



ASX:EAF

31 March 2014

MARCH 2014 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

Datlaa Gold Project – Mapping and groundwork program completed

Madaba Uranium Project - Environmental Impact Assessment continues

Octavo Uranium Project - Environmental Impact Assessment continues

Executive Summary

During this quarter, East Africa Resources Limited (ASX:EAF) (“the Company”) completed a mapping and groundwork program at the Datlaa Gold Project.

Work on the Environmental Impact Assessments for Madaba and Octavo continued during the quarter.

Eastern Rift - Datlaa Gold Project

East Africa has completed further field reconnaissance, mapping and face geochemical sampling of the artisanal workings at the Datlaa Gold project to evaluate the potential of the project. For full details please see ASX Announcement 20/03/2014 Groundwork Program Completed at Datlaa Gold Project.

The Company had planned trenching and costeaning over the prospect area, however, the extensive artisanal workings provided suitable exposures to allow in-situ face sampling of the quartz reefs. The face sampling program was undertaken to provide further assessment of the widespread surface mineralisation at Datlaa. In total, 46 faces were mapped and sampled for a total of 216 samples. These samples were submitted to ALS Chemex in Mwanza for sample preparation and then forwarded to ALS Chemex Johannesburg for sample analysis.

Best assays recorded include 0.25m@4.42g/t, 0.50m@6.47g/t, 0.40m@1.56g/t, 0.46m@1.42g/t, 1.68m@2.03g/t, 0.84@4.0g/t, 0.34m@5.44g/t

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In addition, up to three hundred artisanal miners have discovered a new mineralised zone locally called Hasama; this is approximately 850m south east of Zone 2 and will be the focus of a later face sampling program.

The recent mapping identified three main parallel sets of quartz veins in Zones 1 and 2. These veins are steep to sub vertical and have an apparent dip towards the south east between 85-75 degrees. The mapping confirmed the strike extent of the quartz veins to be associated with linear structural corridors and associated, second order north-south orientated jointing and faulting. Overall, the veins sets in Zone 1 are parallel to the regional foliation which ranges between 210-240 degrees.

In Zone 1, hanging-wall and footwall veins are exposed through pits and are continuous over 300m. The veins vary in thickness between 0.3m to 1.7m.

