



*Julian Hanna says the PFS clearly demonstrates the project's strong technical foundation*

## Mod releases positive PFS

Copper explorer MOD Resources has released a favourable pre-feasibility study for an open-pit mine at its T3 project in Botswana, which has an estimated annual free cash flow of \$US77 million (\$95 million).

The study comprises a base case, for a 2.5 million tonnes per annum plant and an expansion case, which would facilitate an upgrade to a 4mtpa plant after three years.

Within the base case, the company estimates a development cost of \$US155 million (\$190 million) and underlying earnings of approximately \$960 million over nine years.

Average annual production is predicated to be 23,000 tonnes of copper and 690,000 ounces of silver.

T3 is 70 per cent owned by MOD and 30 per cent owned by Metal Tiger.

The expansion case comprises a \$US37 million (\$45 million) upgrade to the processing plant in year four of production.

Average production would increase to 28,000tpa of copper and 903,000oz/year of silver.

Managing director Julian Hanna said the PFS clearly demonstrated the project's strong technical foundation and exceptional financial returns as well as the opportunity for significant upside if the expansion case proceeded.

"This is our starting point, and while it is an exciting milestone, we believe there is more to come with potential for satellite deposits around T3 and numerous other exploration targets to be tested along a 140-kilometre corridor," he said.

"None of this potential upside has been included in the scope of the PFS."

"We are extremely lucky to be operating in such favourable mining jurisdiction and look forward to transforming into a profitable long life copper producer in Botswana."

"I would like to thank the entire PFS team, who have put considerable effort into completing this study which will form the basis for the feasibility study we are about to embark on. "

Shares in MOD finished down 3 per cent at 5.8 cents each.