

July 26 2012

Completion of Initial RC Drilling Program at Tyegana 1 and Sebila Permits in Burkina Faso

Credo Resources Ltd (ASX: CRQ, the Company) is pleased to announce reverse circulation (RC) drilling results from its initial drilling program at the Tyegana 1 and Sebila Permits in northern Burkina Faso. The Company awaits results from drilling of Prospect A on the Bourzanga Permit.

At its very first drilling programme in Burkina Faso, the Company has intersected significant and high grade gold mineralisation at 2 of its prospects so far. Results are still awaited from the Company's drilling at Bourzanga, and from a number of soil sampling and auger sampling grids across various permits. Once all results have been received and compiled, a new drill programme will be scheduled for the coming dry season.

Highlights

- First pass RC Drilling at Tyegana 1 Permit, Prospect A, (Peotenga Prospect) intersects significant gold mineralisation with best intercept 8m @ 11g/t from 40m
- First pass RC Drilling at Sebila Permit, Prospect A, (Damesma Prospect) - intersects thick zones of gold mineralisation with best intercept 22m @ 1.95g/t from surface

Summary of Results

Tyegana 1 Permit - Prospect A (Figure 1)

The Peotenga prospect (Prospect A) has been the focus of work completed to date by Credo at Tyegana 1 due to an extensive area of active artisanal activity. Credo completed the first soil sampling program over the prospect area in December 2011 which defined a broad anomalous zone over 1.2km long, encompassing the area of artisanal activity and extending to the east.

The zones of artisanal workings at Peotenga are mostly developed on multiple, narrow quartz - sulphide veins within altered and sheared metasediments adjacent to a contact with pervasively altered granodiorite. The quartz veins are mostly foliation parallel and steeply dipping, striking east-north-east. The artisanal workings extend east - west for approximately 400m and cover a zone approximately 250 metres wide.

The Company completed a program of 24 RC holes totalling 2303 metres at the Peotenga prospect. The program was designed to test below the artisanal workings and to test along strike to the east and west where soil sampling has indicated extensions to the gold anomaly. The holes were generally drilled on traverses spaced at 160 metre intervals, over a strike length of 1040 metres.

Anomalous gold (>0.25 g/t) was intercepted in several drill holes with values above 1.0 g/t Au recorded in two holes. TYRC002 intersected two mineralised zones, down dip of the artisanal workings at the western end of the area. TYRC014 intersected a single mineralised intercept that is interpreted to represent a zone of mineralisation sub parallel to the main artisanal workings, and located approx. 100m to the south.

Tyegana 1 Permit - Prospect C

The Company has been monitoring the recent announcement by West African Resources (ASX:WAR) and its Sartenga discovery. The Sartenga gold in auger anomaly adjoins the southern boundary of the Company's Tyegana 1 permit and trends into the Company's ground. The Company has identified a regionally significant NE-SW trending structure that is interpreted to run through the WAR - Sartenga mineralisation and into the Tyegana 1 permit. Reconnaissance mapping within the Tyegana 1 permit along the trend has identified an area of artisanal gold workings coincident with the structural trend (Prospect C). The Company has completed soil sampling in the area and awaits results. The Company has also contracted to acquire the Taonsgo Permit to the west of Sartenga. The mineralised structures and stratigraphy from Sartenga are interpreted to trend into the Taonsgo permit.

