

ASX ANNOUNCEMENT**11 October 2011**

Nimrodel Acquires Adjoining Botswana Coal Tenements

Perth, Western Australia: Mineral exploration company Nimrodel Resources (**ASX: NMR**) announces the signing of a Farm-In and Incorporated Joint Venture Agreement with Triprop Energy Pty Ltd (Triprop). The agreement allows for the Company to acquire up to 65% of Triprop, the 100% owner of tenements 157/2009, 159/2009, 160/2009 and 161/2009, by completing a two-phase diamond core drilling program and Scoping Study.

Nimrodel's Managing Director, Mr Chris Mason said:

"The signing of this agreement is another exciting step for Nimrodel in building a strong and strategic position in the Kweneng and Southern District of Botswana, a region that the Company has identified for its potential to host a major thermal coal deposit."

Highlights

- **Nimrodel increases exposure to Botswana Thermal Coal**
- **Agreement secures likely Takatokwane extension**
- **Two of the four new tenements (PL 157/2009 and 159/2009) are adjacent to Nimrodel's Takatokwane tenement**
- **A contiguous target area now in excess of 2,000 square kilometres**
- **Drilling to commence on new licences this week**

Summary

Triprop is a Botswana domiciled company that is actively exploring minerals in other regions of Botswana in addition to holding several mineral concessions for coal and coal bed methane (CBM) in the Kweneng and Southern District of Botswana. This agreement to acquire up to 65% of four coal prospecting licences substantially increases Nimrodel's exposure to Botswana thermal coal exploration.

Nimrodel has been working at the Takatokwane tenement in the Kweneng region since May 2011. During this time the Company has completed an initial resource drilling program which

will provide the basis of an estimated maiden JORC Inferred Resource, due for completion early Q4 2011.

The agreement increases the Company's target area from 500 square kilometres to **a contiguous target area in excess of 2,000 square kilometres** and provides for an extension to drilling along the line of strike to the south and east, as shown in figure 1.

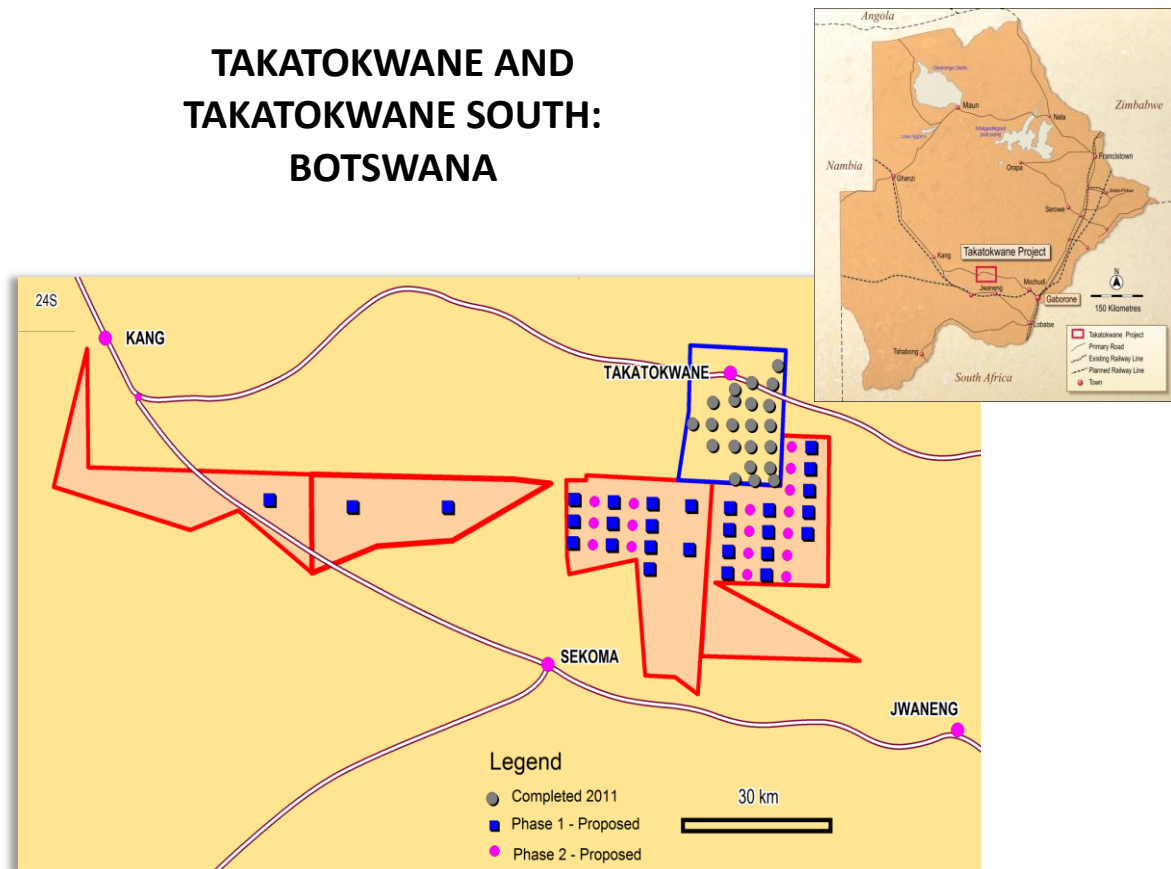


Figure 1: Takatokwane and Takatokwane South Tenements including completed and planned DC drilling

The proposed Phase 1 drilling program will consist of 28 diamond core holes at 8km by 8km spacing for approximately 5,000m of drilling. Drilling will commence this week with three rigs being deployed immediately to site, one RC rig for pre-collaring and two diamond core rigs. The program is expected to be completed during the latter part of Q4 2011.

