



ASX:EAF

28th March 2014

Update on Uranium Exploration

East Africa Resources Limited (“East Africa” or “the Company”) (ASX: EAF) reports that it has received a screening decision from the National Environmental Management Council (NEMC) of Tanzania regarding the Madaba project which is located in the Selous Game Reserve. NEMC have recommended a Preliminary Environmental Assessment (PEA) as it has decided that the project does not require a full Environmental Impact Assessment. This decision will significantly reduce the time and work required to secure access to conduct a uranium exploration program at the project. East Africa will continue to expedite the process of gaining permission to explore at the Madaba project. The next steps will include a visit to the project by our environmental consultants, Environmental Association of Tanzania (ENATA).

East Africa Resources is currently focusing its attention on gaining access to the Madaba project with the goal of beginning exploration there in the middle of 2014.

East Africa Resources also recently held discussions with its joint venture partner Kores regarding the exploration results at the Mkuju South JV. Kores has not yet made a decision regarding the investment of US\$1.5m in Stage 2 of the project and a final decision will be made by the Kores Board of Directors. At this stage the Company does not believe it is likely to receive formal confirmation of Kores’ intentions regarding further investment until May 2014.

Enquiries

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About East Africa Resources Limited

East Africa Resources Limited (EAF) has direct and joint venture interests in a portfolio of uranium exploration tenements in East Africa (see Figure 1). The Company's projects include sandstone-hosted roll-front type uranium targets within the highly-prospective Karoo-age sediments of southern Tanzania (Mkuju, Mkuju South JV Project, Madaba Project and Hemedi Project) and gold targets within the Eastern Rift.

The Company has established an in-country exploration team in Tanzania and is implementing an aggressive exploration program, with a strong emphasis on the application of modern exploration technologies and targeted drilling, to evaluate the potential of its uranium exploration projects.

The Mkuju South Joint Venture contains two tenements (totaling 566km²) which are the subject of a joint venture with Korea Resources Corporation (KORES). A drilling program has recently been completed at the project.

The Company announced the discovery of a gold project at Eastern Rift in August 2013. A groundwork program has recently been completed at the project, known as Datlaa,¹

The Madaba Uranium Project is highly prospective for U-in-sandstone mineralization. Work carried out between 1979-1982 by Uranerzbergbau GmbH identified high grade uranium at surface. A Preliminary Environmental Assessment is now underway to enable access to the Selous Game Reserve.

The Mkuju project includes the 40km-long Octavo anomalous uranium zone which is along strike from Uranium One's Mkuju River deposit of 35,888 tonnes contained U₃O₈ @ 250ppm². These tenements are located within the Selous Game Reserve and World Heritage Area and an Environmental Impact Assessment is now underway.

The Hemedi Project covers an area of 3051km² in 12 tenements which is largely outside the Selous Game Reserve and World Heritage Area and therefore available for exploration. The Company is currently considering options for exploring this project.

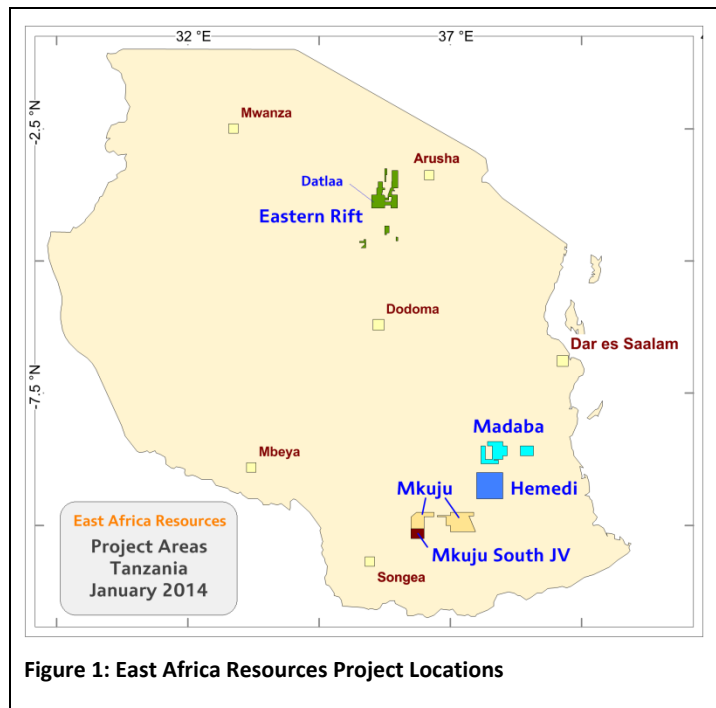


Figure 1: East Africa Resources Project Locations

¹ See ASX Announcement "Groundwork Program Completed at Datlaa Gold Project" 20/3/2014

² <http://www.uranium1.com/index.php/en/development/mkuju-river-tanzania>