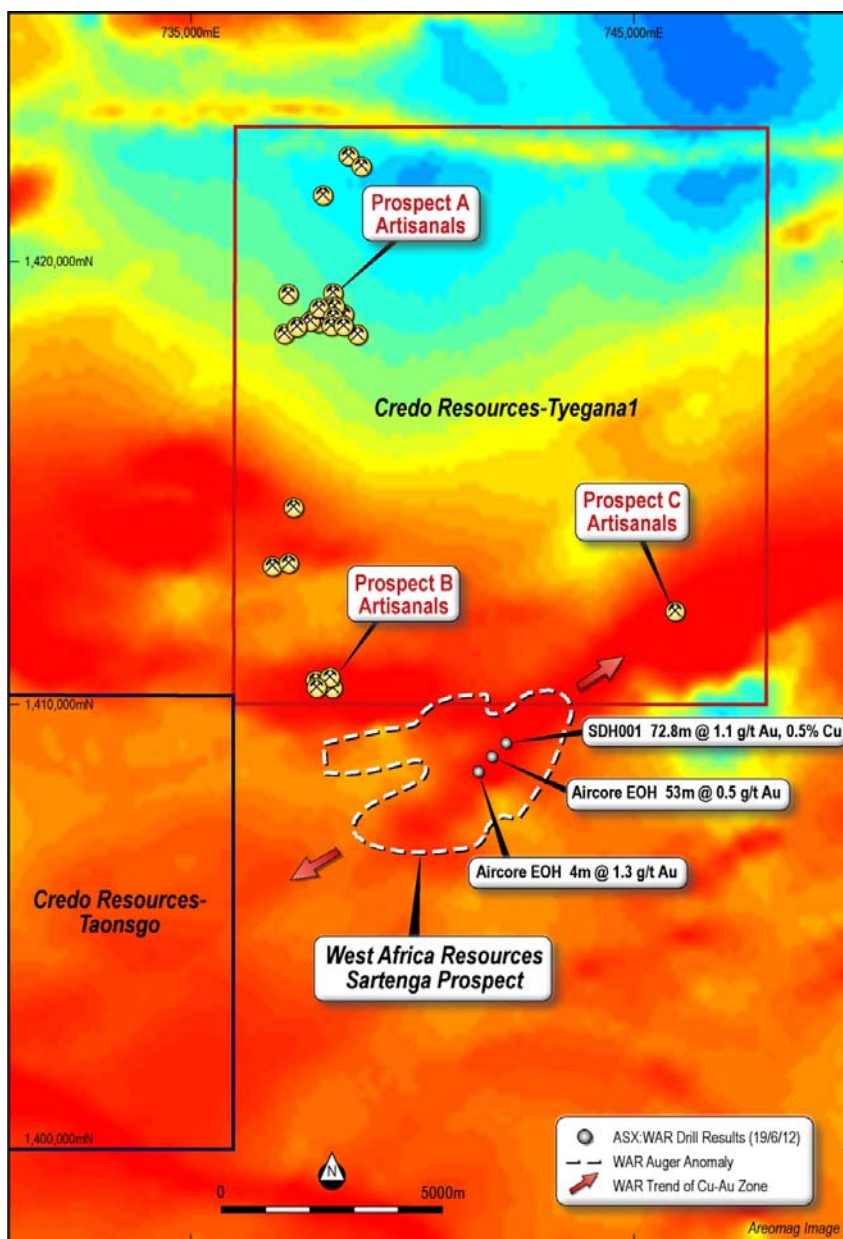


Figure 1: Tyegana 1 showing prospects A, B and C Plus location of West Africa Resources Sartenga Prospect

Significant RC Drilling Results - Tyegana Prospect A						
Hole ID	East (WGS 84)	North (WGS 84)	From (m)	To (m)	Interval	Grade Au (g/t)
TYRC002	737,640	1,418,822	40	48	8	11.01
			92	100	8	3.10
TYRC004	737,806	1,418,905	58	62	4	0.68
TYRC009	737,967	1,419,000	20	24	4	0.67
TYRC014	737,870	1,418,782	60	64	4	1.60

All holes are inclined at -60deg and drilled towards 180deg (UTM).
Samples were submitted for analysis as 4 metre composite samples.
Each individual 1 metre sample was riffle split with equal subsamples combined to produce a 4 metre composite.
4 metre composites were submitted to SGS Ouagadougou for 50g Au fire assay.
Significant intercepts defined as intervals averaging above 0.50 g/t Au. Maximum 4 metre internal waste.
Anomalous composite samples will have the original 1 metre split samples submitted for Au fire assay. Assays awaited.
True width is not known.
Refer to Appendix A for full table of results.

Sebila Permit - Prospect A (Figure 2 & 3)

Soil sampling and mapping by previous explorers has outlined an area of anomalous gold across a low ridge of outcropping dolerite intrusive. Trenching by a previous explorer exposed a suite of quartz veins within altered shear zones over a strike length of 300 metres. The dolerite is masked along strike to the east and west by transported alluvial cover. No evidence of artisanal activity was seen in the vicinity of the ridge.

Sampling of the trenches by previous explorers across the quartz veins shows a best intercept of 6 metres averaging 1.64 g/t Au with several other intervals assaying over 1.0 g/t Au.