On completion of Phase 1 drilling and if the Company elects to proceed, a Phase 2 program will commence. Phase 2 exploration comprises 17 drill holes for approximately 3,000m of drilling, and is designed to infill the Phase 1 drill pattern to 4km by 4km spacing – sufficient for resource estimation.

Exploration Manager Nathan Jombwe commented, “By completing this aggressive two-phase drilling program, Nimrodel will aim to build enough data to upgrade the maiden Inferred Resource at Takatokwane.”

Farm-In and Incorporated Joint Venture Agreement

Nimrodel may earn:

1. A 20% interest in Tripprop Energy Pty Ltd on completion of phase 1 drilling
2. A further 20% interest on completion of stage 2 drilling, for 40% interest in total; and
3. A further 25% interest on completion of a Scoping Study, for 65% interest in total.

In consideration for Tripprop granting Nimrodel the exclusive right to acquire an interest in the Company on the terms set out in the Agreement, Nimrodel shall:

1. Within 7 days following the Execution Date
 - (a) issue Tripprop with A\$50,000 worth of Nimrodel Shares (subject to any restrictions imposed by ASX) at an issue price equal to the 30 trading day volume weighted average price (**VWAP**) of Nimrodel Shares as traded on ASX for the 30 trading days immediately prior to the Execution Date per Share; and
 - (b) pay A\$50,000 to Tripprop,
2. Upon completion of the Phase 1 Program, Nimrodel may elect:
 - (i) to terminate this Agreement by notice in writing to the Company and upon the receipt of this notice, this Agreement shall be deemed to be at an end and of no force or effect; or
 - (ii) to continue with this Agreement by notice in writing to the Company.

If Nimrodel makes the election to continue, then within 7 days:

- (c) Tripprop will transfer Company Shares to Nimrodel equal to a 20% Shareholder Interest in the Company.
 - (d) Nimrodel will issue Tripprop with A\$50,000 worth of Nimrodel Shares at an issue price equal to the 30 trading day volume weighted average price (**VWAP**) of Nimrodel Shares as traded on ASX for the 30 trading days immediately prior to the Execution Date per Share; and
 - (e) Nimrodel will pay A\$50,000 to Tripprop.
3. Upon completion of the Phase 2 Program, Nimrodel may elect:
 - (i) to terminate this Agreement by notice in writing to the Company and upon the receipt of this notice, this Agreement shall be deemed to be at an end and of no force or effect; or
 - (ii) to continue with this Agreement by notice in writing to the Company.

If Nimrodel makes the election to continue, then within 7 days:

- (f) Tripprop will transfer Company Shares to Nimrodel equal to a 20% Shareholder Interest in the Company.
 - (g) Nimrodel will issue Tripprop with A\$50,000 worth of Nimrodel Shares at an issue price equal to the 30 trading day volume weighted average price

- (h) (VWAP) of Nimrodel Shares as traded on ASX for the 30 trading days immediately prior to the Execution Date per Share; and
Nimrodel will pay A\$50,000 to Triprop.
4. Nimrodel may earn a further 25% Shareholder Interest in the Company (Third Farm-in Interest) by completing a Scoping Study on the Tenements (Third Farm-in Expenditure) within a period of three (3) years following the Execution Date or as agreed between Nimrodel and the Company (Third Farm-in Period).
Upon completion of the Scoping Study and the sole determination by Nimrodel of the outcome of the Scoping Study, Nimrodel may elect, within 7 days:
- (i) to terminate this Agreement by notice in writing to the Company and upon the receipt of such notice, this Agreement shall be deemed to be at an end and of no force or effect. If Nimrodel elects to terminate this Agreement at this point, Nimrodel will transfer all of the Company Shares it holds to Triprop (for \$1.00), but Triprop will retain any Nimrodel Shares it has been issued by Nimrodel along with all monies received to date; or
 - (ii) to continue with this Agreement by:
 - (i) electing, in Nimrodel's absolute discretion, to undertake a Bankable Feasibility Study; and
 - (j) Nimrodel issuing Triprop with A\$100,000 worth of Nimrodel Shares at an issue price equal to the 30 trading day volume weighted average price (VWAP) of Nimrodel Shares as traded on ASX for the 30 trading days immediately prior to the Execution Date per Share; and
 - (k) Nimrodel will pay A\$100,000 to Triprop
 - (l) Triprop will transfer a further 25% Shareholder Interest to Nimrodel so that it has a 65% Shareholder Interest in the Company.
5. Upon Nimrodel earning the 65% interest in Triprop the parties will contribute to further expenditure on a proportionate basis.

Details of Nimrodel Resources projects are available at the Company's website, www.nimrodel.com.au

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