# AMANI GOLD LIMITED
**(ACN 113 517 203)**

# Notice of General Meeting
# and
# Explanatory Statement

**General Meeting to be held at Level 2, 7 Havelock Street, West Perth 6005 on 17 August 2023, commencing at 2pm (AWST).**

**Important**

This Notice should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their professional adviser prior to voting.

**Independent Expert's Report**

Shareholders should carefully consider the Independent Expert's Report prepared for the purposes of ASX Listing Rule 10.1. The Independent Expert's Report comments on the fairness and reasonableness of the transactions the subject of Resolution 2 to the non-associated Shareholders. The Independent Expert has determined the transaction the subject of Resolution 2 is **fair and reasonable**.

# NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of Shareholders of Amani Gold Limited (ACN 113 517 203) ("**Company**") will be held at Level 2, 7 Havelock Street, West Perth 6005 on 17 August 2023, commencing at 2pm (AWST).

It is currently anticipated that the Meeting will be held in person (and not by virtual means). The Company has taken steps to ensure that all attendees will be able to participate in the Meeting.

Shareholders do not need to attend the Meeting in order to cast their vote(s). The Company therefore recommends that Shareholders who do not wish to attend the Meeting in person, but who wish to vote, appoint the Chair as their proxy (and where desired, direct the Chair on how they wish to vote on a Resolution) rather than attending in person. If the Meeting cannot be held in person, the Company will make additional arrangements as required.

The Explanatory Statement that accompanies and forms part of this Notice of Meeting describes in more detail the matters to be considered.

### BUSINESS OF THE MEETING

## Resolution 1 – Disposal of Main Undertaking

To consider, and if thought fit, to pass with or without amendment, the following Resolution as an **ordinary resolution**:

> *"That, for the purposes of ASX Listing Rule 11.2 and for all other purposes, approval is given for the disposal of the Company's interest in its subsidiary Amani Consulting SARL, being the main undertaking of the Company by way of a sale to Mabanga Shining SARL under the Binding Terms Sheet described in the Explanatory Statement."*

**Voting exclusion statement**

The Company will disregard any votes cast **in favour of** the Resolution by or on behalf of:

- Mabanga Shining SARL; and
- any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity; or
- an associate of that person (or those persons),

However, this does not apply to a vote cast in favour of the Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair of the meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair to vote on this Resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on this Resolution; and
  - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## Resolution 2 – Disposal of Substantial Asset to Mabanga Shining SARL

To consider, and if thought fit, to pass with or without amendment, the following Resolution as an **ordinary resolution**:

> *"That, for the purposes of ASX Listing Rule 10.1 and for all other purposes, approval is given for the disposal of the Company's interest in its subsidiary Amani Consulting SARL to Mabanga Shining SARL, an entity controlled by Mr Simon Cong, on the terms and conditions described in the Explanatory Statement."*

**Voting exclusion statement**

The Company will disregard any votes cast **in favour of** the Resolution by or on behalf of:

- Mabanga Shining SARL; and
- any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity; or
- an associate of that person (or those persons),

However, this does not apply to a vote cast in favour of the Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair of the meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair to vote on this Resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on this Resolution; and
  - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**Independent Expert's Report**

Shareholders should carefully consider the Independent Expert's Report prepared for the purposes of ASX Listing Rule 10.1. The Independent Expert's Report comments on the fairness and reasonableness of the transactions the subject of this Resolution to the non-associated Shareholders. The Independent Expert has determined the transaction the subject of this Resolution is **fair and reasonable**.

## Resolution 3 – Ratification of prior issue of Placement Shares

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

> *"That, for the purposes of Listing Rule 7.4, and for all other purposes, approval is given for the Company to ratify the issue of 1,000,000,000 Placement Shares under Listing Rule 7.1 at an issue price of $0.001 per Share to raise up to $1,000,000 under a Placement to Placement Participants, on the terms and conditions set out in this Explanatory Statement."*

**Voting Exclusion Statement**

The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- the Placement Participants who participated in the issue of the Placement Shares; or
- an Associate of the Placement Participants who participated in the issue of the Placement Shares.

However, this does not apply to a vote cast in favour of a Resolution by:

- a Placement Participant who participated in the issue of the Placement Shares as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
    - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a Placement Participants who participated in the issue of the Placement Shares, on the Resolution; and
    - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## Resolution 4 – Ratification of prior issue of Placement Options

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

*"That, for the purposes of Listing Rule 7.4, and for all other purposes, approval is given for the Company to ratify the issue of 500,000,000 Placement Options under Listing Rule 7.1 under a Placement to Placement Participants, on the terms and conditions set out in this Explanatory Statement."*

**Voting Exclusion Statement**

The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- the Placement Participants who participated in the issue of the Placement Options; or
- an Associate of the Placement Participants who participated in the issue of the Placement Options.

However, this does not apply to a vote cast in favour of a Resolution by:

- a Placement Participant who participated in the issue of the Placement Options as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
    - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a Placement Participants who participated in the issue of the Placement Options, on the Resolution; and
    - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## Resolutions 5(a), (b) & (c) – Issue of Performance Rights to Participating Directors

To consider and, if thought fit, to pass, with or without amendment, the following Resolutions as an **ordinary resolution**:

*"That, for the purposes of Listing Rule 10.11, Section 195(4) of the Corporations Act, and for all other purposes, approval is given for the Company to issue up to:*

*(a) 300,000,000 Performance Rights to Mr Conrad Karageorge (and/or his nominee(s));*

*(b) 300,000,000 Performance Rights to Mr Peter Huljich (and/or his nominee(s)); and*

*(c) 300,000,000 Performance Rights to Mr Campbell Smyth (and/or his nominee(s)),*

*and the issue of Shares to them on the vesting of those Performance Rights on the terms and conditions set out in this Explanatory Statement."*

**Voting Exclusion Statement**

The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- Mr Conrad Karageorge (and/or his nominee(s)) for Resolution 5(a), Mr Peter Huljich (and/or his nominee(s)) for Resolution 5(b) and Mr Campbell Smyth (and/or his nominee(s)) for Resolution 5(c); or
- an Associate of Mr Conrad Karageorge (and/or his nominee(s)) for Resolution 5(a), Mr Peter Huljich (and/or his nominee(s)) for Resolution 5(b) and Mr Campbell Smyth (and/or his nominee(s)) for Resolution 5(c).

However, this does not apply to a vote cast in favour of a Resolution by:

- Mr Conrad Karageorge (and/or his nominee(s)) for Resolution 5(a), Mr Peter Huljich (and/or his nominee(s)) for Resolution 5(b) and Mr Campbell Smyth (and/or his nominee(s)) for Resolution 5(c) as proxy or attorney for a person who is entitled to vote on the relevant Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of Mr Conrad Karageorge (and/or his nominee(s)) for Resolution 5(a), Mr Peter Huljich (and/or his nominee(s)) for Resolution 5(b) and Mr Campbell Smyth (and/or his nominee(s)) for Resolution 5(c), on the relevant Resolution; and
  - the holder votes on the relevant Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**Other business**

In accordance with section 250S(1) of the Corporations Act, Shareholders are invited to ask questions about or make comments on the management of the Company and to raise any other business which may lawfully be brought before the Meeting.

**By order of the Board**

**James Bahen**
Company Secretary
Amani Gold Limited
17 July 2023

# EXPLANATORY STATEMENT

## IMPORTANT INFORMATION

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Meeting to be held at Level 2, 7 Havelock Street, West Perth, WA 6005 on 17 August 2023, commencing at 2pm (AWST).

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice.

This Explanatory Statement should be read in its entirety and in conjunction with the Notice. Capitalised terms in this Explanatory Statement are defined in the Glossary. If Shareholders are in doubt as to how to vote, they should seek advice from their professional adviser prior to voting.

## INTERPRETATION

Capitalised terms which are not otherwise defined in this Notice and Explanatory Statement have the meanings given to those terms under the Definitions section.

References to "**$**" and "**A$**" in this Notice and Explanatory Statement are references to Australian currency unless otherwise stated.

References to time in this Notice and Explanatory Statement relate to the time in Perth, Western Australia.

## VOTING EXCLUSION STATEMENTS

Certain voting restrictions apply to the Resolutions as detailed beneath each of the applicable Resolutions.

## PROXIES

Please note that:

- a Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- a proxy need not be a member of the Company;
- a Shareholder may appoint a body corporate or an individual as its proxy;
- a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- Shareholders entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

A Proxy Form is enclosed with this Notice. This is to be used by Shareholders if they wish to appoint a representative ("a **Proxy**") to vote in their place. All Shareholders are invited to attend the Meeting or, if they are unable to attend the Meeting, sign and return the Proxy Form to the Company in accordance with the instructions on the Proxy Form. Lodgement of a Proxy Form will not preclude a Shareholder from attending or (subject to the voting exclusions set out in the Notice) voting at the Meeting via the online meeting platform.

Proxy Forms must be received by the Company no later than 2pm (AWST) on 15 August 2023, being at least forty-eight (48) hours before the Meeting.

The Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

## VOTING ENTITLEMENTS

In accordance with Regulations 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth), the Board has determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the register of Shareholders as at 2pm (AWST) on 15 August 2023. Accordingly, transactions registered after that time will be disregarded in determining Shareholders' entitlements to attend and vote at the Meeting.

# REGULATORY INFORMATION

## 2. Overview of Transaction

### 2.1 Background

The Company's primary project is its Giro Gold Project that comprises of two exploration permits in the Democratic Republic of Congo ("**DRC**"). The Company owns 850 fully paid ordinary shares representing 85% of the total issued share capital of Amani Consulting SARL ("**Amani Consulting**") which holds a 65% shareholding in Giro Goldfields SARL ("**Giro Goldfields**"). Mr Simon Cong, a former director of the Company, holds a 13.5% shareholding in Amani Consulting and the remaining 1.5% is held by Mr Mbaya Bamwanya (0.7%) and Mr Mwanza Nshimba (0.8%).

Giro Goldfields is the entity that owns the exploration permits in the DRC and explores the Giro Gold Project. Société Minière De Kilo Moto SA ("**SOKIMO**"), a company wholly owned by the DRC Government holds the remaining 35% interest in Giro Goldfields (and the respective Giro Goldfields Project).

As announced on 7 February 2023, the Company proposes to dispose of its main undertaking, the Giro Gold Project, that is held via the Company's subsidiary Amani Consulting to Mabanga Shining SARL ("**Buyer**") an entity incorporated in the DRC that is associated with former Company director, Mr Simon Cong, for a cash payment of USD$30,000,000 (approximately AUD$43,500,000) ("**Disposal**").

### 2.2 Main Undertaking

ASX Guidance Note 12 provides that ASX generally applies a 50% "rule of thumb" in assessing whether a business constitutes the main undertaking of a listed entity. If a business accounts for less than 50% of a listed entity's consolidated total assets, consolidated annual expenditure, consolidated EBITDA and consolidated annual profit before tax, then ASX considers that to be reasonably compelling evidence that the business is not the entity's main undertaking.

As provided in the Company's latest set of accounts released to the market, the Giro Gold Project accounts for more than 50% of the Company's consolidated total assets, consolidated annual expenditure, consolidated EBITDA and consolidated annual profit before tax. Accordingly, the Company considers the Giro Gold Project to be the Company's main undertaking. Further, ASX has provided confirmation to the Company that Listing Rule 11.2 applies to the Disposal.

Accordingly, the Company proposes to seek Shareholder approval for the disposal for the purposes of Listing Rule 11.2 pursuant to Resolution 1 of this Notice.

