RNS Number : 2083T
Obtala Resources Limited
02 December 2011

2 December 2011

Obtala Resources Limited
("Obtala" or the "Company")
(AIM: OBT)

Joint Venture Agreement Concluded with STAMICO, Tanzania

Obtala Resources Limited, the natural resource investment and development company, today announces that it has concluded a Joint Venture Agreement ("JVA") with the Tanzanian State Mining Company ("STAMICO") to create an investment and natural resource development company to evaluate mineral properties in Tanzania.

Highlights:

- 50:50 JVA with the State Mining Company, a wholly owned subsidiary of the Government of Tanzania
- A collaborative working partnership forming an investment and development company
- Objective to evaluate and develop mineral properties in Tanzania with a view to extracting maximum value through commercial transactions
- Obtala will finance the company and co-manage in partnership with STAMICO

Obtala has concluded a JVA with STAMICO to incorporate and co-manage, on a 50:50 partnership basis, an investment company that will form a collaborative working partnership between STAMICO and Obtala.

The Joint Venture Company ("JVCo") will operate as an investment company with in-house technical and financial expertise to develop mineral interests in Tanzania. Special focus will be given to mineral properties which are owned by small-scale miners, who would benefit from the technical expertise, financial and operational resources of JVCo. Through the process of investigation and evaluation, the objective is to ultimately realize value for the shareholders through joint ventures, partnerships and corporate transactions.

The strategy of the joint venture company will be to work, in partnership with STAMICO, with local licence holders, new individual and existing licence holders through the process of investing, evaluation through exploration, promotion and, where appropriate, bring into production mineral projects within Tanzania.

Obtala has committed to financing the activities of the JVCo via quarterly payments of US$200,000. These funds are to be spent solely for the purpose of enhancing the value of the projects.

Francesco Scolaro, Chairman of Obtala, commented: "I am delighted to announce this agreement which represents an exciting opportunity for both parties. The spirit of this partnership represents an attractive route for Obtala to progress its investment portfolio and realise further profitability through commercial activity. Obtala will provide the necessary working capital and expertise to allow STAMICO to commence evaluation of the portfolio of assets at its disposal and help develop mineral properties currently worked on by small-scale miners who have limited financial resources. This collaboration allows us to evaluate a diverse range of commodities covering precious and base metals, precious stones and industrial minerals. Obtala is well funded to participate in the new joint venture and to continue existing operations and remains debt free."

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