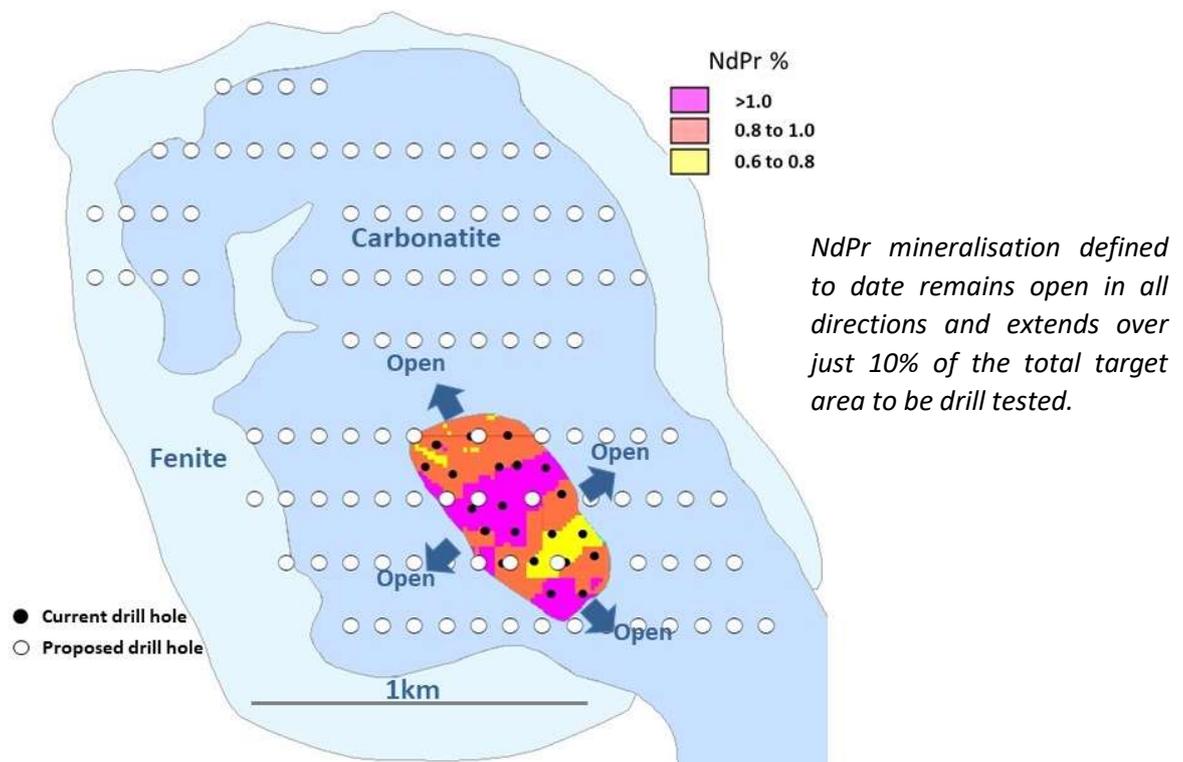
*Drilling commences at the Longonjo NdPr Project.*

## Technical Report

Drilling has commenced on schedule at the Company's 70% owned Longonjo NdPr Project in infrastructure rich Angola.

Following a short exploration programme a substantial Mineral Resource estimate was reported on 26 September 2017. The shallow high grade NdPr mineralisation occurs from surface within the weathered zone of the Longonjo Carbonatite and remains open in all directions.

The first drill hole of the approximately 9,000 metre programme commenced on 27 August and a 24m deep weathered zone was intersected.



*Simplified geology, NdPr (oxide) high grade mineralisation and proposed drill hole locations.*

The reverse circulation programme is designed to determine the potential for a very large and high grade NdPr deposit at Longonjo.



The Company looks forward to providing regular updates on the progress of drilling and results together with the associated exploration and test work programmes as they are received.

### **Competent Persons Statement**

The information in this report that relates to Geology and Exploration is based on information compiled and/or reviewed by David Hammond, who is a Member of The Australian Institute of Mining and Metallurgy. David Hammond is the Chief Operating Officer and a Director of the Company. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity which he is undertaking to qualify as a Competent Person in terms of the 2012 Edition of the Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves. David Hammond consents to the inclusion in the report of the matters based on his information in the form and contest in which it appears.

**-ENDS-**

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