### 2.3 Background of the Buyer

Mabanga Shining SARL is a DRC registered entity. Mr Simon Cong, who is a former director of the Company, is the current manager and currently holds a 13.5% shareholding of Amani Consulting. Mr Cong is not a shareholder of the Buyer, however, is considered by the Company to be an associate of the Buyer due to the fact that he indirectly controls Mabanga Shining SARL's operations and by way of facilitating, and being the Buyer's representative for, the proposed transaction. The Company also notes that the substantial asset, being its 85% interest in Amani Consulting, is being sold (indirectly, via his involvement in Mabanga Shining SARL) to Mr Simon Cong (who, the Company has determined to be associated to Amani Consulting for the reasons set out above).

Pursuant to the provisions of Listing Rule 10.1, an entity must not dispose of a substantial asset to a child entity without first obtaining shareholder approval and Listing Rule 10.1.4 extends this requirement to any associates of a child entity.

As Amani Consulting is a child entity of the Company, the provisions of Listing Rule 10.1.4 would also extend the requirement of the Company to obtain shareholder approval for a disposal of a substantial asset to an associate of Amani Consulting (i.e., an associate of the Company's child entity).

Given Mr Cong's position as a manager, his current shareholding in Amani Consulting and being a former director of the Company, the Company considers it prudent as a matter of good corporate governance to consider Mr Cong to be an associate of Amani Consulting, making him a 10.1 party for the purposes of the Listing Rules.

Accordingly, the Company will be seeking Shareholder approval for the Disposal for the purposes of Listing Rule 10.1.4 pursuant to Resolution 2 of this Notice.

### 2.4 Summary of the Binding Terms Sheet

As announced on 7 February 2023, the Company entered into a binding terms sheet with the Buyer, Amani Consulting and Mr Cong to sell its 85% interest in the issued share capital of Amani Consulting ("**Binding Terms Sheet**"). The material terms of the Binding Terms Sheet are set out below.

- The Buyer has agreed to acquire the Company's 850 fully paid ordinary shares in Amani Consulting ("**Sale Shares**") representing 85% of the total issued share capital in Amani Consulting.
- The Buyer shall pay the Company a total of USD$30,000,000 (approximately AUD$43,500,000) pre-tax consisting of the following tranches:
  - US$5,000,000 payable to the Company upon execution of the Binding Terms Sheet ("**First Tranche**");
  - US$8,000,000 payable to the Company within one (1) year of the payment of the First Tranche ("**Second Tranche**");
  - US$8,000,000 payable to the Company within one (1) year of the payment of the Second Tranche ("**Third Tranche**"); and
  - US$9,000,000 payable to the Company within one (1) year of the payment of the Third Tranche ("**Fourth Tranche**").
- First Tranche Completion (defined below) is conditional upon the following ("**Conditions Precedent**"):
  - the Company obtaining the required shareholder approvals (including shareholder approval pursuant to Listing Rules 11.2 and 10.1 in accordance to Resolutions 1 and 2 of this Notice); and
  - all necessary regulatory and third-party approvals being obtained in the DRC.
- Following the satisfaction of the Conditions Precedent, the parties will proceed to **First Tranche Completion** where the Company will, among other matters, provide a mutually agreed escrow agent ("**Escrow Agent**") signed share transfer forms with respect to the

Sale Shares to be held by the Escrow Agent until the Fourth Tranche payment is made pursuant to the terms of an escrow deed ("**Escrow Deed**"). The parties will also exchange all required information, documents and security agreements with respect to Amani Consulting, the Giro Gold Project and the Sale Shares.

- If the Company receives a superior offer (i.e. an offer on more favourable terms for the Company as currently provided under the Binding Terms Sheet) prior to First Tranche Completion, the Company is able to terminate the Binding Terms Sheet. However, in the event the Company terminates the Binding Terms Sheet upon receiving a superior offer, the First Tranche payment will be refunded to the Buyer.

- Following First Tranche Completion, risk in the Sale Shares will pass to and vest in the Buyer and the Buyer will become the operator and manager of the Giro Gold Project, accepting all risk, liabilities and costs associated with operation of the Giro Gold Project.

- The Sale Shares will remain in escrow pursuant to the terms of the Escrow Deed until the final Fourth Tranche payment has been made to the Company, at which point the Sale Shares will be released from escrow by the Escrow Agent and transferred to the Buyer. The rationale for keeping the Sale Shares in escrow is such that if the Buyer defaults on its obligations under the Binding Terms Sheet prior to payment of the Fourth Tranche, the Company is able to hold the Sale Shares in escrow as security and will maintain its ownership in the Sale Shares and, in turn, the Giro Gold Project.

- The Buyer will be required to enter into a security documents with the Company (such as, for example, a security deed granting the Company a security interest in the shares held by Mr Cong in Amani Consulting and in the Company) to secure the Company's interest in the consideration payment.

- The Binding Terms Sheet is otherwise on terms and conditions considered standard for agreements of this nature.

## 3. Financial Effect, Advantages and Disadvantages of the Disposal

### 3.1 Financial Effect and Use of Proceeds

The impact of the Disposal on the Company is set out in the pro-forma balance sheet contained in Schedule 2.

The proceeds received under the Disposal are intended to be applied towards identification of new projects, growth opportunities and working capital requirements.

Upon completion of the Disposal, the Company considers that it will be in a highly favorable position to proceed to refinance itself and pursue its key objectives and strategies (as set out in Section 4).

### 3.2 Advantages of the Disposal

The Directors consider that the following non-exhaustive list of advantages, which are concurrently also disadvantages, may be relevant to a Shareholder's decision on how to vote on the Disposal:

*(a)* **Disposal resultant in a reduction in expenditure**

(i) significant capital expenditure will be required to undertake commercial scale production of the Giro Gold Project;

(ii) if the Company was to undertake further exploration at the Giro Gold Project, a significant portion of the capital would have to be raised through the issue of additional equity in the Company resulting in significant dilution for current shareholders. The Disposal removes the risk of dilution and other risks normally associated with such a significant capital raise;

(iii) the Company will not have the operational costs or contingent liabilities associated with being a shareholder of Amani Consulting and the Giro Gold Project following the completion of the Disposal;

(iv) the Company will be able to focus on finding alternative opportunities and reduce ongoing overhead costs while it seeks to provide opportunities for shareholders to enjoy growth (as set out in Section 4); and

(v) the capital structure of the Company will not be affected by the Disposal.

*(b)* **Cash sale of main undertaking**

(i) the Disposal provides the Company with the opportunity to realise value from the exploration and development works undertaken at the Giro Gold Project;

(ii) the Company will no longer be exposed to the risks of exploration and mining in the DRC; and

(iii) the Company will use the funds to explore other opportunities and search for other projects for development.

Further advantages of the Disposal are set out at section 13.4 of the Independent Expert's Report accompanying this Notice.

## 3.3 Disadvantages of the Disposal

The Directors believe that the following non-exhaustive list of disadvantages, which are concurrently also advantages, may be relevant to a Shareholder's decision on how to vote on the Disposal:

*(a)* **Sale to reduce expenditure**

(i) the Company will be disposing of its main undertaking in the Giro Gold Project, which may not be consistent with the investment objectives of all Shareholders;

(ii) the size of the Company's tangible asset base and operating activities will be reduced significantly as a result of the Disposal; and

(iii) potential future operating revenue attributable to the Giro Gold Project will not be able to be realised by the Company if the Disposal occurs (notwithstanding that significant capital expenditure would be required to undertake commercial scale production).

*(b)* **Cash sale of main undertaking**

(i) the consequence of the Disposal is that the Company will sell its main undertaking and be required by ASX, within a period of 6 months from the date of announcement of the Disposal to identify a new project or opportunity or risk being suspended from trading by ASX. The Company will also likely be required to re-comply with Chapters 1 and 2 of the Listing Rules before its Shares can be reinstated to trading following such suspension; and

(ii) there is a risk that the Company may not be able to locate and acquire other suitable investment opportunities.

*(c)* **Foreign Exchange Risk**

The purchase price is denominated in US (United States) dollars, therefore, the Company is exposed to fluctuations in exchange rate risk.

Further disadvantages of the Disposal are set out at section 13.5 of the Independent Expert's Report accompanying this Notice.

## 4. Future activities and direction on completion of the Disposal

If the Conditions Precedent (outlined at section 2.4 above) are satisfied, and the Disposal proceeds to completion, the Company intends to continue as a listed company to identify new projects and growth opportunities, that will aim to generate value for shareholders and future investors.

It is likely that any such acquisition will require the Company to re-comply with Chapters 1 and 2 of the Listing Rules and further details of any such acquisition will be released to the Company's shareholders and market generally in accordance with the Company's continuous disclosure obligations under the Listing Rules.

## 5. Group structure, Capital structure and changes to Board and management

### 5.1 Group Structure

Following the Disposal, the Company will simplify its corporate structure with no longer holding any shares in Amani Consulting and, as a result, its interest in the Giro Gold Project.

Upon completion of the Disposal, the corporate structure of the Company will be such that the Company (as parent entity) will hold 100% of the issued share capital of its subsidiaries Burey Resources Pty Limited and Amani Minerals (HK) Limited.

Refer to Schedule 1 for an outline of the Company's corporate group structure before and after completion of the Disposal.

### 5.2 Effect on Capital Structure

The Disposal will have no effect on the capital structure of the Company.

### 5.3 Proposed changes to the Company's Board and management

There are no proposed changes to the Company's Board as a result of the Disposal.

## 6. Listing Rules 12.1 and 12.2

A disposal by a listed entity of its main undertaking can raise issues under ASX Listing Rule 12.1 and 12.2, which oblige a listed entity to satisfy ASX on an ongoing basis that the level of its operations is sufficient, and its financial condition adequate, to warrant its continued quotation of its securities.

ASX have advised that the Company will be afforded a period of 6 months from the date of the announcement of the agreement to dispose of its interest in Amani Consulting to demonstrate to the ASX that it is compliant with Listing Rule 12.1. The ASX also advises that if the Company does not demonstrate compliance with this Rule to ASX's satisfaction by the 6-month anniversary, ASX will suspend trading in the Company's securities.

The consequences of a disposal of the main undertaking are that any transaction the Company proposes to enter into may, if required by ASX, attract the application of Listing Rule 11.1.3 and as a result the Company may, if required by ASX, be required to re-comply with Chapters 1 and 2 of the Listing Rules.

Please refer to ASX Guidance Note 12: Significant Change to Activities which provides further information on significant changes to activities and how the Listing Rules apply to those changes.

### 6.1 Implications if the Disposal does not proceed

In the event that Resolutions 1 and 2 are not passed and/or for any other reason the Company does not dispose of its interest in Amani Consulting, it will, amongst other things, continue to maintain its interest in Amani Consulting and continue to investigate opportunities to obtain value from these assets either by further re-structuring the business of Amani Consulting or selling the interest in Amani Consulting.

## 7. Indicative Disposal Timetable

Subject to the Listing Rules and the Corporations Act requirements, the Company anticipates completion of the Disposal will be in accordance with the following timetable:

| Event | Date[1] |
|---|---|
| Execution of Terms Sheet | 2 February 2023 |
| Announcement of Disposal | 7 February 2023 |
| Payment of First Tranche[2] | 28 March 2023 |
| Despatch of Notice of Meeting | 17 July 2023 |
| General Meeting | 17 August 2023 |
| First Tranche Completion | 18 August 2023 |
| Completion of Disposal[3] | August 2026 |

**Notes:**

1. The above dates are indicative only and subject to change.
2. As announced by the Company to the ASX via an announcement titled 'Giro Project Transaction Update' dated 28 March 2023 (see: https://www2.asx.com.au/markets/trade-our-cash-market/announcements.anl), the Company received the payment of the First Tranche amount on 28 March 2023.
3. As provided above, beneficial ownership in the Sale Shares will pass to the Buyer upon the Shareholder approval being obtained and the First Tranche being paid to the Company. Final completion of the Disposal will then not occur until the payment of the final Fourth Tranche payment, whereby the Sale Shares will be released by the Escrow Agent pursuant to the terms of the Escrow Deed and transferred by the Company to the Buyer.