The Company completed 7 reverse circulation (RC) holes totalling 680 metres, testing the quartz vein suite, on three traverses at 160 metre centres. Drill holes intersected broad zones of altered dolerite with minor pyrite and quartz veining. One hole, SERC002 returned significant widths of moderate grade gold mineralisation within two zones. A further hole, SERC007, approx. 200m northeast of SERC002, intersected a broad zone of low grade gold mineralisation that may be an extension of the mineralisation intersected in SERC002. The mineralised horizons are open down dip and to the east and west.

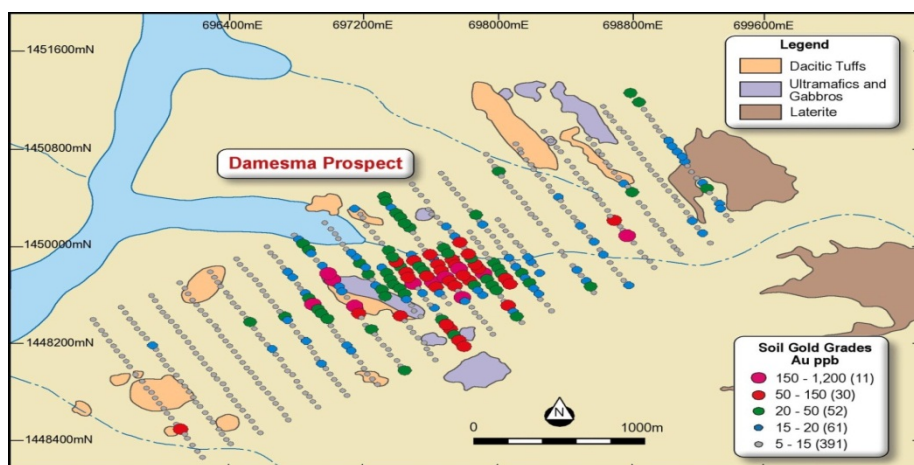


Figure 2: Sebila Permit; Prospect A, Damesma Soils

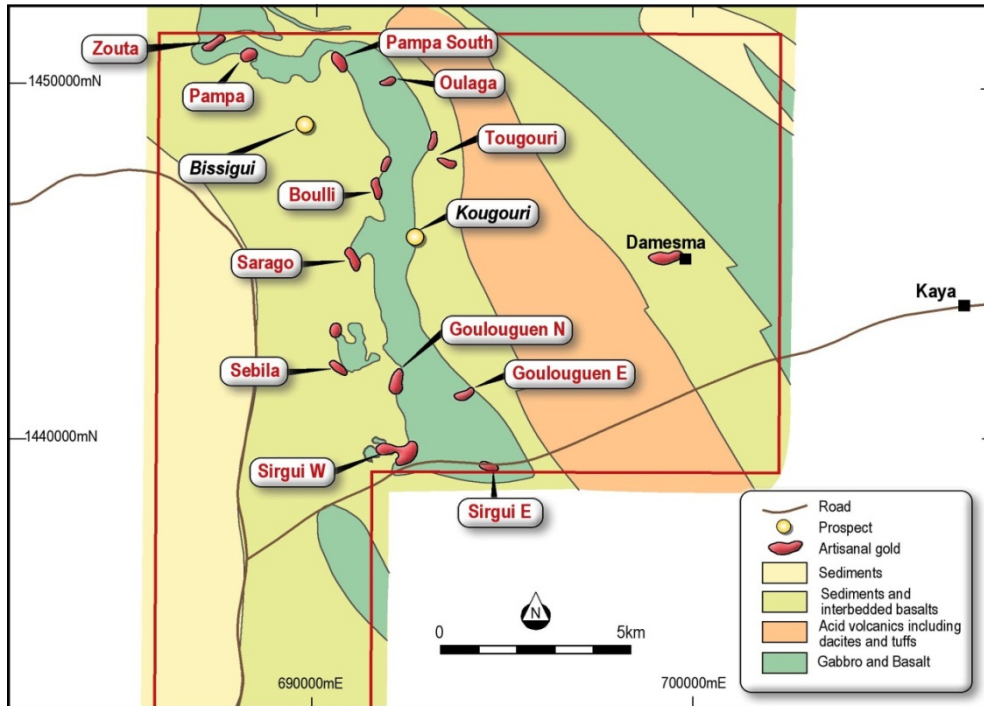
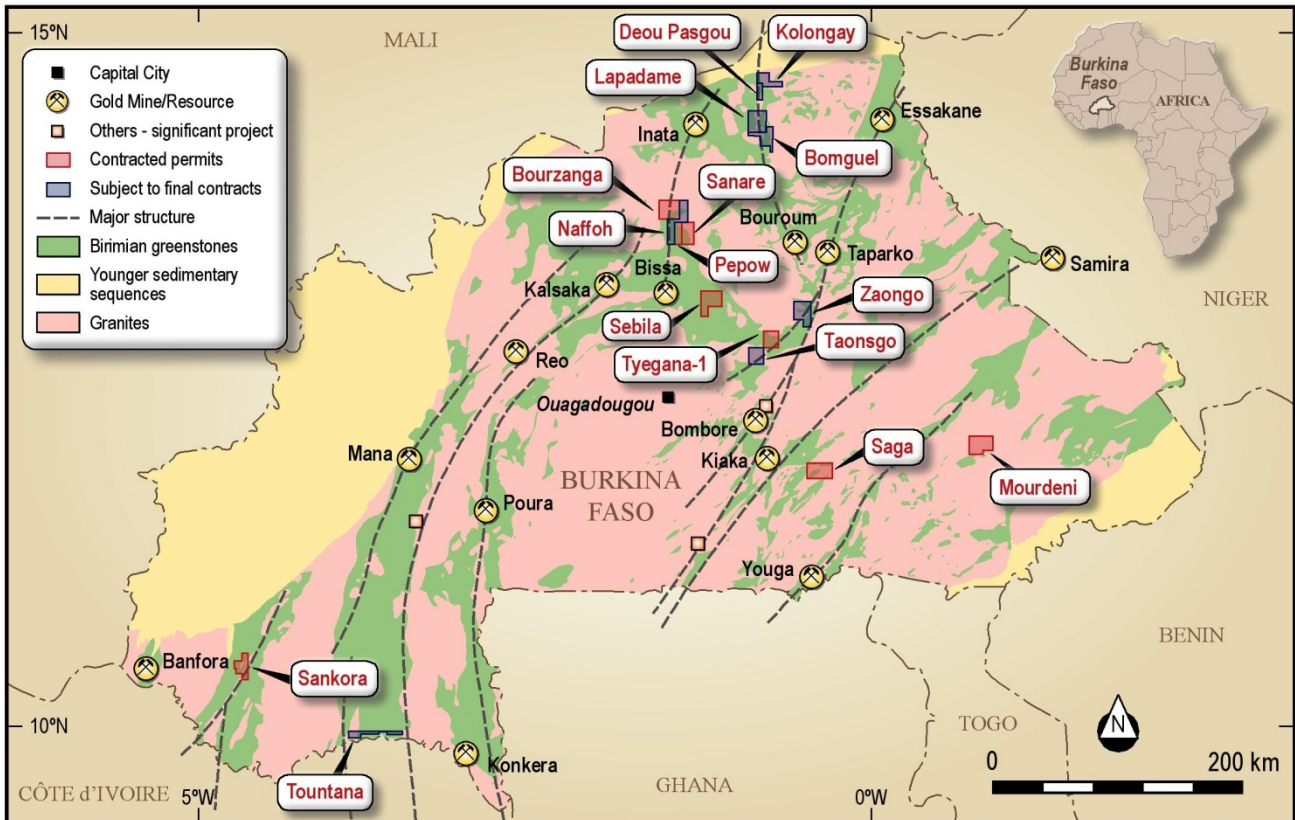


Figure 3: Sebila Permit showing mapped Artisan Workings

Significant RC Drilling Results - Sebila						
Hole ID	East (WGS 84)	North (WGS 84)	From (m)	To (m)	Interval	Grade Au (g/t)
SERC002	697,676	1,449,930	0	22	22	1.95
			90	94	4	1.60
TYRC007	697,841	1,450,001	16	28	12	0.54

All holes are inclined at -60deg and drilled towards 360deg (UTM).
Samples were submitted for analysis as 4 metre composite samples.
Each individual 1 metre sample was riffle split with equal subsamples combined to produce a 4 metre composite.
4 metre composites were submitted to SGS Ouagadougou for 50g Au fire assay.
Significant intercepts defined as intervals averaging above 0.50 g/t Au. Maximum 4 metre internal waste.
Anomalous composite samples will have the original 1 metre split samples submitted for Au fire assay. Assays awaited.
True width is not known.
Refer to Appendix A for full table of results.



