African Mining

MARKET SNAPSHOT
GOLD / oz $1,235.15
PLATINUM / oz $939.46
COPPER / ton $4,725.50
NICKEL / ton $8,530.00

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Sula Iron & Gold records loss for the year

Sula Iron & Gold Plc announced its consolidated unaudited preliminary results for the year ended 30 September 2015 for the Company and its subsidiary, Blue Horizon (SL) Ltd, (together the "Group").

Highlights:

Operational

- Sula's maiden JORC compliant Mineral Resource Estimate ("MRE") was declared at Ferensola Iron Ore Project in December 2014 comprising a total resource of 514.5 million tonnes ("Mt") @ 31.8% Fe, including easily accessible oxidised resource of 55.5Mt @ 45.39% Fe;
- In February 2015, an increase in the technical valuation of the Company's Ferensola Licence of almost $20 million to $56 million was provided by independent consultants, SRK Exploration Services ("SRK ES");
- Independent JORC compliant gold Exploration Target (the "Exploration Target") at Ferensola defined by SRK Consulting (UK) Ltd ("SRK") with a tonnage range of between 5 and 7 Mt at a grade range of between 4 and 8 grammes per tonne ("g/t") of gold ("Au"), equating to between 0.8 and 1.5 million ounces ("Moz") Au;
- Exploration activities confirmed high concentration levels of coltan (columbite - tantalite) along streams originating from deeper within Ferensola; and
- Strengthening of the board with the appointment of Mr Howard Baker as Non-Executive Technical Director in May 2015.

Financial

- Loss for the year to 30 September 2015 of £1.8 million (2014: £1.4million).
- Total equity of £5.8 million at year end (2014: £5.9 million).
- Successfully raised £1.6 million (gross) of new equity during the year to 30 September 2015.

Post-year end:

- 1,556m diamond drill programme completed on the Ferensola Gold Project across 10 drill holes;
- Assay results of up to 16.18 g/t Au across a number of mineralised zones;
- Total length-weighted grade results (including three resampled historic drill holes) of 4.48 g/t Au at a thickness of 0.4 m to 7.1 m, averaging 1.5m;
- Successfully raised a further £0.3 million (gross) of new equity on the 24 February 2016 to continue the Ferensola Gold Project; and
- NDA signed with Tier 1 gold producer.

Nick Warrell, Chief Executive Officer of Sula, commented, "2015 was a significant year in the life of the Company. Uniquely, Sula has now become a genuine multi-commodity exploration operation in Sierra Leone, with opportunities to extract material value from our gold, iron and coltan projects. I was delighted that SRK ES increased their technical valuation of Ferensola by almost $20 million in February 2015 to $56 million, this despite challenging conditions in the commodity markets". It is pleasing that each of our projects is at a different point in its lifecyle; the iron being the furthest advanced, having achieved our stated goal of reporting a JORC compliant MRE on BIF 1 by the end of 2014, with an estimated resource of more than 500Mt and the potential for a further 250Mt; the Ferensola Gold Project, which truly excites me, is progressing extremely well, with results from our recent drill campaign exceeding my previously best expectations; and the discovery of high concentrations of the rare and valuable metal, tantalum (the valuable constituent of coltan), on the Licence, giving us the necessary confidence to commence discussions with potential off-takers. Our targets for 2016 are set, with the securing of a suitable joint venture partner for the Ferensola Gold Project firmly at the top of that list".

Sula Iron and Gold Plc is an AIM listed exploration and development company focused on iron ore, gold and coltan exploration in Sierra Leone.

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