## 8. Resolution 1 – Disposal of Main Undertaking

Resolution 1 is an ordinary resolution seeking shareholder approval for the purpose of satisfying ASX Listing Rule 11.2 to dispose the Company's interest in Amani Consulting which holds the Giro Gold Project, being the Company's main undertaking.

### 8.1 Listing Rule 11.2

Listing Rule 11.2 provides that where a company proposes to make a significant change in the nature or scale of its activities which involves the disposal of its main undertaking, it must first obtain the prior approval of its shareholders.

Resolution 1 seeks Shareholder approval for the potential disposal of the Company's main undertaking. Even if Shareholder approval is obtained, there is no certainty that the main undertaking will be disposed of, as the Binding Terms Sheet is subject to other Conditions Precedent, as set out above.

The information required by ASX Guidance Note 12 "Significant Changes to Activities" to be provided to Shareholders in relation to Resolution 1, is contained within this Explanatory Memorandum and this Notice.

Shareholders should be aware that following the proposed disposal of the Company's main undertaking, ASX may require the Company to seek Shareholder approval pursuant to Listing Rule 11.1.2 and/ or re-comply with Chapters 1 and 2 of the Listing Rules pursuant to Listing Rule 11.1.3 with respect to any future material transaction the Company may enter into.

A disposal by a listed entity of its main undertaking can also raise issues under Listing Rule 12.1 and 12.2, which oblige a listed entity to satisfy ASX on an ongoing basis that the level of its operations is sufficient, and its financial condition adequate, to warrant its continued quotation of its securities.

### 8.2 Listing Rule 14.1A

Listing Rule 14.1A provides that a notice of meeting which contains a resolution approval of security holders under the Listing Rules must summarise the relevant Listing Rule (see summary of Listing Rule 11.2 above) and what will happen if security holders give, or do not give, that approval.

If Resolution 1 is passed, the Company will be able to (subject to satisfaction or waiver of the remaining Conditions Precedent) proceed with the Disposal.

If Resolution 1 is not passed, the Company will not be able to proceed with the Disposal and the First Tranche payment (as defined at section 2.4) will be refunded to the Buyer. As a result, the Company may be exposed to future losses and liabilities associated with the Giro Gold Project. The Company may seek suitable other disposal and/or investment opportunities to deliver value to the Shareholders.

### 8.3 Board Recommendation

The Directors do not have any material interest in the outcome of Resolution 1.

Based on the information available, all of the Directors consider that the Disposal is in the best interests of the Company and recommend that the Shareholders vote in favour of Resolution 1.

## 9. Resolution 2 – Disposal of Substantial Asset to Mabanga Shining SARL

### 9.1 Background

Resolution 2 is an ordinary resolution that seeks Shareholder approval pursuant to Listing Rule 10.1 for the disposal of a substantial asset to the Buyer.

As outlined above, the Buyer is an entity associated with Mr Simon Cong who is a former Director of the Company and resigned as a Director on 11 March 2022. Mr Cong currently manages Amani Consulting and holds a 13.5% shareholding in the capital of Amani Consulting.

Given that Mr Cong is a previous related party of the Company, is the manager and has a substantial holding in Amani Consulting, the Company considers it prudent as a matter of good corporate governance to consider Mr Cong to be a 10.1 party for the purposes of the Listing Rules and obtain Shareholder approval pursuant to Listing Rule 10.1.4, by virtue of being an associate of a child entity of the Company. Accordingly, as the Buyer is considered an associate of Mr Cong, the Company it prudent to seek Shareholder approval pursuant to Listing Rule 10.1 pursuant to this Resolution for the disposal of Amani Consulting to the Buyer.

### 9.1 ASX Listing Rule 10.1

ASX Listing Rule 10.1 provides that an entity (or any of its subsidiaries) must not acquire a substantial asset from, or dispose a substantial asset to:

10.1.1 a related party of the Company;

10.1.2 a subsidiary of the Company;

10.1.3 a person who is, or was at any time in the 6 months before the transaction or agreement, a substantial (10%+) holder in the Company;

10.1.4 an associate of a person referred to in Listing Rules 10.1.1 to 10.1.3; or

10.1.5 a person whose relationship to the entity or a person referred to in Listing Rules 10.1.1 to 10.1.4 is such that, in ASX's opinion, the transaction should be approved by Shareholders.

### 9.2 Substantial Asset

Pursuant to Listing Rule 10.2, an asset is "substantial" if its value, or the value of the consideration for it is, or in ASX's opinion is, 5% or more of the equity interests of the company as set out in the latest accounts given to ASX under the Listing Rules.

The equity interests of the Company as defined by the Listing Rules and as set out in the latest audited annual accounts given to ASX under the Listing Rules (being for the financial half year ended 31 December 2022) of $32,254,365. A substantial asset is therefore an asset of value greater than $1,612,718.25 (5% of the above figure). The Company's interest in the Giro Gold Project accounts for 93.4% of the Company's equity interests and exceeds the substantial asset figure of $1,612,718.25.

Accordingly, the Company's interest in Amani Consulting (by virtue of the Giro Gold Project), will be considered a "substantial" asset for the purposes of Listing Rule 10.2, and the Company is required to seek Shareholder approval under Listing Rule 10.1 for the disposal.

## 9.3 Independent Expert's Report

ASX Listing Rule 10.5.10 requires a notice of meeting containing a resolution under Listing Rule 10.1 to include a report on the transaction from an independent expert.

The Independent Expert's Report prepared by BDO Corporate Finance (WA) Pty Ltd (ACN 124 031 045) ("**Independent Expert**") accompanying this Notice sets out a detailed independent examination of the Disposal to enable non-associated Shareholders to assess the merits and decide whether to approve Resolution 2. The Independent Expert has concluded that the Disposal the subject of Resolution 2 is **fair and reasonable** to the non-associated Shareholders. Shareholders are urged to carefully read the Independent Expert's Report to understand the scope of the report, the methodology of the valuation and the sources of information and assumptions made.

## 9.4 Technical information required by ASX Listing Rule 10.5

*(a)* **The name of the person from whom the entity is disposing of the substantial asset**

Mabanga Shining SARL (company identification number A2291155T), an entity registered in the DRC with a sole shareholder by the name of Patick Muyembe. The Company has determined that Mr Cong, being a former director of the Company, is the current manager and currently holds a 13.5% shareholding of Amani Consulting. Mr Cong is not a shareholder of the Buyer, however, is considered by the Company to be an associate of the Buyer due to the fact that he indirectly controls Mabanga Shining SARL's operations and by way of facilitating, and being the Buyer's representative for, the proposed disposal. The Company also notes that the substantial asset, being its 85% interest in Amani Consulting, is being sold (indirectly, via his involvement in Mabanga Shining SARL) to Mr Simon Cong (who, the Company has determined to be associated to Amani Consulting for the reasons set out above).

*(b)* **Which category in rules 10.1.1 – 10.1.5 the person falls within and why.**

As outlined above, as Mr Cong is a previous related party of the Company, is the manager and has a substantial holding in Amani Consulting (i.e. 13.5%), the Company considers it prudent as a matter of good corporate governance to consider Mr Cong to be a 10.1 party for the purposes of the Listing Rules, requiring shareholder approval pursuant to Listing Rule 10.1.4, by virtue of being an associate of a child entity of the Company.

*(c)* **Details of the asset being disposed of**

As provided in section 2.1 above, the Buyer is acquiring the Company's 85% interest in Amani Consulting, being the entity which holds the Giro Gold Project.

*(d)* **The consideration for the disposal**

As provided in sections 2.1 and 2.4 above, the consideration payable for the Disposal is USD$30,000,000 (approximately AUD$43,500,000) payable to the Company in four tranches.

*(e)* **In the case of a disposal, the intended use of funds (if any) received for the disposal**

Following completion of the First Tranche payment (defined at section 2.1 above) the Company's immediate business plans will involve critically considering and evaluating opportunities to acquire new assets that will aim to generate profit for its Shareholders.

Accordingly, the funds received from the First Tranche payment will be used by the Company to acquire a new suitable asset(s).

All subsequent funds received from the Disposal (i.e. payments received pursuant to Tranches Two, Three and Four), will further be utilised towards acquiring a new asset(s) and general working capital purposes.

If ASX determines that any such future acquisition will require the Company to re-comply with Chapters 1 and 2 of the Listing Rules, the Company proposes to use a portion of the funds received from the Disposal for this purpose.

*(f)* **The timetable for completing the acquisition or disposal**

Refer to section 7 above for an indicative timetable for the Disposal.

*(g)* **If the acquisition or disposal is occurring under an agreement, a summary of any other material terms of the agreement**

Refer to section 2.4 above for a summary of the material terms of the Binding Terms Sheet.

*(h)* **Voting exclusion statement**

A Voting Exclusion Statement has been provided for Resolution 2 in the Notice.

### 9.5 Listing Rule 14.1A

Listing Rule 14.1A provides that a notice of meeting which contains a resolution approval of security holders under the Listing Rules must summarise the relevant Listing Rule (see summary of Listing Rule 11.2 above) and what will happen if security holders give, or do not give, that approval.

If Resolution 2 is passed, the Company will be able to (subject to satisfaction or waiver of the remaining Conditions Precedent) proceed with the Disposal to the Buyer.

If Resolution 2 is not passed (and subject to satisfaction or waiver of the remaining Conditions Precedent, including Shareholder approval pursuant to Resolution 1), the Company may still be able to proceed with a disposal of the Giro Gold Project via a disposal of its interest in Amani Consulting, however, will not be able to proceed with the Disposal to the Buyer. Any such alternative sale of the Company’s interest in Amani Consulting and in turn, the Giro Gold Project, will be governed by new terms with the respective acquirer (if any).

### 9.6 Board Recommendation

The Directors do not have any material interest in the outcome of Resolution 2.

Based on the information available, all of the Directors consider that the Disposal to the Buyer is in the best interests of the Company and recommend that the Shareholders vote in favour of Resolution 2.

## 10. Resolution 3 – Ratification of Placement Shares

### 10.1 Background

Resolution 3 seeks shareholder approval to ratify the issue of 1,000,000,000 Shares pursuant to Listing Rule 7.4, previously issued to Placement Participants on 22 December 2022, under the Company’s placement capacity pursuant to Listing Rule 7.1.

On 20 December 2022, the Company announced that it was undertaking a placement to Placement Participants, raising $1,000,000 through the issue of 1,000,000,000 Shares at an issue price of $0.001 per Share ("**Placement Shares**") ("**Placement**"). Participants under the Placement were also issued free attaching listed options on the basis of 1 Option for every 2 Shares subscribed for under the Placement, with each Option exercisable at $0.0015 and expiring on 15 January 2024 ("**Placement Options**"). The Placement Options convert on a 1 for 1 basis.

## 10.2 Listing Rule 7.1 and 7.4

Listing Rule 7.1 provides that, subject to certain exceptions, prior approval of shareholders is required for an issue of securities by a company if those securities, when aggregated with the securities issued by the company during the previous twelve (12) months (without approval and which were not subject to an exception), exceed fifteen percent (15%) of the number of shares on issue at the commencement of that twelve (12) month period.

