

15 June 2016

Keras Resources plc ('Keras' or 'the Company')
Strong Gold Results at Prince of Wales Underpin Development Plan

Keras Resources Ltd, the Australian gold mining company, is pleased to announce that reverse circulation ('RC') drilling at the Prince of Wales ('PoW') project, located in the Grants Patch lease area, has returned economic, high-grade results including 3m at 14.64 g/t gold (Au) from 66m (PWRC005) and 3m at 7.25g/t Au from 60m (PWRC002) and show positive grade continuity.

Highlights

- The results underpin Keras' plans to deliver high-grade product from PoW to the Paddington processing plant in the next 6 months under the agreement with Norton Gold Fields Ltd ('Norton')
- The mineralisation delineated via drilling provides near surface, quick access high-grade feed for processing
- The PoW, which has a historic underground resource of 154,000 t at 8g/t Au, is located on the same leases where the Company is currently mining the Accord and Anomaly 22 open pit deposits
- Opens up ~ 20,000t of high-grade ore from the previously developed Consols decline
- The Company will now commence a resource development programme utilising diamond drilling
- Clean up of pit underway to re-access decline

Keras Managing Director Dave Reeves said, *"These results demonstrate the high-grade nature of mineralisation at Prince of Wales, open up areas of the asset previously not contemplated for mining and reinforce our view on the value of the project. The ability to access high-grade ore during the development phase of mining will greatly enhance our cash flow position. Work has now commenced on re-accessing the Consols decline with the clean-up of the pit and re-establishment of the portal area. It is envisaged that we will be able to access this ore in Q4 2016 which will provide high-margin material for the Company to add to the cash flow already being generated."*

Table 1: RC Drill Results

Hole No	From	To	Width	Au g/t
PWRC0001	38	41	3	2m historic mining void
Including	40	41	1	1.97
PWRC0002	60	66	6	4.09
Including	60	63	3	7.25
PWRC0005	66	73	7	7.11
Including	66	69	3	14.64

[*PWRC0003 and PWRC0004 will be drilled in the next campaign](#)

Figure 1 shows the location of the drilling and Figure 2 shows a close up of the shallow high-grade ore.

