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Obtala Resources Limited
21 November 2012

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

Montara Mozambique
Agriculture Land Authorised by Ministry of Agriculture

Obtala Resources Limited (AIM:OBT), the natural resource investment and development company, is pleased to announce that it received notification that its agriculture concession application in northern Mozambique has been authorised by the Ministry of Agriculture in Maputo, Mozambique.

Highlights:

- Total land area authorised of 9,875 hectares
- Concessions located within the Namuno District of the Cabo Delgado Province
- c.15km of river frontage
- Authorisation granted for provisional 2 year period thereafter full authorisation for a 50 year renewable term

The "Direito de Uso e Aproveitamento da Terra" (the right to use and profit from the land) or so-called "DUAT", under the Land Law and Land Law Regulation is authorised for an provisional period of 2 years. Full authorisation is issued once compliance with the work programme for the land has been confirmed after which the Geographical and Records Services will issue a full authorisation for a period of fifty years, renewable for the same period.

The Company is primarily focussed on developing crops to meet growing world food demand. The Namuno farm will initially grow versatile crops such as groundnuts and sunflower, with other high value crops such as tomatoes and chilli being evaluated. In the business model, infrastructure development for a central processing facility is planned, with Montara establishing a hub for both Namuno and future projects in the region. Montara will look to work with local farmers in improving productivity and to act as a conduit to new markets, through its facilities, ensuring neighbouring farms are key stakeholders in such activity.

Chairman's comment

Francesco Scolaro, Chairman of Obtala, commented: "I am very pleased to announce the authorisation of this concession by the Ministry of Agriculture, which is another significant milestone in our development plans in East Africa. The objective for the agriculture is to build up a vertically-integrated sustainable agribusiness in East Africa which will have its own crops, supported by out-grower programmes, which can be packaged, branded and sold into both domestic and international markets. In Tanzania we intend to have over 2,500 hectares of land under cultivation by the end of 2013 with plans to trial high values crops such as tomatoes and chilli, in addition to groundnuts this year. We are very optimistic with the future plans for the Company and believe that the agribusiness and forestry arm of Obtala will grow significantly over the next 12-18 months and deliver value for our shareholders going forward".

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