The issue of the Placement Shares the subject of Resolution 3 does not fall within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the date of issue of the Placement Shares.

Listing Rule 7.4 sets out the procedure and effect of Shareholder approval of a prior issue of securities and provides that where shareholders in general meeting ratify a previous issue of securities made without approval under Listing Rule 7.1, provided that the previous issue of securities did not breach Listing Rule 7.1, those securities shall be deemed to have been made with shareholder approval for the purposes of Listing Rule 7.1.

By ratifying the Placement Shares, the Company will retain the flexibility to issue Equity Securities in the future up to the fifteen percent (15%) placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

## 10.3 Information required pursuant to Listing Rule 7.5

Listing Rule 7.5 requires that the following information be provided to the Shareholders in relation to obtaining approval of Resolution 3 for the purposes of Listing Rule 7.4:

*(a)* **Names of the persons to whom the entity will issue the securities (if known) or basis upon which those persons will be identified or selected**

The Placement Shares were issued to the Placement Participants, none of whom is a related party or substantial holder of the Company, a member of the Company's key management personnel, an adviser to the Company or an associate of any of those persons. The Placement Participants were identified through a book build process, which involved the Company seeking expressions of interest to participate in the Placement from existing contacts and various brokers of the Company.

*(b)* **Maximum number of securities the entity issued**

1,000,000,000 Shares.

*(c)* **Terms of the securities**

The Placement Shares issued rank equally in all respects with existing Shares on issue.

*(d)* **Date by which the entity issued the securities**

The Placement Shares were issued on 22 December 2022.

(e) **Issue price of the securities**

The Placement Shares were issued at $0.001 per Share.

(f) **Purpose of the issue and the intended use of the funds raised**

The purpose of the issue of the Placement Shares was to raise $1,000,000 (before costs). Funds raised from the Placement have been, or are to be used, towards costs associated with the Disposal, ASIC/ASX regulatory fees, exploration expenditure on the Giro Gold Project and general working capital purposes.

(g) **If the securities will be issued under an agreement, a summary of the material terms of the agreement**

The Placement Shares were issued pursuant to the Placement Offer Letter.

(h) **Voting Exclusion Statement**

Refer to the Voting Exclusion Statement beneath the applicable Resolution in the Notice.

### 10.4 Listing Rule 14.1A

Listing Rule 14.1A provides that a notice of meeting which contains a resolution approval of security holders under the Listing Rules must summarise the relevant Listing Rule (see summary of Listing Rule 7.4 above) and what will happen if security holders give, or do not give, that approval.

If Resolution 3 is passed, the issue of the Placement Shares will be excluded in calculating the Company's 15% limit for the purposes of Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the date of issue of the Placement Shares.

If Resolution 3 is not passed, the issue of the Placement Shares will be included in calculating the Company's 15% limit for the purposes of Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the date of issue of the Placement Shares.

### 10.5 Directors' recommendations

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

The Chair intends to exercise all available proxies in favour of Resolution 3.

## 11. Resolution 4 – Ratification of Placement Options

### 11.1 Background

Resolution 4 is an ordinary resolution which seeks to ratify the prior issue of 500,000,000 Placement Options to Placement Participants pursuant to Listing Rule 7.4, under the Company's placement capacity pursuant to Listing Rule 7.1.

### 11.2 Listing Rule 7.1 and 7.4

Listing Rule 7.1 provides that, subject to certain exceptions, prior approval of shareholders is required for an issue of securities by a company if those securities, when aggregated with the securities issued by the company during the previous twelve (12) months (without approval and which were not subject to an exception), exceed fifteen percent (15%) of the number of shares on issue at the commencement of that twelve (12) month period.

The issue of Placement Options the subject of Resolution 4 does not fall within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the date of issue of the Placement Options.

Listing Rule 7.4 sets out the procedure and effect of Shareholder approval of a prior issue of securities and provides that where shareholders in general meeting ratify a previous issue of securities made without approval under Listing Rule 7.1, provided that the previous issue of securities did not breach Listing Rule 7.1, those securities shall be deemed to have been made with shareholder approval for the purposes of Listing Rule 7.1.

By ratifying the Placement Options, the Company will retain the flexibility to issue Equity Securities in the future up to the fifteen percent (15%) placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

## 11.3 Information required pursuant to Listing Rule 7.5

Listing Rule 7.5 requires that the following information be provided to the Shareholders in relation to obtaining approval of Resolution 4 for the purposes of Listing Rule 7.4:

*(a)* **Names of the persons to whom the entity will issue the securities (if known) or basis upon which those persons will be identified or selected**

The Placement Options were issued to the Placement Participants, none of whom is a related party or substantial holder of the Company, a member of the Company's key management personnel, an adviser to the Company or an associate of any of those persons. The Placement Participants were identified through a book build process, which involved the Company seeking expressions of interest to participate in the Placement from existing contacts and various brokers of the Company.

*(b)* **Maximum number of securities the entity issued**

500,000,000 Placement Options.

*(c)* **Terms of the securities**

The Placement Options are exercisable at $0.0015 each on or before 15 January 2024 and were otherwise issued on the terms and conditions set out in Schedule 3.

*(d)* **Date by which the entity issued the securities**

The Placement Options were issued on 22 December 2022.

*(e)* **Issue price of the securities**

Nil.

*(f)* **Purpose of the issue and the intended use of the funds raised**

The Placement Options were issued in connection with the issue of the Placement Shares. The proceeds from the exercise of the Placement Options have been, or are to be, used towards costs associated with the Disposal, ASIC/ASX regulatory fees, exploration expenditure (including a resource review) on the Giro Gold Project and general working capital purposes.

*(g)* **If the securities will be issued under an agreement, a summary of the material terms of the agreement**

The Placement Options were issued pursuant to the Placement Offer Letter.

*(h)* **Voting Exclusion Statement**

Refer to the Voting Exclusion Statement beneath the applicable Resolution in the Notice.

### 11.4 Listing Rule 14.1A

Listing Rule 14.1A provides that a notice of meeting which contains a resolution approval of security holders under the Listing Rules must summarise the relevant Listing Rule (see summary of Listing Rule 7.4 above) and what will happen if security holders give, or do not give, that approval.

If Resolution 4 is passed, the issue of the Placement Options will be excluded in calculating the Company's 15% limit for the purposes of Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the date of issue of the Placement Options.

If Resolution 4 is not passed, the issue of the Placement Options will be included in calculating the Company's 15% limit for the purposes of Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the date of issue of the Placement Options.

### 11.5 Directors' recommendations

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

The Chair intends to exercise all available proxies in favour of Resolution 4.

## 12. Resolutions 5(a), (b) & (c) – Issue of Performance Rights to Participating Directors

### 12.1 Background

Resolutions 5(a), (b) & (c) & are ordinary resolutions which seek Shareholder approval under Listing Rule 10.11 and Section 195(4) of the Corporations Act for the issue of Performance Rights to the Participating Directors (and/or their nominee(s)) ("**Performance Rights**") by no later than one (1) month after the Meeting (or any such longer period permitted by ASX).

### 12.2 Corporations Act Section 208

Section 208(1)(a) of the Corporations Act prohibits a company from giving a financial benefit (including an issue of securities) to a related party of a company without the approval of shareholders by a resolution passed at a general meeting at which no votes are cast in relation to the resolution in respect of any shares held by the related party or by an associate, unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Performance Rights to the Participating Directors (and/or their nominee(s)) constitutes giving a financial benefit as they are each related parties of the Company by virtue of being Directors.

The Directors (other than the Participating Directors) consider that Shareholder approval pursuant to Section 208 of the Corporations Act is not required in respect of the issue of the

Performance Rights to each of the Participating Directors, given the arrangement to issue the Performance Rights is considered to be reasonable remuneration for each Participating Director.

## 12.3 Corporations Act Section 195

Section 195 of the Corporations Act provides that a director of a public company may not vote or be present during meetings of Directors when matters in which that director holds a material personal interest are being considered, except in certain limited circumstances.

Section 195(4) relevantly provides that if there are not enough directors to form a quorum for a directors meeting because of this restriction, one or more of the directors may call a general meeting and the general meeting may pass a resolution to deal with the matter.

Each of the Participating Directors may be considered to have a material personal interest in the outcome of Resolutions 5(a), (b) & (c) as they apply to each Participating Director respectively. If each does have such an interest, than a quorum could not be formed to consider the matters contemplated by Resolutions 5(a), (b) & (c) at Board level.

Accordingly, for the avoidance of any doubt, and for the purpose of transparency and good corporate governance, the Company seeks Shareholder approval for Resolutions 5(a), (b) & (c) for the purposes of Section 195(4) of the Corporations Act in respect of the reliance on the reasonable remuneration exception under Section 211 of the Corporations Act and the decision not to seek Shareholder approval under Section 208 of the Corporations Act.

## 12.4 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

(a) a related party;

(b) a person who is, or was at any time in the six (6) months before the issue or agreement, a substantial (30%+) holder in the company;

(c) a person who is, or was at any time in the six (6) months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;

(d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or

(e) a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the Performance Rights to the Participating Directors falls within Listing Rule 10.11.1 (a related party) and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company's Shareholders under Listing Rule 10.11.

Resolutions 5(a), (b) & (c) seek the required Shareholder approval to the issue of the Performance Rights to the Participating Directors (and/or their nominee(s)) under, and for, the purposes of Listing Rule 10.11.

If Resolutions 5(a), (b) & (c) are passed, the Company will be able to proceed with the issue of the Performance Rights to the Participating Directors (and/or their nominee(s)).

If Resolutions 5(a), (b) & (c) are not passed, the Company will not be able to proceed with the issue of the Performance Rights to the Participating Directors (and/or their nominee(s)), respectively and, as a result, may not be able to retain the service of the Participating Directors.

Further, exception 14 of Listing Rule 7.2 states that approval pursuant to Listing Rule 7.1 is not required if shareholder approval is obtained under Listing Rule 10.11.

### 12.5 Listing Rule 10.13

ASX Listing Rule 10.13 requires that the following information be provided to the Shareholders in relation to obtaining approval of Resolutions 5(a), (b) & (c) as an exception to ASX Listing Rule 10.11:

*(a)* **The name of the allottee of the securities**

The names of the allottees of the Performance Rights are:

- for Resolution 5(a), Mr Conrad Karageorge (and/or their nominee(s));
- for Resolution 5(b), Mr Peter Huljich (and/or their nominee(s)); and
- for Resolution 5(c), Mr Campbell Smyth (and/or their nominee(s)).

*(b)* **The maximum number of securities to be allotted and issued**

The maximum number of Performance Rights to be allotted and issued pursuant to Resolutions 5(a), (b) & (c) respectively are as follows:

| Participating Directors | Performance Rights |
| --- | --- |
| Mr Conrad Karageorge (and/or their nominee(s)) | 300,000,000 |
| Mr Peter Huljich (and/or their nominee(s)) | 300,000,000 |
| Mr Campbell Smyth (and/or their nominee(s)) | 300,000,000 |
| **Total** | **900,000,000** |

*(c)* **The date of allotment and issue of the securities**

Any Performance Rights to be issued to the Participating Directors will be issued at the same time as soon as practicable after the date of this Meeting and, in any event, by no later than one (1) month after the Meeting (or any such longer period permitted by ASX).

*(d)* **The relationship that requires Shareholder approval**

The Participating Directors are all related parties of the Company under section 228 of the Corporations Act, and Related Parties for the purposes of Listing Rule 10.11.1, by virtue of being Directors of the Company.

