



## SERABI MINING plc ("Serabi" or "the Company")

### DRILLING UPDATE – HIGH GRADE GOLD INTERSECTED AT CURRUTELA

Serabi Mining plc (AIM:SRB, TSX:SBI and SBI.WT), the Brazilian focused gold exploration Company, is pleased to announce further results from its ongoing Phase 1 discovery drilling campaign at its 100% owned Jardim do Ouro project in the Tapajos region. These results covering a total of 7 further drill holes include the first 3 holes into the Currutela target area, as well as completion of the Piaui target (as set out in the announcement dated 7 April 2011) and Panhandle targets.

Drilling has commenced at the Currutela target area, with assay results now received for three of the holes completed to date on this target. Drilling has intersected multiple zones of hydrothermally altered granite. These alteration zones appear to be very similar to those hosting mineralization at the Palito deposit which lies along strike some two kilometres to the northwest of the Currutela target.

A number of promising assays have been returned to date including:

Prospect	Hole	East (UTM)	North (UTM)	RL (UTM)	Hole Depth (m)	Dip/Azm	From (m)	To (m)	Width (m)	Au g/t
Currutela	PDD0464	635621.41	9300232.70	235.18	251	-59/208	65.41	66.86	1.45	0.40
							<b>184.66</b>	<b>185.42</b>	<b>0.76</b>	<b>5.30</b>
							226.35	227.21	0.86	0.74
Currutela	PDD0465	635799.24	9300176.26	216.43	300	-48/024	<b>208.54</b>	<b>210.68</b>	<b>2.14</b>	<b>12.92</b>
						including	208.54	209.54	1.00	25.60
Currutela	PDD0466	635853.56	9300262.83	253.26	275.1	-50/030	182.99	183.58	0.59	1.35

**Note:** Assay intercepts are calculated based on a minimum weighted average grade of 0.5g/t Au using a 0.5g/t Au weighted average lower cut and a maximum internal waste interval of 1.2m. All assays were completed by EcoTech Laboratory using a 30gm Fire Assay charge with an AAS analysis.

The Company is also pleased to report it has also increased drilling capacity with a second contracted drill rig now operational at site. This increase will accelerate the current 8,100m target testing drilling programme on the 9 integrated geophysical/geological targets derived from the 2008 airborne VTEM survey and 2010 ground geophysical surveys. The Phase 1 discovery drilling programme is scheduled to complete before the end of Q3 2011.

**Mike Hodgson, Chief Executive, commented:**

***"We have eagerly awaited the drill assay results of the Currutela target, as its geophysical and geochemical characteristics rank it as a very prospective area. We are therefore very pleased to see all of the first three holes record successful intersections. Thirteen holes in total are planned at Currutela, testing a series of***

**anomalies, hence it is too early to consider structural and grade continuity within these first three holes. Nevertheless the geological nature of the intersections appears much the same as the Palito Resource, where mineralization has already been established over 1km. We are therefore looking forward to the results from the remainder of the Currutela drill programme. We are also delighted to have secured a second rig to accelerate drilling. With current demand for drilling contractors given the levels of exploration activity it is an excellent achievement. We remain committed to completing the Phase 1 discovery drilling during Q3”.**

Assays have been completed in respect of the final two holes at the Piaui target, and the Phase 1 drilling here has now been completed. The two drill holes tested the eastern strike extension of the anomaly (PDD0460 & PDD0461), and intersected the same mylonitic, hydrothermally altered zone within granodiorite, which hosted gold mineralization in the previous five holes including 1.93 metres at 22.86g/t and 2.5 metres at 6.22 g/t (as set out in the announcement dated 7 April 2011), demonstrating the continuation of the host structure. However no significant assays were reported from drill holes PDD0460 & PDD0461.

The host structure has been intersected continuously along 450m of strike at the Piaui target, and remains open to the east and west. Further trenching is programmed along these open strike extensions, where coincident surface geochemistry indicates the structure is mineralized. In addition a follow-up infill drilling programme, targeted on the shallower portion of this mineralized structure is anticipated to commence once the initial Phase 1 discovery drilling of the remaining untested targets is completed.

A two hole drill programme was also undertaken into the Pan Handle anomalous geophysical/geochemical target (PDD0462 & PDD0463). No causative source for the anomaly was intersected and no significant assays were returned.

The following table sets out summary data for the Piaui and Pan Handle drilling described above

Prospect	Hole	East (UTM)	North (UTM)	RL (UTM)	Hole Depth (m)	Dip/Azm	From (m)	To (m)	Width (m)	Au g/t
Piaui	PDD0460	633201.28	9300357.36	216.61	250.5	-52/028	No significant assays			
Piaui	PDD0461	633322.01	9300302.85	219.86	300	-66/022	No significant assays			
Pan Handle	PDD0462	633399.28	9300867.07	299.08	126	-60/213	No significant assays			
Pan Handle	PDD0463	633559.75	9300750.30	272.21	201	-0.28	No significant assays			

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Copies of this release are available from the Company's website at [www.serabimining.com](http://www.serabimining.com)

**Forward-looking statements**

*This press release contains forward-looking statements. All statements, other than of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding the estimation of mineral resources, exploration results, potential mineralization, potential mineral resources and mineral reserves) are forward-looking statements. Forward-looking statements are often identifiable by the use of words such as "anticipate", "believe", "plan", "may", "could", "would", "might" or "will", "estimates", "expect", "intend", "budget", "scheduled", "forecasts" and similar expressions or variations (including negative variations) of such words and phrases. Forward-looking statements are subject to a number of risks and uncertainties, many of which differ materially from those discussed in the forward-looking statements. Factors that could cause actual results or events to differ materially from current expectations include, among other things, without limitation, failure to establish estimated mineral resources, the possibility that future exploration results will not be consistent with the Company's expectations, the price of gold and other risks identified in the Company's most recent annual information form filed with the Canadian securities regulatory authorities on SEDAR.com. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement.*

**Qualified Persons Statement**

The information contained within this announcement has been reviewed and verified by Michael Hodgson, CEO of the Company. Mr Hodgson is an Economic Geologist by training with over 25 years' experience in the mining industry. He holds a BSc (Hons) Geology, University of London, a MSc Mining Geology, University of Leicester and is a Fellow of the Institute of Materials, Minerals and Mining and a Chartered Engineer of the Engineering Council of UK, recognizing him as both a Qualified Person for the purposes of Canadian National Instrument 43-101 and by the AIM Guidance Note on Mining. Oil and Gas Companies dated March 2006.

**Quality Assurance and Quality Control Procedures Disclosure**

The Company has implemented and maintains a Serabi quality assurance/quality control (QA/QC) protocol at its JDO Project as defined in its "NI 43-101 Technical Report for the Jardim Do Ouro Project, Para State, Brazil" dated 22 December 2010. This ensures best industry practice in sampling and analysis of exploration and resource definition samples. The insertion of field duplicates, certified standards and blank samples into the sample stream form part of the Serabi procedure (these act as an independent check on contamination, precision and accuracy in the analytical laboratory).

Assay results are reported once rigorous QAQC procedures have been approved

*Neither the Toronto Stock Exchange, nor any other securities regulatory authority, has approved or disapproved of the contents of this news release.*

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