VANCOUVER, BRITISH COLUMBIA--(Marketwired - Mar 23, 2016) - Coventry Resources Inc. (ASX:CYY)

1. HIGHLIGHTS

- Encouraging interim results returned from first phase of ongoing metallurgical testwork on samples from the Caribou Dome Copper Project
- Recoveries of >85% copper returned from rougher flotation tests
- Concentrate grades up to 24.5% copper achieved
- Second phase of metallurgical testwork commenced to continue to optimise recoveries and concentrate grades
- Results provide further confidence for a conventional flotation processing plant as a viable low-CAPEX development alternative

2. INITIAL INTERIM RESULTS FROM ONGOING METALLURGICAL TESTWORK

Coventry Resources Inc. (ASX:CYY) ("Coventry" or "the Company") is pleased to advise it has received the first interim results from an ongoing metallurgical testwork program being undertaken on samples from the high-grade Caribou Dome Copper Deposit in Alaska, USA ("the Project" and "the Caribou Dome Project").

In late 2015 approximately 70kg of representative drill core, comprising quarter core recovered during the Company's 2015 drilling program at the Project, were submitted to an independent metallurgical laboratory Arnofio Flotation Services for flotation testwork. Approximately 50kg of the sample material was from Lenses 4, 5 and 6; with the other 20kg from the Lense 7/8 area.

The first phase of metallurgical testwork has to date focused on conventional flotation of copper sulphides from only the Lense 4, 5 and 6 area. This sample averaged 5.03% copper.

Rougher recoveries of >85% copper into rougher flotation concentrates have been achieved. This exceeds recoveries achieved in the most recent historical testwork (2009).

Equally significant, cleaner concentrates grading as high as 24.5% copper have also been produced, which provides further confidence in the potential to produce a saleable copper concentrate using conventional flotation methods.

Although testwork parameters are yet to be optimised, these interim results are considered very encouraging and provide further confidence that a conventional flotation processing plant may provide a viable low-CAPEX pathway for the development of the Caribou Dome Project.

3. FURTHER METALLURGICAL TESTWORK

Having assessed the results of the testwork to date, consultant metallurgists have identified numerous conditions whereby higher copper recoveries might be achievable whilst maintaining a high copper concentrate grade.

Accordingly a second phase of testwork on samples from the Lense 4, 5 and 6 area has commenced (approximately 10kg of sample from this area remains, unused, to date). Results from this work are expected in late April.

On completion of this work, optimal parameters for initial metallurgical testwork on the samples from the Lense 7/8 area will be defined and utilised to assess whether the metallurgical properties of mineralisation in that area are similar to those in the Lense 4, 5 and 6 area.

4. ONGOING MINING STUDIES

Only 12,662 metres of drilling have been completed at the Caribou Dome Project to date. Significant thicknesses of shallow, high-grade mineralisation have been intersected along the entire initial 700m-long corridor drilled to date, with results including:

- 51.1m* at 5.3% Cu from 4.4m
- 18.1m at 9.3% Cu from 22.7m
- 14.1m at 9.9% Cu from 134.6m
- 18.4m at 6.3% Cu from 31.4m

- 15.4m at 7.0% Cu (U/G drill hole)
- 10.4m at 7.9% Cu from 14.0m
- 12.8m at 5.8% Cu (U/G drill hole)
- 13.0m at 4.9% Cu (U/G drill hole)
- 10.1m at 7.1% Cu from 39.0m
- 9.1m at 7.0% Cu from 28.7m
- 10.2m at 6.2% Cu from 46.6m
- 12.2m at 5.0% Cu from 27.1m

* True width estimated to be approximately 25m

Mineralisation remains open in all directions, hence it is highly likely additional mineralisation will be discovered with further exploration. Notwithstanding this, the Company has recently been undertaking preliminary mining studies to help target and optimise further exploration and resource expansion drilling at the Project.

The preliminary mining studies referred to in this report are based on high-level technical and economic assessments and are as yet insufficient to support Ore Reserves or to provide assurance of an economic development at this stage, or to provide certainty that the conclusions of the preliminary mining studies will be realised.

4.1 Preliminary Open Pit Mining Studies

The geological model for the mineralisation has recently been refined. This confirms there is considerable:

1. shallow;
2. high-grade; and
3. thick mineralisation at the Project. An independent mining engineer was subsequently engaged to undertake initial open pit mining studies.

This work has confirmed that it should be possible to initially recover a considerable amount of mineralisation by way of open pit mining. This offers a low-capital-cost start-up development opportunity. Furthermore the thick and high-grade nature of the shallow mineralisation should have a positive impact on initial operating costs in the event the Company undertakes open pit mining operations at the Project.

Initial open pit modelling indicates two separate pits may be optimal, one to recover the shallow mineralisation in the Lense 2, 4, 5 and 6 area and the other to recover the shallow mineralisation in the Lense 7/8 area (see Figures 1 and 2). This appears to be primarily because there is very little drilling between these two areas. Indeed, delineation of additional shallow mineralisation between these two areas should have a positive effect on open pit mining costs. Further exploration in this immediate corridor is therefore a priority.