*(e)* **The issue price of the securities**

The Performance Rights will be issued for nil consideration (either at their issue or upon their conversion in accordance with the terms of the Performance Rights as set out in Schedule 4).

*(f)* **The terms of the securities**

Full terms of the Performance Rights are set out in Schedule 4.

*(g)* **The intended use of the funds**

No funds will be raised through the issue of the Performance Rights under Resolutions 5(a), (b) & (c).

*(h)* **Participating Directors' total remuneration package for the current financial year**

The table below sets out the total remuneration package for the current financial year for each Participating Director (including all cash, securities (including the Performance Rights) and superannuation payments).

| Participating Director | Remuneration for current financial year (i.e. end 30 June 2024) | |
|---|---|---|
| | Cash | Non-Cash Incentives |
| Mr Conrad Karageorge (and related parties) | $185,000 | $442,350[1] |
| Mr Peter Huljich (and related parties) | $79,354 | $442,350[2] |
| Mr Campbell Smyth (and related parties) | $75,000 | $442,350[3] |

**Notes:**

1. Mr Karageorge was issued:

   a. 300,000,000 performance rights on or around 16 December 2021 as approved at the Company's annual general meeting on 16 November 2021, of which 100,000,000 performance rights remain unvested; and

   b. 300,000,000 performance rights on or around 22 December 2022 as approved at the Company's annual general meeting on 29 November 2022, of which 150,000,000 performance rights remain unvested.

   The value of the unvested performance rights above is recognised over the vesting period and the total charge to the profit or loss account for the reporting period is $142,350 for all unvested performance rights.

   Meanwhile, the Performance Rights proposed to be issued to Mr Karageorge are valued at $300,000 for the reporting period.

2. Mr Huljich was issued:

   a. 300,000,000 performance rights on or around 16 December 2021 as approved at the Company's annual general meeting on 16 November 2021, of which 100,000,000 performance rights remain unvested; and

   b. 300,000,000 performance rights on or around 22 December 2022 as approved at the Company's annual general meeting on 29 November 2022, of which 150,000,000 performance rights remain unvested.

The value of the unvested performance rights above is recognised over the vesting period and the total charge to the profit or loss account for the reporting period is $142,350 for all unvested performance rights.

Meanwhile, the Performance Rights proposed to be issued to Mr Huljich are valued at $300,000 for the reporting period.

3. Mr Smyth was issued:

   a. 300,000,000 performance rights on or around 16 December 2021 as approved at the Company's annual general meeting on 16 November 2021, of which 100,000,000 performance rights remain unvested; and

   b. 300,000,000 performance rights on or around 22 December 2022 as approved at the Company's annual general meeting on 29 November 2022, of which 150,000,000 performance rights remain unvested.

The value of the unvested performance rights above is recognised over the vesting period and the total charge to the profit or loss account for the reporting period is $295,900 for all unvested performance rights.

Meanwhile, the Performance Rights proposed to be issued to Mr Smyth are valued at $300,000 for the reporting period.

*(i)* **If the securities are to be issued under an agreement, a summary of the material terms of the agreement**

The Performance Rights were not issued to any Participating Director under an agreement.

*(j)* **Valuation of Performance Rights**

The indicative valuation of the Performance Rights is set out in Schedule 5.

## 12.6 Listing Rule 14.1A

Listing Rule 14.1A provides that a notice of meeting which contains a resolution approval of securityholders under the Listing Rules must summarise the relevant Listing Rule (see summary of Listing Rule 10.11 above) and what will happen if securityholders give, or do not give, that approval.

If Resolutions 5(a), (b) & (c) are approved by Shareholders, then the Company will be able to proceed with the issue of the Performance Rights to the Participating Directors.

If Resolutions 5(a), (b) & (c) is not approved by Shareholders, the Company will not be able to proceed with the issue of the Performance Rights to the Participating Directors, respectively and, as a result, may not be able to retain the service of the Participating Directors.

**Directors' Recommendation**

The Directors (other than the Participating Directors to the extent that a Resolution relates to their own material personal interest) recommend that Shareholders approve Resolutions 5(a), (b) & (c) and the issue of the Performance Rights to the Participating Directors.

# DEFINITIONS

In this Notice and Explanatory Statement, the following terms have the following meanings:

"**ASX**" means the ASX Limited (ACN 008 642 691), and where the context permits, the Australian Securities Exchange operated by ASX Limited.

"**ASIC**" means the Australian Securities and Investments Commission.

"**AWST**" means Australian Western Standard Time, being the time in Perth, Western Australia.

"**Binding Terms Sheet**" means the binding terms sheet between the Company, Amani Consulting, Mabanaga Shining and Mr Simon Cong dated 2 February 2023.

"**Board**" means the board of Directors.

"**Business Day**" means a day on which banks are open for business in Perth, Western Australia, excluding Saturday, Sunday or a public holiday;

"**Chair**" means the chairperson of the Meeting.

"**Company**" means Amani Gold Limited (ACN 113 517 203).

"**Corporations Act**" means the *Corporations Act 2001* (Cth).

"**Director**" means a director of the Company.

"**Equity Securities**" has the meaning given in the Listing Rules.

"**Explanatory Statement**" means this explanatory statement incorporated in this Notice.

"**General Meeting**" or "**Meeting**" means the general meeting of Shareholders to be held at Level 2, 7 Havelock Street, West Perth WA 6005 on 17 August 2023, commencing at 2pm (AWST).

"**Independent Expert**" means BDO Corporate Finance (WA) Pty Ltd (ACN 124 031 045).

"**Listing Rules**" means the listing rules of the ASX (as amended from time to time).

"**Notice of Meeting**" or "**Notice**" means the notice of general meeting incorporating this Explanatory Statement.

"**Option**" means an option in the Company that, pursuant to its applicable terms. can be converted into a Share.

"**Participating Directors**" means Mr Conrad Karageorge, Mr Peter Huljich and Mr Campbell Smyth.

"**Performance Rights**" means the total of up to 900,000,000 Performance Rights issued to the Participating Directors (or nominee(s)) pursuant to the terms and conditions set out in Schedule 4.

"**Person**" means, in relation to a Voting Exclusion Statement for a Resolution for the purposes of:

- Listing Rule 7.4, a person who participated in the issue or is a counterparty to the agreement being approved; and

- Listing Rule 10.11, a person who is to receive the securities in question and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of Shares in the Company).

"**Placement Offer Letter**" means the offer letter in respect of the Placement sent to prospective Placement Participants by the Company dated on or around 20 December 2022.

"**Placement Options**" means the 500,000,000 Options exercisable at $0.0015 each and expiring on 15 January 2024 as more fully described in section 9.1 and on the terms set out in Schedule 3.

"**Placement Participants**" means the parties who were issued Placement Shares and Placement Options under the Placement.

"**Placement Shares**" means the 1,000,000,000 Shares at an issue price of $0.001 per Share, as more fully described in section 9.1.

"**Proxy Form**" means the proxy form attached to this Notice.

"**Related Party**" has the meaning given in Chapter 19 of the Listing Rules.

"**Resolution**" means a resolution to be put to the Shareholders as set out in the Notice.

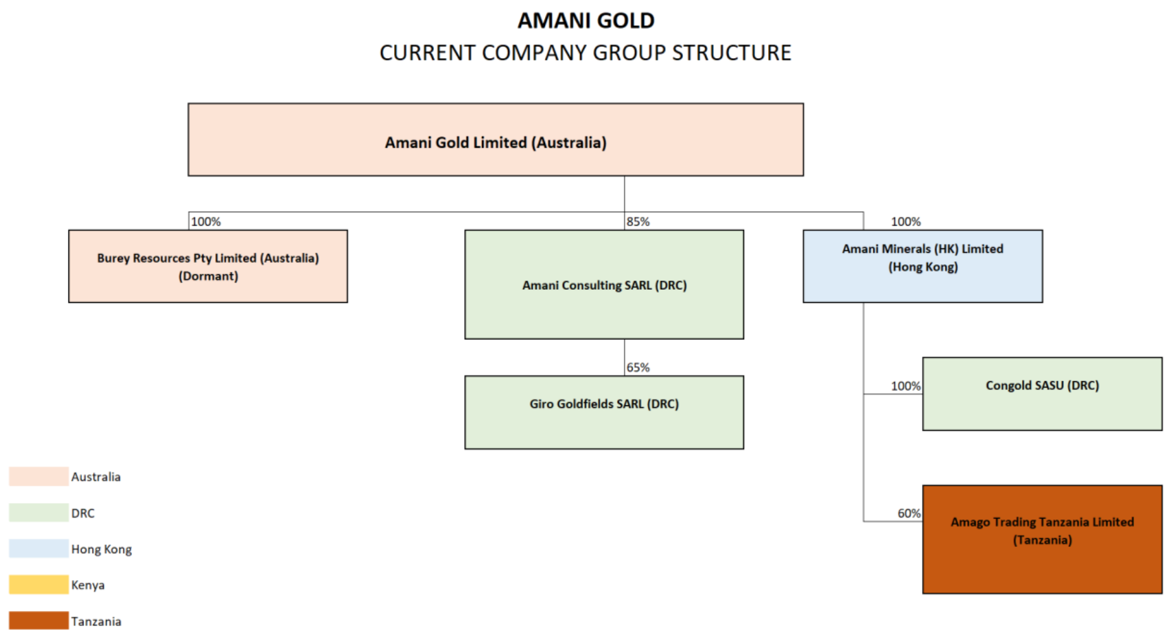
"**Share**" means an ordinary fully paid share in the Company.

"**Shareholder**" means a holder of one or more Shares.

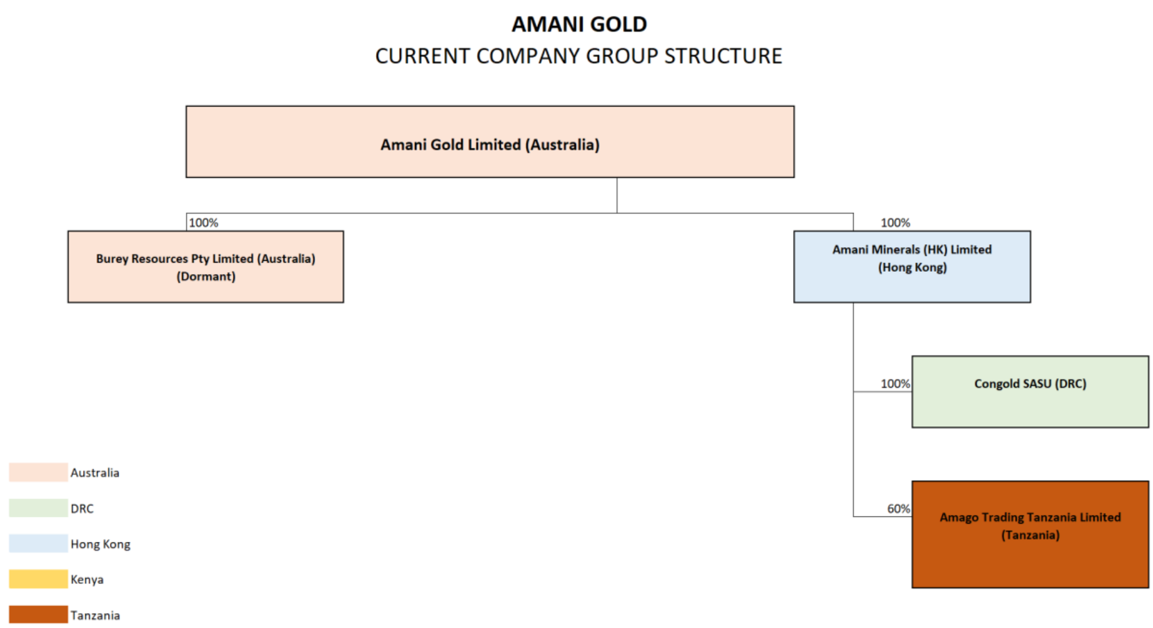
"**Voting Exclusion Statement**" means a voting exclusion statement as required by Listing Rule 14.11.