Credo Resources Burkina Faso Permit Locations

ABOUT CREDO:

Credo Resources Ltd is an Australian based mineral exploration company, with a portfolio of gold and nickel exploration projects in the Kalgoorlie and Ora Banda regions of Western Australia.

In the latter part of 2011 the Company acquired Riverglide Investments Pty Ltd. Riverglide has an attractive package of permits in the sought after greenstone belts of Burkina Faso. Credo is now engaged in work programs on the Burkina properties.

Credo Resources Ltd has entered into agreements to acquire 100% of 8 exploration permits with a total area of 1560 km² within Burkina Faso. In addition, Credo has 4 permits which are awaiting final agreements and 4 further permits for which it has made application in its own right. The permits are within the early Proterozoic Birimian Greenstone Belts which are highly prospective for gold mineralisation.

The Tyegana 1 and Sebila permits are within the Boromo greenstone belt which hosts the Bissa (2.8Moz) and the Kalsaka (1.1Moz) gold deposits.

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Competent Person Statement

The information relating to Exploration Results is based on information compiled and reviewed by Mr. Kevin Shugg, who is a Member of the Australian Institute of Geoscientists. Mr Shugg is a full time employee of Credo Resources Limited.

Mr. Shugg 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Shugg consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Forward Looking Statements

This document may include forward looking statements. Forward looking statements include, but are not necessarily limited to, statements concerning Credo Resources Limited's planned exploration programme and other statements that are not historic facts. When used in this document, the words such as "could", "indicates", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward looking statements. Such statements involve risks and uncertainties, and no assurances can be provided that actual results or work completed will be consistent with these forward looking statements.

APPENDIX A
COMPLETE DRILLING RESULTS

RC Drilling Results - Tyegana Prospect A						
Hole ID	East (WGS 84)	North (WGS 84)	From (m)	To (m)	Interval	Grade Au (g/t)
TYRC001	737,637	1,418,848				
TYRC002	737,640	1,418,822	40	48	8	11.01
			92	100	8	3.10
TYRC003	737,805	1,418,957	86	98	12	0.30
TYRC004	737,806	1,418,905	58	62	4	0.68
TYRC005	737,803	1,418,847	20	24	4	0.33
TYRC006	737,805	1,418,796				NSA
TYRC007	737,812	1,418,749				NSA
TYRC008	737,803	1,419,059				NSA
TYRC009	737,967	1,419,000	20	24	4	0.67
TYRC010	737,968	1,418,948				NSA
TYRC011	737,958	1,418,797				NSA
TYRC012	737,962	1,418,751				NSA
TYRC013	738,128	1,418,929				NSA
TYRC014	737,870	1,418,782	60	64	4	1.60
TYRC015	738,117	1,418,731				NSA
TYRC016	738,294	1,418,921				NSA
TYRC017	738,282	1,418,741				NSA
TYRC018	738,284	1,418,704				NSA
TYRC019	738,440	1,418,944				NSA
TYRC020	738,444	1,418,900				NSA
TYRC021	738,441	1,418,848				NSA
TYRC022	737,404	1,418,612				NSA
TYRC023	737,551	1,418,840				NSA
TYRC024	737,561	1,418,790				NSA
NSA - No Significant Assay						

RC Drilling Results - Sebila						
Hole ID	East (WGS 84)	North (WGS 84)	From (m)	To (m)	Interval	Grade Au (g/t)
SERC001	697,580	1,449,930				NSA
SERC002	697,676	1,449,930	0	22	22	1.95
			90	94	4	1.60
SERC003	697,675	1,449,975	8	20	12	0.28
SERC004	697,678	1,450,019	54	58	4	0.21
SERC005	697,846	1,449,920				NSA
SERC006	697,844	1,449,960	82	90(EOH)	8	0.36
SERC007	697,841	1,450,001	16	28	12	0.54
NSA - No Significant Assay						