Datlaa Zone 1

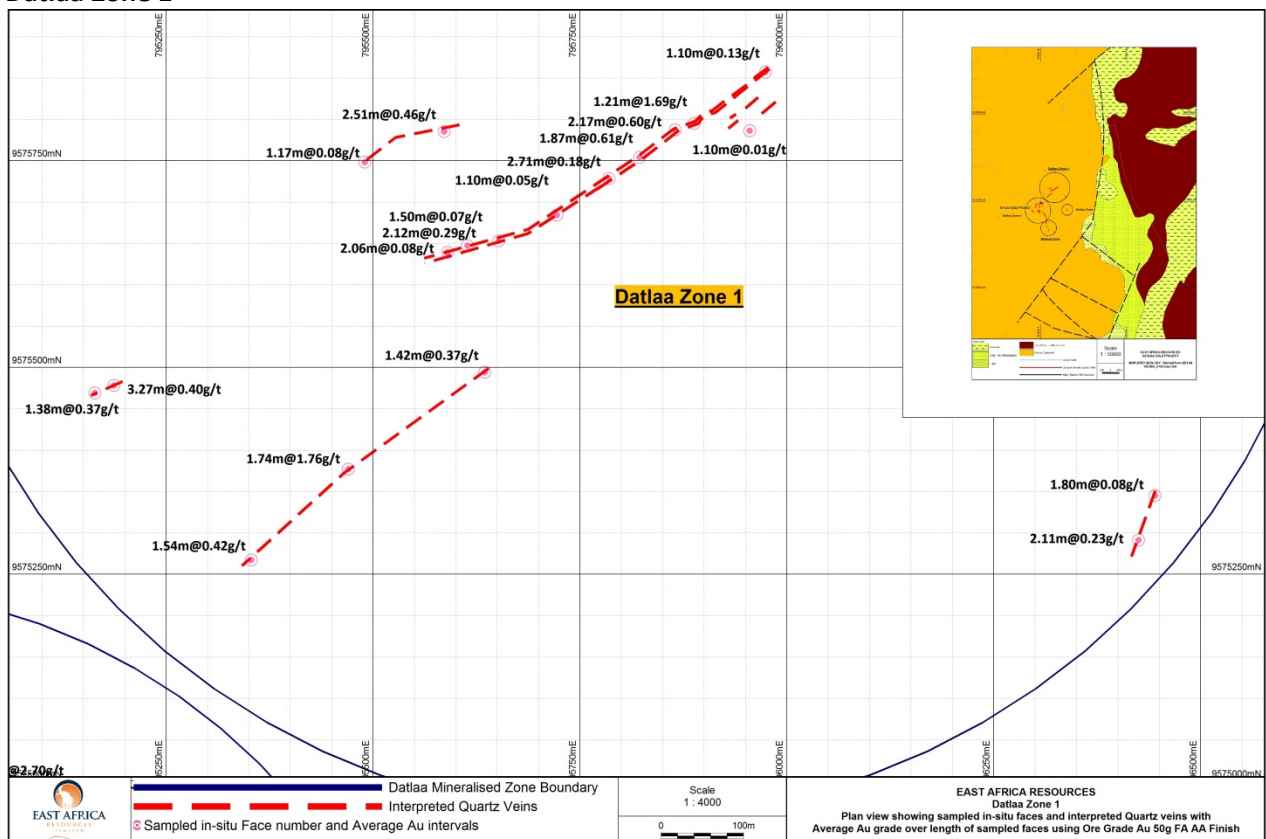


Figure 1: Datlaa Gold Project Zone 1 showing strike extent of quartz veins with sampled intervals and average gold grades.

Datlaa Zone 2

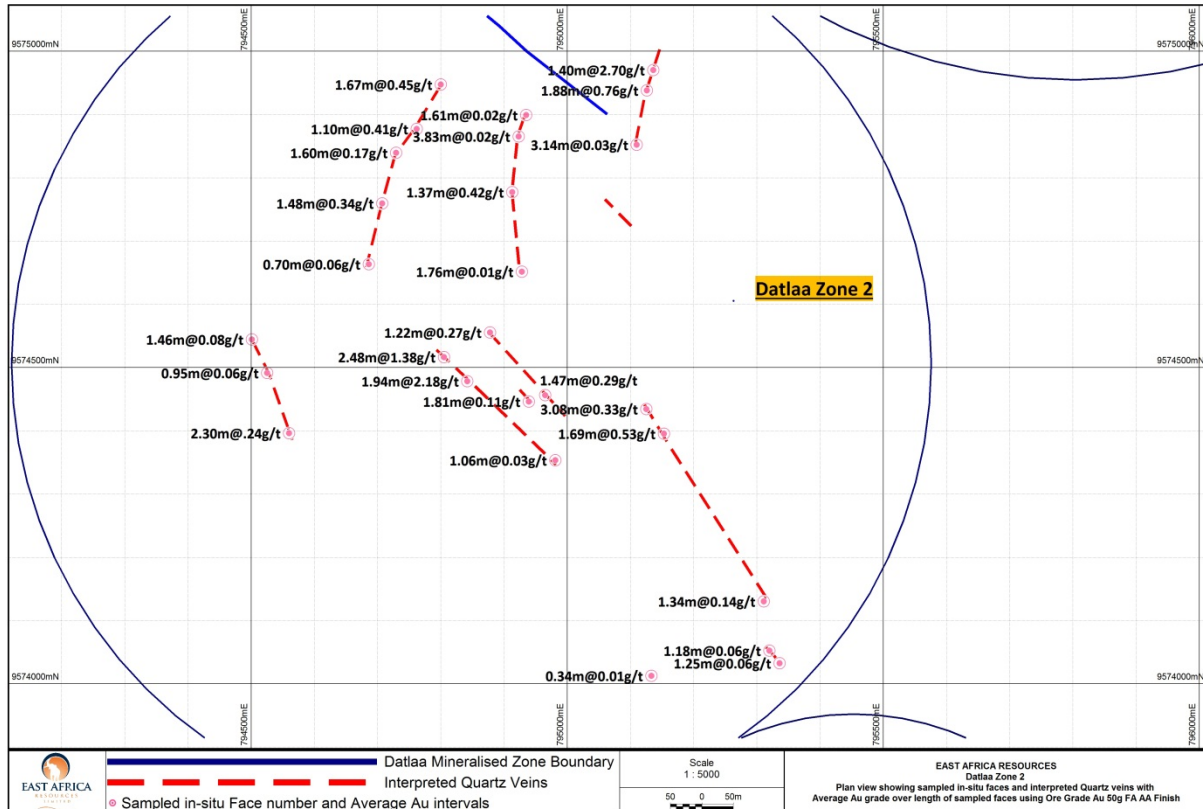


Figure 2: Datlaa Zone 2 showing interpreted quartz veins with sampled intervals and average gold grades.