## Schedule 1 – Corporate Group Structure

### Item 1: Current Company Corporate Group Structure




### Item 2: Company Corporate Group Structure upon completion of the Disposal



## Schedule 2 – Pro-Forma Balance Sheet

### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

| | Notes | Consolidated 31 December 2022 $ | 30 June 2022 $ |
|---|---|---|---|
| **Assets** | | | |
| **Current Assets** | | | |
| Cash and cash equivalents | | **2,337,444** | 3,804,534 |
| Other receivables | | **47,151** | 157,353 |
| Asset Held for Sale | 3 | **30,138,294** | - |
| **Total Current Assets** | | **32,522,889** | 3,961,887 |
| **Non-Current Assets** | | | |
| Property, plant and equipment | | **2,402** | 22,674 |
| Exploration and evaluation expenditure | 4 | **-** | 28,785,048 |
| Right of use asset | | **83,386** | 100,638 |
| **Total Non-Current Assets** | | **85,788** | 28,908,360 |
| **Total Assets** | | **32,608,677** | 32,870,247 |
| **Current Liabilities** | | | |
| Trade and other payables | | **262,386** | 943,566 |
| Lease Liability | | **27,702** | 27,702 |
| **Total Current Liabilities** | | **290,088** | 971,268 |
| **Non-Current Liabilities** | | | |
| Lease Liability | | **64,224** | 76,330 |
| **Total Non-Current Liabilities** | | **64,224** | 76,330 |
| **Total Liabilities** | | **354,312** | 1,047,598 |
| **Net Assets** | | **32,254,365** | 31,822,649 |
| **Equity** | | | |
| Contributed equity | 5 | **94,686,607** | 92,994,343 |
| Reserves | | **12,790,010** | 13,582,891 |
| Accumulated losses | | **(62,163,779)** | (61,842,373) |
| **Capital and reserves attributed to the owners of Amani Gold Limited** | | 45,312,838 | 44,734,861 |
| Non-controlling interest | | **(13,058,473)** | (12,912,212) |
| **Total Equity** | | **32,254,365** | 31,822,649 |

***Notes:*** *the Company advises that:*

- *the 'Asset Held for Sale' in the Balance Sheet above refers to the Shares in Amani Consulting and this will be accounted for as cash upon Completion of the disposal of the Company's interest in Amani Consulting SARL;*
- *the book value of the 'Asset Held for Sale' of AUD$30,00,000 as at 31 December 2022 has been treated differently to the sale value of the Shares in Amani Consulting of USD$30,000,000, due to the Company only being able to recognize the carrying value of all assets/liabilities associated with the proposed sale of the Shares in Amani Consulting. Pursuant to AASB5 'Non-current Assets held for Sale and Discontinued Operations', the Company cannot recognize the sale value as the proposed transaction was yet to complete at 31 December 2022. Once the sale completes, the Company will recognize the difference between the sale value and book value as either a gain or loss through its profit and loss statement; and*
- *amounts provided in the Balance Sheet above are denominated in AUD.*

## Schedule 3 – Terms of Placement Options

<table>
<tr><td>1. Entitlement</td><td>Subject to paragraph 13 below, each Placement Option entitles the holder (“Option Holder”) to subscribe for 1 fully paid ordinary Share in the Company upon exercise of the Placement Option.</td></tr>
<tr><td>2. Exercise price</td><td>Subject to paragraphs 10 and 12 below, the amount payable upon exercise of each Placement Option is $0.0015 (“Exercise Price”).</td></tr>
<tr><td>3. Expiry date</td><td>Each Placement Option will expire at 5.00pm (AWST) on 15 January 2024 (“Expiry Date”). A Placement Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.</td></tr>
<tr><td>4. Exercise Period</td><td>The Placement Options are exercisable at any time on or prior to the Expiry Date (“Exercise Period”).</td></tr>
<tr><td>5. Notice of Exercise</td><td>The Placement Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Placement Option certificate (“Notice of Exercise”) and payment of the Exercise Price for each Placement Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.</td></tr>
<tr><td>6. Exercise Date</td><td>A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Placement Option being exercised in cleared funds (“Exercise Date”).</td></tr>
<tr><td>7. Timing of issue of Shares on exercise</td><td>(a) Within 15 Business Days after the later of the following:<br>(i) the Exercise Date; and<br>(ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,<br><br>but in any case, no later than 20 Business Days after the Exercise Date, the Company will:<br>(i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Placement Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;<br>(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and<br>(iii) if admitted to the Official List at the time, apply for Official Quotation on ASX of Shares issued pursuant to the exercise of the Placement Options.<br><br>(b) If a notice delivered under paragraph 7(a)(iv) above for any reason is not effective to ensure that an offer for the sale of the Shares does not require disclosure to investors, the Company</td></tr>
</table>

| | |
|---|---|
| | must no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors. |
| **8. Shares issued on exercise** | Shares issued on exercise of the Placement Options rank equally with the then issued shares of the Company. |
| **9. Quotation of Shares issued on exercise** | If admitted to the Official List of ASX at the time, the Company will apply for quotation of the Shares issued upon the exercise of the Placement Options. |
| **10. Reconstruction of capital** | If at any time the Company's issued capital is reconstructed, all rights of the Option Holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction. |
| **11. Participation in new issues** | There are no participation rights or entitlements inherent in the Placement Options and the Option Holder will not be entitled to participate in new issued of capital offered to Shareholders during the currency of the Placement Options without exercising the Placement Options. |
| **12. Adjustment for rights issue** | If the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders, the Exercise Price will be reduced in accordance with the formula set out in Listing Rule 6.22.2. |
| **13. Adjustment for bonus issues of Shares** | If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):<br>(a) the number of Shares which must be issued on the exercise of a Placement Option will be increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the Placement Option before the record date for the bonus issue; and<br>(b) no change will be made to the Exercise Price. |
| **14. Quotation** | The Company applied for quotation of, and issued, the Placement Options on ASX on 22 December 2023. |
| **15. Transferability** | The Placement Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws. |

## Schedule 4 – Terms and Conditions of Performance Rights

The Performance Rights proposed to be issued to the Participating Directors under the Notice entitle the holder to subscribe for Shares on the terms and conditions set out below.

**(i) Entitlement**

Each Performance Right entitles the holder of the Performance Right to be issued one (1) fully paid ordinary share in the Company, for no cash consideration, on these terms of issue including satisfaction of the Vesting Conditions (defined below).

**(ii) No cash consideration**

The Performance Rights will be granted for no cash consideration.

**(iii) Vesting**

The Performance Rights will vest upon the satisfaction of the respective milestones in the respective portions detailed in the table below ("**Vesting Condition**").

| Tranche | Vesting Condition | Total no. of Performance Rights to vest upon satisfaction of Vesting Condition | Expiry Date of relevant Performance Rights |
|---|---|---|---|
| 1 | First Tranche Completion. | 100,000,000 | Within six (6) months of the issue of the Performance Rights. |
| 2 | Company receiving Second Tranche payment of US$8,000,000. | 100,000,000 | One (1) year from payment of the First Tranche payment and, in any event, within eighteen (18) months of the issue of the Performance Rights. |
| 3 | Company receiving Third Tranche payment of US$8,000,000. | 50,000,000 | One (1) year from payment of the Second Tranche payment and, in any event, within thirty (30) months of the issue of the Performance Rights. |
| 4 | Company receiving Fourth Tranche payment of US$9,000,000. | 50,000,000 | One (1) year from payment of the Second Tranche payment and, in any event, within forty-eight (48) months of the issue of the Performance Rights. |

**(iv) Lapse**

If the Vesting Conditions are not satisfied by 5.00pm (AWST) on the date specified in the 'expiry date of relevant Performance Rights' column above, then the relevant Performance Rights will automatically lapse.

**(v) Exercise**

Subject to paragraphs (iii) and (vii), Performance Rights may only be exercised by notice in writing to the Company ("**Exercise Notice**"). Any Exercise Notice for a Performance Right received by the Company will be deemed to be a notice of the exercise of that Performance Right as at the date of receipt. No exercise price, or share issue price, is payable by the holder and the Company must issue the number of Shares, update the share register and issue and send to the holder an updated holding statement within 5 business days after receiving the notice.

Any Performance Rights that have vested before the fourth tranche expiry date but have not been exercised will be automatically exercised on the fourth tranche expiry date.

**(vi) Shares issued on exercise**

The Share issued upon vesting will rank equally in all respects with the Company's ordinary shares and the Company will apply to the ASX for official quotation of the Shares after they are issued.

**(vii) Shareholder and regulatory approvals**

Despite any other provision of these terms and conditions, exercise of Performance Rights into Shares will be subject to the Company obtaining all required (if any) Shareholder and regulatory approvals for the purpose of issuing the Shares to the holder. If exercise of the Performance Rights would result in any person being in contravention of section 606(1) of the Corporations Act, then the exercise of each Performance Right that would cause the contravention will be deferred until such time or times that the exercise would not result in a contravention of section 606(1) of the Corporations Act.

Holders must give notification to the Company in writing if they consider that the exercise of the Performance Rights may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the exercise of the Performance Rights will not result in any person being in contravention of section 606(1) of the Corporations Act.

**(viii) Restrictions on transfer of Shares**

If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, the Company will issue a prospectus pursuant to section 708A(11) of the Corporations Act to allow those Shares to be traded within twelve (12) months after they are issued.

**(ix) Participation in new issues**

There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.

**(x) Adjustment for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares which must be issued on the exercise of a Performance Right will be increased by the number of Shares which the holder would have received if the holder had exercised the Performance Right before the record date for the bonus issue.

**(xi) Adjustment for rights issue**

If the Company makes a rights issue of Shares pro rata to existing Shareholders there will be no adjustment to these terms and conditions.

**(xii) Adjustments for reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the holders may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

**(xiii) Change of Control Event**

On the occurrence of a change of control event, being, in general terms, an unconditional takeover bid under Chapter 6 of the Corporations Act, a Court-sanctioned scheme of arrangement or any other merger involving the Company occurs which results in the holders of Shares holding 50% or less of the voting shares in the Company, subject to the ASX Listing Rules, the Board may in its sole discretion determine that all or a percentage of unvested Performance Rights will vest and become exercisable.

**(xiv) Quotation**

The Company will not apply for quotation of the Performance Rights on ASX.

**(xv) Transferability**

The Performance Rights are non-transferable.

**(xvi) Compliance with laws**

If the Corporations Act, the Listing Rules or the Constitution conflicts with these terms and conditions, or these terms and conditions do not comply with the Corporations Act, the Listing Rules or the Constitution, the holder authorises the Company to do anything necessary to rectify such conflict or non-compliance, including but not limited to unilaterally amending these terms and conditions.