Figure 1: Location of Drilling

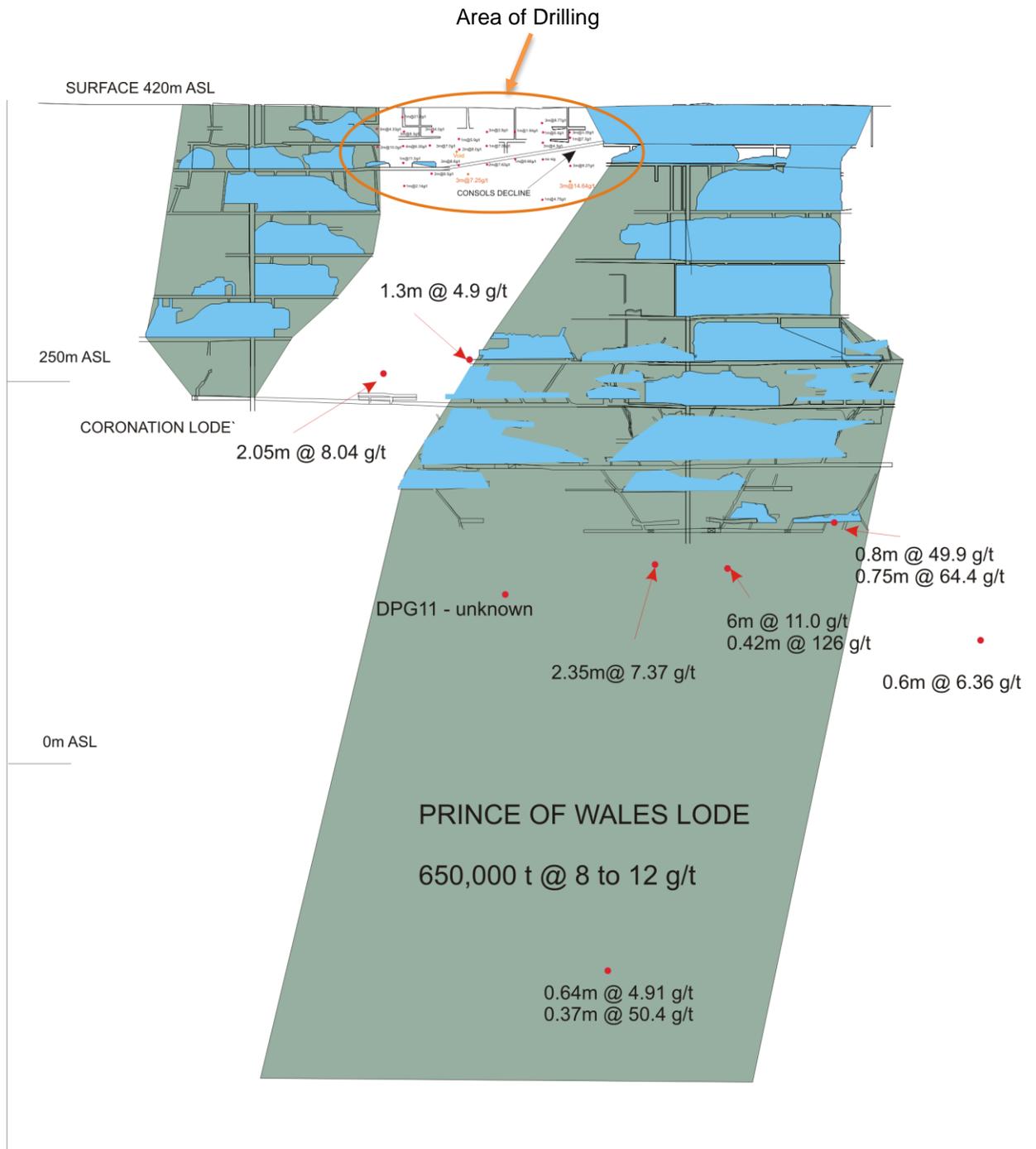
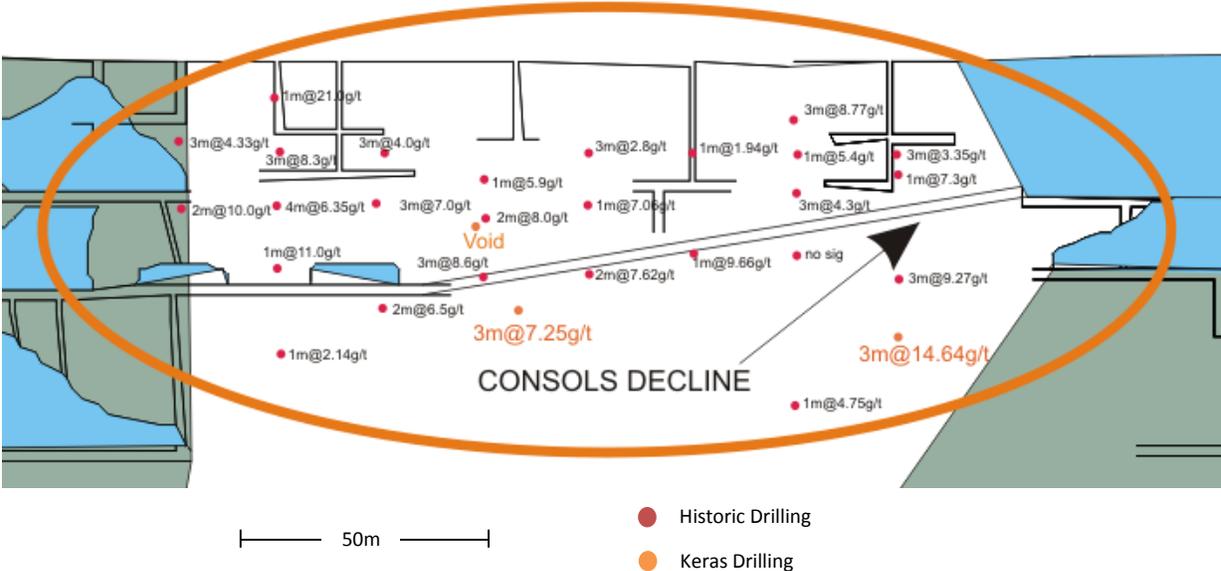


Figure 2: Consols decline area showing new and historic drilling



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