
Vangold acquires 50% interest in additional petroleum property

By Vangold Resources Ltd.
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Vangold Resources Ltd. ('Vangold') - Further to a New Release of May 23, 2007 regarding the signing of a Production Sharing Agreement ('PSA'), Vangold announces that it has signed an Acquisition of Interest Agreement for the acquisition of one half of the economic interest for exploration and production of petroleum for Block 6 in Armenia. Block 6 is approximately 3,600 km² and is located in southern Armenia between the Azerbaijan, Iran and Nakhichevan borders. As consideration of the Interest, Vangold will issue 100,000 common shares upon completion and will grant an option on a further 100,000 shares for a period of 12 months. The Agreement is subject to the approval of the TSX Venture Exchange.

The Agreement is with Blackstairs Energy PLC ('Blackstairs'), a private company based in Dublin, Ireland. Blackstairs will operate the Block under the terms of the Production Sharing Agreement. An office has been opened in Yerevan. General Manager, Mr. Tim Papworth, a UK-based petroleum exploration consultant with over thirty years of experience, in areas including the North Sea, onshore UK, Libya, Egypt, Tunisia, Malaysia, Gabon, Namibia, Georgia and Russia who has worked intermittently in Armenia since 1994, will oversee the project.

Contract & Licence Issues

The PSA was signed with the Government of Armenia on April 27th 2007. The contract covers the areas designated 'Blocks 4, 5 and 6' and extends to c. 13,775 sq. km (c. 3.4 Million acres) in central and southern Armenia. The contract will be operated by Blackstairs Energy plc in partnership with Vangold Resources. The associated 'Exploration Licence Permits' and the 'Licence Agreement' were also approved by the Armenian authorities in May 2007 and December 2007 respectively. These permits and agreements allow the joint-venture full access to the existing technical archive data and clearance to commence technical operations throughout the entire permit area.

The term of the contract is for 5 years with two additional extensions each of 2 years negotiable with the authorities. The work programme over the initial 5 years comprises Geological Studies, Gravity and Geochemical studies, Remote Sensing and 170 km of 2D seismic. The financial commitment is 2.4 Million \$US over the initial 5 year term.

Geological Summary

Blocks 4 and 5 lie mainly in the 'Central Depression'- a series of complexly structured Cretaceous-Tertiary fill basins. An older Jurassic-Cretaceous fill basin is developed to the south in Block 6. Numerous indications of hydrocarbons, including surface seeps of oil and gas and well-bore hydrocarbon shows are seen throughout the area of the Licence.

Technical Activities & Licence Administration

Immediately on signing the Petroleum Contract, the Blackstairs Energy-Vangold Resources joint-venture began putting a technical and office infrastructure in place in Yerevan. A General Manager was appointed, local technical,

financial and administrative staff recruited, and an office building with excellent communications and exploration technical software was configured.

A comprehensive technical programme was designed and initial evaluation commenced in May 2007. To date the following projects have been significantly advanced:

Collation, Analysis and Review of Existing Technical Data

A systematic examination of all existing geological, geophysical, well bore and historical technical report data is ongoing. This study is accessing data from the State Geological Archive and various Armenian technical institutes as well as from published studies. These data are being digitized and incorporated into a modern GIS database. By yearend considerable progress has been made and already certain areas have been highlighted for more detailed study. A series of field visits have also successfully located and calibrated the position of key boreholes.

Remote Sensing Satellite Imagery Study

A major contract was awarded to InfoTerra (a specialist UK contractor) covering the evaluation of high-resolution satellite imagery and the generation of 1:250,000 and 1:100,000 scale geological maps and structural studies over the entire permit area. Several interesting trends have been identified for more detailed analysis and in-field verification. These remote-sensed data will also provide valuable information for the location, design and physical access / logistical aspects of the future 2D seismic programme. By year-end the satellite imagery study was well advanced and a more detailed phase of evaluation and mapping will begin in January 2008.

Gravity Survey

A contract to acquire a major 5000 station regional gravity survey was awarded in August 2007 to the Gyumri Institute- a specialist Armenian geophysical institute. The survey area is initially focused on Blocks 4 and 5. A significant proportion of the survey was successfully acquired by December; operations will re-commence in the spring 2008. Compilation of the final Bouger and Terrain-Corrected gravity maps is underway and these data will be integrated with the GIS database and the results emerging from the satellite imagery studies.

To find out more about Vangold Resources Ltd. please visit our website at www.vangold.ca or contact Dal Brynelsen at 604-684-1974 or by email at brynelsen@vangold.ca.

On Behalf of the Board of VANGOLD RESOURCES LTD.

`Dal Brynelsen' Dal Brynelsen, President and CEO

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this news release.