## Schedule 5 – Valuation of Performance Rights

The indicative value of the Director Performance Rights set out below is the maximum value assuming that all Performance Milestones will be achieved before the expiry date of such incentive securities. The Black & Scholes option pricing model and the assumptions set out below have been used to determine the indicative values of the Director Performance Rights.

| **Assumptions** | |
|---|---|
| **Valuation date** | 30 June 2023 |
| **Market price of Shares** | $0.001 |
| **Exercise price** | Nil |
| **Expiry date** | 4 years from issue |
| **Risk free interest rate** | 3.28% |
| **Expected volatility** | 100% |

| | **Indicative value per Performance Right** | **Indicative value of Performance Rights to be issued to Conrad Karageorge** | **Indicative value of Performance Rights to be issued to Peter Huljich** | **Indicative value of Performance Rights to be issued to Campbell Smyth** |
|---|---|---|---|---|
| **Tranche 1** | $0.001 | $100,000 | $100,000 | $100,000 |
| **Tranche 2** | $0.001 | $100,000 | $100,000 | $100,000 |
| **Tranche 3** | $0.001 | $50,000 | $50,000 | $50,000 |
| **Tranche 4** | $0.001 | $50,000 | $50,000 | $50,000 |
| **Total Combined Value** | **N/A** | **$300,000** | **$300,000** | **$300,000** |

Note: the indicative valuations noted above are not necessarily the market prices that the Performance Rights could be traded at and they are not automatically the market prices for taxation purposes.

**Schedule 6 – Independent Expert's Report (Including Technical Report)**

AMANI GOLD LIMITED

Independent Expert's Report

OPINION: FAIR AND REASONABLE

22 June 2023

# Financial Services Guide

22 June 2023

BDO Corporate Finance (WA) Pty Ltd ABN 27 124 031 045 ('we' or 'us' or 'ours' as appropriate) has been engaged by Amani Gold Limited('Amani') to provide an independent expert's report on the proposed sale of Amani's 85% shareholding in Amani Consulting SARL to Mabanga Shining SARLU for the cash payment of US$30 million, payable in four tranches. You are being provided with a copy of our report because you are a shareholder of Amani and this Financial Services Guide ('FSG') is included in the event you are also classified under the Corporations Act 2001 ('the Act') as a retail client.

Our report and this FSG accompanies the Notice of Meeting required to be provided to you by Amani to assist you in deciding on whether or not to approve the proposal.

## Financial Services Guide

This FSG is designed to help retail clients make a decision as to their use of our general financial product advice and to ensure that we comply with our obligations as a financial services licensee.

This FSG includes information about:

- Who we are and how we can be contacted;
- The services we are authorised to provide under our Australian Financial Services Licence No. 316158;
- Remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- Any relevant associations or relationships we have; and
- Our internal and external complaints handling procedures and how you may access them.

## Information about us

We are a member firm of the BDO network in Australia, a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International). The financial product advice in our report is provided by BDO Corporate Finance (WA) Pty Ltd and not by BDO or its related entities. BDO and its related entities provide professional services primarily in the areas of audit, tax, consulting, mergers and acquisition, and financial advisory services.

We and BDO (and its related entities) might from time to time provide professional services to financial product issuers in the ordinary course of business and the directors of BDO Corporate Finance (WA) Pty Ltd may receive a share in the profits of related entities that provide these services.

## Financial services we are licensed to provide

We hold an Australian Financial Services Licence that authorises us to provide general financial product advice for securities to retail and wholesale clients, and deal in securities for wholesale clients. The authorisation relevant to this report is general financial product advice.

When we provide this financial service we are engaged to provide an expert report in connection with the financial product of another person. Our reports explain who has engaged us and the nature of the report we have been engaged to provide. When we provide the authorised services we are not acting for you.

## General Financial Product Advice

We only provide general financial product advice, not personal financial product advice. Our report does not take into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. If you have any questions, or don't fully understand our report you should seek professional financial advice.

Fees, commissions and other benefits that we may receive
We charge fees for providing reports, including this report. These fees are negotiated and agreed with the person who engages us to provide the report. Fees are agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. The fee payable to BDO Corporate Finance (WA) Pty Ltd for this engagement is approximately $30,000.

Except for the fees referred to above, neither BDO, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report and our directors do not hold any shares in Amani.

Other Assignments
BDO Audit (SA) Pty Ltd was the appointed Auditor of Amani for the financial years ended 30 June 2022 and 30 June 2021 but have since retired. We do not consider that this impacts on our independence in accordance with the requirements of Regulatory Guide 112 'Independence of Experts'. We have completed a conflict search of BDO affiliated organisations within Australia. This conflict search incorporates all Partners, Directors and Managers of BDO affiliated organisations. We are not aware of any circumstances that, in our view, would constitute a conflict of interest or would impair our ability to provide objective assistance in this matter.

Remuneration or other benefits received by our employees
All our employees receive a salary. Our employees are eligible for bonuses based on overall productivity but not directly in connection with any engagement for the provision of a report. We have received a fee from Amani for our professional services in providing this report. That fee is not linked in any way with our opinion as expressed in this report.

Referrals
We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Complaints resolution
*Internal complaints resolution process*
As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. Complaints can be in writing addressed to The Complaints Officer, BDO Corporate Finance (WA) Pty Ltd, PO Box 700, West Perth WA 6872 or, by telephone or email using the contact details within the following report.

When we receive a complaint we will record the complaint, acknowledge receipt of the complaint in writing within 1 business day or, if the timeline cannot be met, then as soon as practicable and investigate the issues raised. As soon as practical, and not more than 30 days after receiving the complaint, we will advise the complainant in writing of our determination.

Referral to External Dispute Resolution Scheme
If a complaint is made and the complainant is dissatisfied with the outcome of the above process, or our determination, the complainant has the right to refer the matter to the Australian Financial Complaints Authority Limited ('AFCA').

AFCA is an independent company that has been established to impartially resolve disputes between consumers and participating financial services providers.

Our AFCA Membership Number is 12561. Further details about AFCA are available on its website www.afca.org.au or by contacting it directly via the details set out below.

Australian Financial Complaints Authority Limited
GPO Box 3
Melbourne VIC 3001
AFCA Free call: 1800 931 678
Website: www.afca.org.au
Email: info@afca.org.au

You may contact us using the details set out on page 1 of the accompanying report.

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Perth, WA 6000
PO Box 700 West Perth WA 6872
Australia

22 June 2023

The Directors
Amani Gold Limited
Suite 1, 295 Rokeby Road
Subiaco, WA 6108

Dear Directors

# INDEPENDENT EXPERT'S REPORT

## 1. Introduction

On 7 February 2023, Amani Gold Limited ('Amani' or 'the Company') announced on the Australian Securities Exchange ('ASX') that it had executed a binding term sheet ('Term Sheet') with Mabanga Mining SARL ('Mabanga Mining') for the sale of Amani's 85% interest in Amani Consulting SARL ('Amani Consulting') for the cash consideration of US$30 million ('the Consideration') ('the Proposed Transaction'). Following the announcement of the Proposed Transaction, the Company advised that due to an administrative oversight, the acquirer was actually Mabanga Shining SARLU ('Mabanga Shining') and not Mabanga Mining as initially disclosed. However, the executed binding term sheet was still valid and there were no changes to the Proposed Transaction as initially announced.

Amani Consulting is the Democratic Republic of Congo ('DRC')-based subsidiary of Amani which holds a 65% interest in Giro Goldfields SARL ('Giro Goldfields'), which in turn holds two exploitation permits comprising the Giro Gold Project ('the Project').

The Consideration is payable in four tranches as follows:

- First Tranche – US$5 million payable to the Company upon execution of the Term Sheet;
- Second Tranche – US$8 million payable to the Company within one year of the payment of the First Tranche;
- Third Tranche – US$8 million payable to the Company within one year of the payment of the Second Tranche; and
- Fourth Tranche – US$9 million payable to the Company within one year of the payment of the Third Tranche.

Mr Simon Cong, a former director of Amani, and current manager and 13.5% shareholder of Amani Consulting, is not a shareholder in Mabanga Shining but, according to the Company, is an associate of Mabanga Shining. By virtue of his shareholding in Amani Consulting and him being a former director of Amani, he is deemed a related party of Amani and therefore shareholder approval is required pursuant to ASX Listing Rule 10.1.

Unless otherwise stated, all currencies in this report are expressed in Australian Dollars ('$', 'A$' or 'AUD') or in United States Dollars ('US$' or 'USD').

BDO Corporate Finance (WA) Pty Ltd ABN 27 124 031 045 AFS Licence No 316158 is a member of a national association of independent entities which are all members of BDO (Australia) Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Corporate Finance (WA) Pty Ltd and BDO (Australia) Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

# 2. Summary and Opinion

## 2.1 Requirement for the report

The directors of Amani have requested that BDO Corporate Finance (WA) Pty Ltd ('BDO') prepare an independent expert's report ('our Report') to express an opinion as to whether the Proposed Transaction is fair and reasonable to the non-associated shareholders of Amani ('Shareholders').

Our Report is prepared pursuant to ASX Listing Rule 10.1 and 10.5, and is to be included in the Notice of Meeting for Amani in order to assist Shareholders in their decision whether to approve the Proposed Transaction.

## 2.2 Approach

Our Report has been prepared having regard to Australian Securities and Investments Commission ('ASIC') Regulatory Guides 76 'Related party transactions' ('RG 76'), Regulatory Guide 111 'Content of Expert's Reports' ('RG 111') and Regulatory Guide 112 'Independence of Experts' ('RG 112').

In arriving at our opinion, we have assessed the terms of the Proposed Transaction as outlined in the body of this report. We have considered:

- How the value of the assets being sold compares to the value of the consideration to be received for the assets;
- The likelihood of an alternative offer being made to Amani;
- Other factors which we consider to be relevant to the Shareholders in their assessment of the Proposed Transaction; and
- The position of Shareholders should the Proposed Transaction not proceed.

## 2.3 Opinion

We have considered the terms of the Proposed Transaction as outlined in the body of this report and have concluded that, in the absence of an alternative offer, the Proposed Transaction is fair and reasonable to Shareholders.

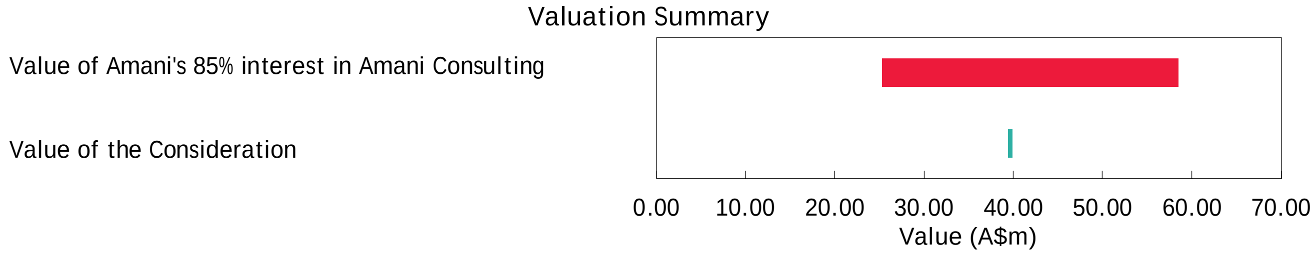
## 2.4 Fairness

In Section 12 we compared the value of the assets being sold to the value of the Consideration, as detailed below.

| | Ref | Low<br>$ | Preferred<br>$ | High<br>$ |
|---|---|---|---|---|
| Value of Amani's 85% interest in Amani Consulting | 10.2 | 25,300,000 | 25,300,000 | 58,450,000 |
| Value of the Consideration | 11 | 39,890,000 | 39,890,000 | 39,890,000 |

Source: BDO analysis

The above valuation ranges are graphically presented below:




Source: BDO analysis

It should be highlighted that the low end of the value of Amani's 85% interest in Amani Consulting above is also our preferred value for that range. Our preferred value is driven by the independent technical specialist's preferred valuation position for the value of Amani's mineral assets, which is also at the low end of its assessed range. This is because the low end of the range better reflects the size, structure, country risk profile and junior exploration status of Amani.