Zone 2 veins sets strike 010 degrees in the northern areas with a marked change approximately 130 degrees towards the southern area of Zone 2. The dip of these vein sets is sub-vertical. The main quartz reef in Zone 2 varies in thickness of 0.5m to 3m. Artisanal miners have worked Zone 2 extensively.

Hasama

No sampling was conducted over the new Hasama area located approximately 850m south east of Zone 2 directly along strike. This new artisanal mining area is interpreted to be 620m in strike length, which is based on extensive workings and pits. Hasama Zone could be face sampled or trenched at a later time. The new zones of gold mineralisation being discovered and worked by artisanal miners at Hasama are similar to the quartz-reefs, typical of the high grade gold mineralisation in the Datlaa Zone 2, and as such present new exploration targets for satellite gold mineralisation.

Further Work

A program of further mapping and rock chip sampling is planned for the next quarter.

Madaba Uranium Project

The Madaba project was initially discovered in the period 1979-1982 by German company Uranerzbergbau GmbH (UEB).

The best down-hole intercepts from the UEB drilling were 4m @1082 ppm; 7m @ 693 ppm & 11.7m @ 400 ppm U3O8. Thirty holes from a total of 84 holes were mineralised at better than 1m at 165 ppm U3O8. The drilling included; diamond core drilling (10 holes), rotary mud (13) and rotary percussion (61). Currently, there has not been sufficient drilling to define a resource.

Madaba Airborne Survey Data & Historical drilling over the Madaba anomaly

Figure 3 shows the historical drilling results from UEB superimposed on the airborne survey data which shows subsurface mineralisation at Madaba and Anomaly 3. Shallow mineralisation was located at 253/1b. Numerous anomalies remain to be tested.

Approximately 25% of the holes failed to hit target depth and were abandoned. In particular at Lukuliro 4 of 7 holes were abandoned due to difficult drilling conditions.

The airborne survey data was collected between 1976 and 1979 by Geosurvey International Ltd on 1km spaced flight lines.

