



FOR IMMEDIATE RELEASE

GEODRILL ENTERS INTO PREPAYMENT AGREEMENT WITH AZUMAH RESOURCES

TORONTO, ON AUGUST 22, 2011 - Geodrill Limited ("**Geodrill**" or "**the Company**") (GEO:TSX), a leading West African based drilling company, announced today that the Company (through its Ghana subsidiary) has entered into an agreement (the "**Prepayment Agreement**") with Azumah Resources Limited (ASX:AZM) ("**Azumah**"), whereby pursuant to the terms of the Prepayment Agreement, Azumah has agreed to prepay up to US\$3 million for drilling services. In return, Geodrill has agreed to provide Azumah access to at least three drilling rigs and fixed contract rates for Azumah's drilling requirements for up to 12 months. Performance of the terms of prepayment contract has been secured by three drill rigs.

"This agreement is testament to the strength of our customer relationships and allows Geodrill to further accelerate our rig growth. By locking in rigs for the term, Azumah is guaranteed access to rigs for its current drill program while allowing Geodrill to easily fund its rig fleet expansion for the year," said David Harper, President and CEO of Geodrill Limited.

In addition, the Company is pleased to announce that it has entered into a private loan agreement with Silverwood Ventures Limited, a private investment company, in the amount of £2 million. The loan is for period of one year at a commercial rate and is secured by certain drill rigs of the Company.

These agreements will allow the Company to fulfill certain preexisting obligations with respect to drilling rigs it is acquiring.

About Azumah Resources

Azumah is a well-capitalized, Australian-based company focused on the exploration and development of the 100%-owned Wa Gold Project in northwest Ghana, West Africa. The Company is in the final stages of drawing together the key components of the Feasibility Study on its Wa Gold Project.

About Geodrill Limited

Geodrill Limited is a leading West African based drilling company currently operating in Ghana and Burkina Faso. Geodrill provides exploration and development drilling services to major, intermediate and junior mining companies with exploration and development operations in West Africa. The Company specializes in providing reverse circulation, diamond core and air-core drilling services using a modern fleet of drill rigs. The Company plans to grow organically and build its current client base while continuing to assess expansion opportunities throughout West Africa and other jurisdictions of Africa, to meet demand for its services and expertise.

Forward Looking Information

This press release contains "forward-looking information" which may include, but is not limited to, statements with respect to financing and operating aspects of the Company and its subsidiaries. Often,

but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “believes”, or variations (including negative variations) of such words and phrases, or by the use of words or phrases that state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

Forward-looking statements are based on certain assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements contained in this press release including, without limitation those described in the Management’s Discussion & Analysis for the quarter ended June 30, 2011 and the Company’s Annual Information Form dated March 30, 2011 under the heading “Risk Factors”. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in such forward-looking statements, there may be other factors that may cause actions, events or results to differ from those anticipated, estimated or intended. Should one or more of these risks or uncertainties materialize or should assumptions underlying such forward-looking statements prove incorrect, actual results, performance or achievements may vary materially from those expressed or implied by the forward-looking statements contained in this press release. The forward-looking information and forward-looking statements contained herein are made as of the date of this press release and the company disclaims any obligation to update or review such information or statements, whether as a result of new information, future events or results of otherwise, except as required by law.

For further information:

Joanna Longo
(416) 238-1414 ext 233
jlongo@terrepartners.com