The open pit designed to potentially recover mineralisation from the Lense 7/8 area is also constrained by the lack of drilling to the north east (see Figure 1). Significantly, multiple geophysical (IP and mise-a-la-masse) and geochemical targets are evident in this immediate vicinity. These too are high-priority targets for further exploration

To view Figure 1, please visit the following link: http://media3.marketwire.com/docs/1047865_Fig1.pdf

To view Figure 2, please visit the following link: http://media3.marketwire.com/docs/1047865_Fig2.pdf

4.2 Preliminary Underground Mining Studies

Following completion of the first phase of open pit mining studies, an underground mining engineer was recently engaged to commence assessing potential recovery of deeper mineralisation. This work is progressing well, and has already highlighted multiple areas where further extensional drilling may delineate significant additional mineralisation.

4.3 Evaluation of Possible Capital Costs

While the Company is very confident further exploration will lead to the discovery of additional mineralisation at the Project, the Company has, as a base-case, been contemplating initial development of a reasonably small mining/conventional flotation processing operation to produce a typical copper concentrate.

In order to benchmark potential capital costs for development of such an operation, the Company has reviewed recent cost estimates for development of other operations. In particular it has assessed cost estimates for the potential development of (i)

IDM Mining Inc's Red Mountain Gold Project in British Columbia, Canada, (ii) Avanco Resources Limited's Antas North Copper Project in Brazil, and (iii) Doray Minerals Ltd.'s Deflector Copper-Gold Project in Western Australia. Development cost estimates for these projects ranged from US$55million to US$70million. Development of similar-sized operations at the Caribou Dome Project could potentially cost similar amounts.

Given the potential to initially develop a low-CAPEX, high-grade open pit mining operation at the Project before transitioning to underground mining, it is anticipated that there is scope to rapidly pay back any capital development costs.

Further exploration success would likely justify reoptimisation of the scale of development of a mining operation at the Project (and hence the capital development costs). Furthermore there are nuances in developing all mining projects and possible capital costs will have to be considerably refined further as Coventry advances the development of the Caribou Dome Project.

5. FURTHER EXPLORATION

To date only 12,662 metres of drilling have been completed at the Caribou Dome Project. Multiple undrilled induced polarisation ("IP") and copper-in-soil anomaly targets are evident both within and outside the initial 700m long corridor that has been subject to drilling to date. Indeed the 700m long corridor that has been drilled to date lies at the western end of a strong, contiguous, 2,000m long copper in soil anomaly, with the 1,300m long extension of this anomaly to the east completely untested by drilling to date (see Figure 3).

To view Figure 3, please visit the following link: http://media3.marketwire.com/docs/1047865_Fig3.pdf

Very significantly, although only part of this 2,000m long soil anomaly has been covered with ground geophysical surveying to date, 4 very high priority, strong IP anomalies are located immediately north east of the known mineralisation (see Figure 4), namely the:

1. Menel Target;
2. Guardian Target;
3. Lense 9 IP Target; and
4. Lense 3 IP Target.

Testing of all of these very-high priority targets will commence early in the Company's next drilling program.

To view Figure 4, please visit the following link: http://media3.marketwire.com/docs/1047865_Fig4.pdf

With exploration only just commencing on the >15km of prospective strike yet to be drill tested, there is considerable potential to continue to increase the resource base, and thereby enhance the economics of developing a mining operation at the Project.

Plans are well advanced to extend the coverage of ground-geophysical surveying, which has proven instrumental in the discovery of three new zones of mineralisation at the Project during 2015. Such surveying is expected to be undertaken in conjunction with further diamond drilling to commence evaluation of the Menel, Guardian, Lense 9 and Lense 3 Targets. Additional targets delineated during ground geophysical surveying could be drill-tested immediately thereafter.

Mike Haynes, Managing Director and CEO

Qualified and Competent Person

The information in this announcement that relates to exploration results and metallurgical testwork for the Project is based on information compiled by Mr Ben Vallerine, who is a consultant to the Company and holds an indirect shareholding in the Company. Mr Vallerine is a Member of the Australian Institute of Geoscientists. Mr Vallerine has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results (JORC Code). Mr Vallerine is also a Qualified Person as defined by Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects. Mr Vallerine consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Forward-Looking Statements

This news release may contain "forward-looking statements" and/or "forward-looking information" within the meaning of applicable securities regulations in Canada and the United States (collectively, forward-looking information"). Any forward-looking information contained in this news release is made as of the date of this news release. Except as required

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However, forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Coventry to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, risks and uncertainties relating to the actual results of exploration activities being different than anticipated, cost of labour increasing more than expected, cost of equipment or materials increasing more than expected, fluctuations in the commodity prices, currency fluctuations, risk of accidents, labour disputes and other risks generally associated with mineral exploration and unanticipated delays in obtaining or failing to obtain governmental or community approvals or financing. Although Coventry has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to not be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Readers are cautioned not to place undue reliance on forward-looking information due to the inherent uncertainty thereof.

Contact

Coventry Resources Inc.
+61 8 9226 1356
+61 8 9226 2027 (FAX)
info@coventryres.com
www.coventryres.com