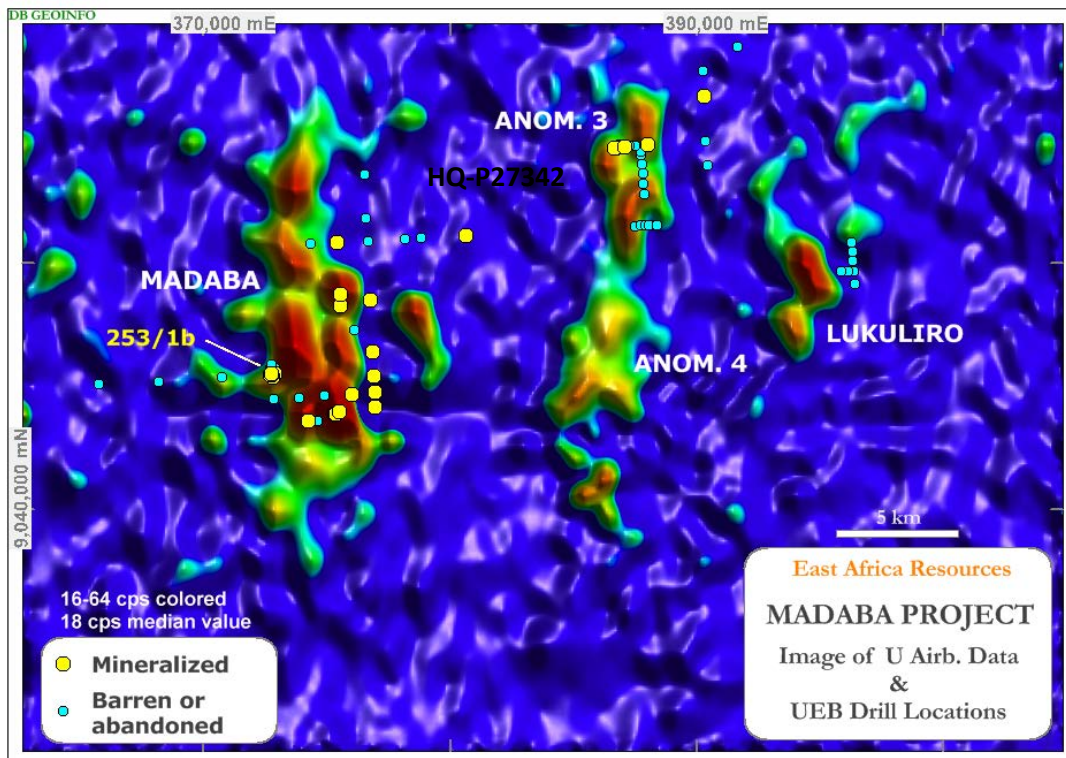


Figure 3: Madaba Project - UEB Drilling & Airborne Anomalies

Environmental Approvals

Madaba project is located within the Selous Game Reserve and therefore permission from the Ministry of Natural Resources and Tourism (MNRT) is required to explore in the area. During the quarter the Company received a screening decision from the National Environmental Management Council (NEMC) of Tanzania regarding the Madaba project. 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.

Octavo

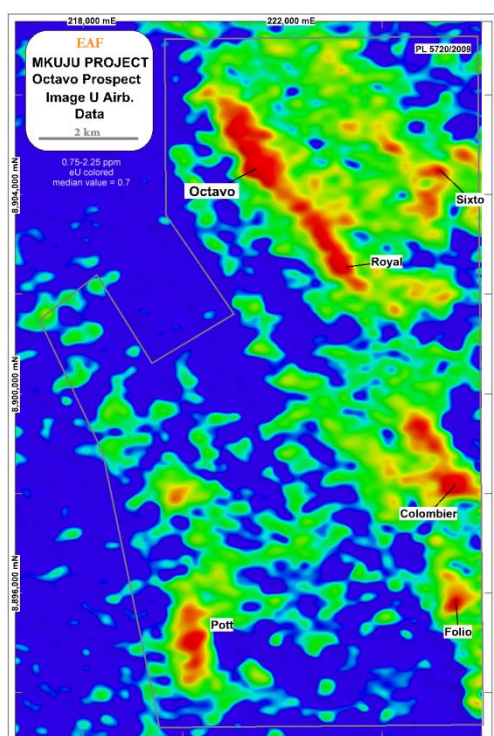


Figure 4: Octavo - Airborne Anomalies
PL 5720 / 2009

The Octavo anomaly is located within the north-western arm of the regional Mkuju River anomaly.

Figure 4 gives the details of the uranium channel radiometric response which shows the highly prospective Octavo-Royal zone and numerous other uranium targets.

Work is continuing on the Environmental Impact Assessment for Octavo to obtain permission to conduct exploration work within the Selous Game Reserve.

Mkuju South JV

The Mkuju South Project is the subject of a Joint Venture between the Company and Korea Resources Corporation (“Kores”). It covers the Mkuju South project which comprises two tenements in the southern part of the Mkuju Uranium Project totaling 550 km². Under the terms of the agreement Kores has committed to a staged investment of US\$3.5 million to secure a 50% interest in the Mkuju South uranium project. The JV investment will comprise two major exploration programs at Mkuju South. To date, Kores have contributed US\$2m for 28% of the project. These funds have been used for the Phase 1 Exploration programme.

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 June 2014.

Tanzanian Interests

East Africa Resources Limited has five projects within Tanzania (refer Figure 5). These are the Eastern Rift project in the north and the Madaba, Hemedi, Mkuju and Mkuju South JV in the south of Tanzania.

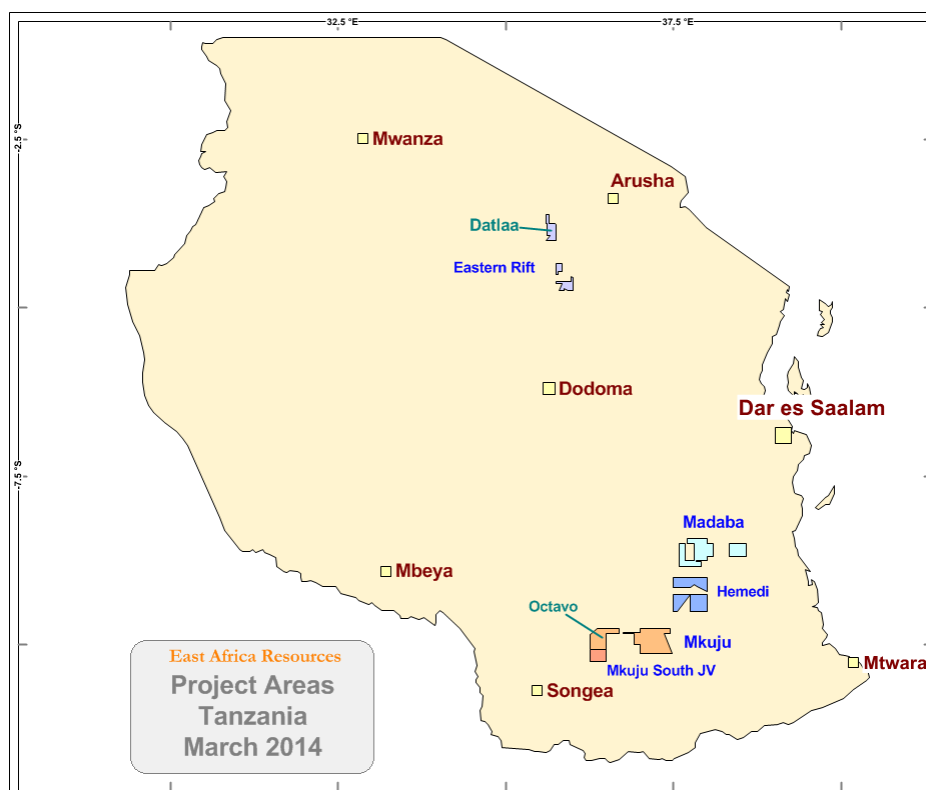


Figure 5 - Project Location Map

Corporate

During the quarter, East Africa Resources Ltd completed a 1 for 3 Rights issue to raise \$758,031 for working capital and exploration in Tanzania.

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Mineral Tenements Schedule

East Africa Resources holds interests in the following Tenements as at 31 March 2014:

Licence Number	Area/Location	Interest at the beginning of the Quarter	Interest at the end of the Quarter
Madaba – Mkuju, Tanzania (100% ownership)			
PL 5496/2008	Namatogoro – Nachingwea	100%	100%
PL 5720/2009	Ligombe River – Songea	100%	100%
PL 5752/2009	Lipiriri – Nachingwea	100%	100%
PL 5786/2009	Luguruka – Songea	100%	100%
PL 5804/2009	Luguruka – Songea	100%	100%
PL 7062/2012	Madaba – Liwale	100%	0%
PL 7659/2012	Madaba – Liwale	100%	0%
PL 9336/2013	Madaba – Liwale	100%	100%
PL 9406/2013	Madaba – Liwale	100%	100%
PL 9407/2013	Madaba – Liwale	100%	100%
Eastern Rift, Tanzania (100% ownership)			
PL 5648/2009	Kikilo – Kondo	100%	0%
PL 5651/2009	Magugu – Mbulu	100%	0%
PL 5654/2009	Mto Wa Mbu – Monduli	100%	0%
PL 5655/2009	Mbulu – Mbulu	100%	100%
PL 5904/2009	Masange – Kondo	100%	100%
PL 6974/2011	Babati – Babati	100%	0%
PL 7078/2011	Ngorongoro – Ngorongoro	100%	0%
PL 7309/2011	Mbulu – Mbulu	100%	100%
PL 8237/2012	Masange – Kondo	100%	100%
Mkuju South, Tanzania (72% ownership)			
PL 7657/2012	Mgombasi – Songea	72%	72%
PL 7959/2012	Ligombe River – Songea	72%	72%

Competent Person - Uranium

The information in this release, insofar as it relates to uranium exploration results, is compiled under the supervision of Dr Joe Drake-Brockman. Dr Drake-Brockman is employed by Drake-Brockman Geoinfo Pty Limited. Dr Drake Brockman has sufficient experience which is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves". His educational qualifications include; an Associateship in Applied Geology from WAIT (now Curtin University), a Diploma and PhD in Geology from University of Cologne (Germany) and a Graduate Diploma in Computer Studies (Murdoch University). He joined the AusIMM in 1972 as a student and has been a full Member since 2004 and a Fellow since 2013. He has worked in uranium exploration for 26 years. Dr Drake- Brockman consents to the inclusion in the reports of the matters based on his assessment of the available information in the form and context in which it appears.

Competent Person - Gold

The information in this report that relates to Gold Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. James Sullivan, who is a Member of the Australian Institute of Geoscientists. Mr. Sullivan is a full-time employee of East Africa Resources Limited. Mr. Sullivan has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code). Mr. Sullivan consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.