The above pricing indicates that, in the absence of any other relevant information, and an alternate offer, the Proposed Transaction is fair for Shareholders.

## 2.5 Reasonableness

We have considered the analysis in Section 13 of this report, in terms of both

- advantages and disadvantages of the Proposed Transaction; and
- other considerations, including the position of Shareholders if the Proposed Transaction does not proceed and the consequences of not approving the Transaction.

In our opinion, the position of Shareholders if the Proposed Transaction is approved is more advantageous than the position if the Proposed Transaction is not approved. Accordingly, in the absence of any other relevant information and/or an alternate proposal we believe that the Proposed Transaction is reasonable for Shareholders.

The respective advantages and disadvantages considered are summarised below:

| ADVANTAGES AND DISADVANTAGES | | | |
|---|---|---|---|
| Section | Advantages | Section | Disadvantages |
| 13.4 | The Proposed Transaction is fair. | 13.5 | Shareholders forego the opportunity to participate in any upside associated with the Project. |
| 13.4 | Removes funding, geopolitical and country risks associated with the Project. | 13.5 | Risk that Amani may not be able to identify suitable alternative investment opportunities. |
| 13.4 | Sale Shares remain in escrow until the final Fourth Tranche payment has been made. | 13.5 | Payment of the Consideration is staggered across four tranches. |

| ADVANTAGES AND DISADVANTAGES | | | |
|---|---|---|---|
| Section | Advantages | Section | Disadvantages |
| 13.4 | Provides an immediate cash injection to allow the Company to pursue alternative projects and opportunities. | 13.5 | The change in risk profile may not align with Shareholders' risk preferences. |
| 13.4 | Payment of the Consideration is in cash providing for certainty of value | | |
| 13.4 | Allows Amani to realise value in the Project prior to the potential termination of the Association Agreement by SOKIMO. | | |

Other key matters we have considered include:

| Section | Description |
|---|---|
| 13.1 | Alternative Proposal |
| 13.2 | Consequences of not approving the Proposed Transaction |
| 13.3 | Other considerations |

# 3. Scope of the Report

## 3.1 Purpose of the Report

ASX Listing Rule 10.1 requires that a listed entity must obtain shareholders' approval before it acquires or disposes of, or agrees to acquire or dispose of, a substantial asset when the consideration to be paid for the asset or the value of the asset being disposed constitutes more than 5% of the equity interest of that entity as set out in the latest accounts given to the ASX under its Listing Rules. Listing Rule 10.1 applies where the vendor or acquirer of the relevant assets is a related party or person of influence of the listed entity as defined under the ASX Listing Rules.

Based on the reviewed accounts as at 31 December 2022, the value of the Consideration for the Company's 85% interest in Amani Consulting is greater than 100% of the equity interest of Amani. According to Amani, Mr Simon Cong is an associate of Mabanga Shining. He is also a former director of Amani (having resigned on 11 March 2022), and current manager and 13.5% shareholder of Amani Consulting. Accordingly, he is considered a related party of Amani as defined under the ASX Listing Rules. Listing Rule 10.5.10 requires the Notice of Meeting for shareholders' approval to be accompanied by a report by an independent expert expressing their opinion as to whether the transaction is fair and reasonable to the shareholders whose votes are not to be disregarded.

Accordingly, an independent experts' report is required for the Proposed Transaction. Under RG 111 the report should provide an opinion by the expert stating whether the terms and conditions in relation thereto are fair and reasonable to non-associated shareholders of Amani.

## 3.2 Regulatory guidance

Neither the Listing Rules nor the Corporations Act defines the meaning of 'fair and reasonable'. In determining whether the Proposed Transaction is fair and reasonable, we have had regard to the views expressed by ASIC in RG 111 which provides guidance as to what matters an independent expert should consider to assist security holders to make informed decisions about transactions.

This regulatory guide suggests that, where an expert assesses whether a related party transaction is 'fair and reasonable' for the purposes of ASX Listing Rule 10.1 this should not be applied as a composite test—that is, there should be a separate assessment of whether the transaction is 'fair' and 'reasonable', as in a control transaction. An expert should not assess whether the transaction is 'fair and reasonable' based simply on a consideration of the advantages and disadvantages of the proposal.

We do not consider the Proposed Transaction to be a control transaction. As such, we have used RG 111 as a guide for our analysis but have considered the Proposed Transaction as if it were not a control transaction.

## 3.3 Adopted basis of evaluation

RG 111 states that a transaction is fair if the value of the offer price or consideration is equal to or greater than the value of the securities subject of the offer. In the case of Amani, the Company's 85% interest in Amani Consulting is the subject of the transaction. This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length. RG 111 states that when considering the value of the securities subject of the offer in a control transaction the expert should consider this value inclusive of a control premium. However, as stated in Section 3.2 we do not consider that the Proposed Transaction is a control transaction.

Further to this, RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if despite being 'not fair' the expert believes that there are sufficient reasons for security holders to accept the offer in the absence of any alternate options.

Having regard to the above, BDO has completed this comparison in two parts:

- A comparison between the value of the asset being sold and the value of the Consideration to be received (fairness – see Section 12 'Is the Proposed Transaction Fair?'); and
- An investigation into other significant factors to which Shareholders might give consideration, prior to approving the resolution, after reference to the value derived above (reasonableness – see Section 13 'Is the Proposed Transaction Reasonable?').

This assignment is a Valuation Engagement as defined by Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services' ('APES 225').

A Valuation Engagement is defined by APES 225 as follows:

*'an Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Valuer is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Valuer at that time.'*

This Valuation Engagement has been undertaken in accordance with the requirements set out in APES 225.

## 4. Outline of the Proposed Transaction

On 7 February 2023, Amani announced it had entered into a binding Term Sheet with Mabanga Shining for the sale of Amani's 850 shares in Amani Consulting ('Sale Shares'), which represents Amani's entire 85% interest in Amani Consulting. As consideration, a total of US$30 million in cash would be payable over four tranches, the first of which was to be immediately due upon execution of the Term Sheet:

- First Tranche – US$5 million payable to the Company upon execution of the Term Sheet;
- Second Tranche – US$8 million payable to the Company within one year of the payment of the First Tranche;
- Third Tranche – US$8 million payable to the Company within one year of the payment of the Second Tranche; and
- Fourth Tranche – US$9 million payable to the Company within one year of the payment of the Third Tranche.

Amani Consulting is the DRC-based subsidiary that holds a 65% interest in Giro Goldfields, which in turn is the holder of the two DRC exploitation permits comprising the Giro Gold Project. Given the development of the Project (which Amani has an effective interest of 55.25% in) is currently Amani's main undertaking, the Proposed Transaction would also require shareholder approval pursuant to ASX Listing Rule 11.2.

Mr Simon Cong, who is an associate of Mabanga Shining according to the Company, is also a former director of Amani (having resigned on 11 March 2022) and is the current manager and 13.5% shareholder of Amani Consulting. Accordingly, he is considered a related party of Amani as defined under the ASX Listing Rules.

The Term Sheet sets out the conditions precedent, which for the completion of the First Tranche payment to Amani ('First Tranche Completion') is:

- Amani obtaining the required shareholder approvals (including approvals pursuant to Listing Rule 11.2 and 10.1); and
- All necessary regulatory and third-party approvals being obtained in the DRC.

Prior to the First Tranche Completion, the Company can terminate the existing Term Sheet should it receive a superior offer. However, if Amani chooses to do so, it would have to refund the First Tranche payment to Mabanga Shining. On 28 March 2023, the Company announced it had received the First Tranche payment of US$5 million from Mabanga Shining, however we note that this in itself does not constitute First Tranche Completion as the other conditions precedent remain outstanding.

Following the completion of the First Tranche payment, Mabanga Shining will become the operator and manager of the Project, accepting all risk, liabilities and costs associated with its operation. However, the Sale Shares will remain in escrow until the final Fourth Tranche payment has been made to Amani, upon which they will be transferred to Mabanga Shining. Further details are outlined in the Notice of Meeting.

# 5. Profile of Amani

## 5.1 History

Amani Gold Limited (formally Burey Gold Limited) is an ASX-listed mineral exploration and development company, with its primary interest being a 55.25% holding in the Giro Gold Project in the DRC. The company was incorporated on 1 July 2005 and listed on the ASX on the 14 December 2006. Amani's registered office is in West Perth, Western Australia.

In September 2014 Amani completed the acquisition of an 85% interest in Amani Consulting SARL, a DRC-registered entity. Amani Consulting owns 65% of Giro Goldfields SARL, the DRC-registered company that holds the two exploration permits covering the Project. Under the terms of the shareholders' agreements, the Company is at this stage solely responsible for funding exploration activities. The remaining shareholders of Amani Consulting are Mr Simon Cong, with a 13.5% shareholding, and other individuals in the DRC who hold the other 1.5%.

In November 2019 Amani secured a Gold Dealer Licence in Tanzania via a 60% interest in Amago Trading Tanzania Limited ('Amago Trading'). The business, which trades gold sourced from local artisanal miners from the Geita region of Tanzania, curtailed in early 2020 due to the travel restrictions relating to COVID-19 and is currently in the process of being disposed.

Below is an outline of the corporate structure of Amani and its interest in the Project. Apart from the Amani Consulting subsidiary, the Company's other subsidiaries are largely dormant.


Source: Draft Notice of Meeting and Amani's 2022 Annual Report

We note that the Giro Gold Project has largely been funded by Amani, via intercompany loans extended to Amani Consulting and Giro Goldfields. The Company has advised us that these intercompany loans will not be directly impacted by the Proposed Transaction and that they will continue to remain outstanding to Amani following completion of the Proposed Transaction.

The current board of directors and senior management of Amani include:

- Peter Huljich – Non-Executive Chairman;
- Conrad Karageorge – Managing Director;
- Burt Li – Non-Executive Director;
- Campbell Smyth – Non-Executive Director; and
- James Bahen – Company Secretary.

### Giro Gold Project

The Giro Gold Project is located 35 kilometres ('km') outside of the town of Giro and approximately 1,750km northeast of the DRC's capital, Kinshasa. The Giro Gold Project sits across two exploration permits being Kebigada and Douze Match ('Douze'), in total covering 497 square kilometres ('km²').

The Project is owned by Giro Goldfields SARL ('Giro Goldfields') a private company registered the DRC. Giro Goldfields is jointly owned by Amani Consulting (65%), and a DRC state owned entity, La Société Minière De Kilo-Moto SA ('SOKIMO') (35% ownership). Amani currently holds an 85% interest in Amani Consulting and the first right of refusal over the remaining 15% interest in Amani Consulting. As a result, Amani's current effective interest in the Project is 55.25%.

Amani finalised the acquisition into Amani Consulting on 8 September 2014 from Amani Consulting SARL and Panex Resources Incorporated ('Panex') for a total of 118,073,001 shares, and 47,500,000 options in Amani and US$300,000 cash.

The Project had largely remained unexplored for over fifty years (since the Belgian colonial era) with no modern exploration done on the site up to December 2013 when Panex conducted a 57-hole drilling program, which confirmed mineralisation occurred on the site.

Since 2014 Amani has conducted an exploration program to drill the Project to further confirm the size of its mineralisation. In 2017, Beijing General Research Institute of Mining and Metallurgy ('BGRIMM') was appointed to commence a scoping study at Kebigada.

In March 2020 Amani announced an updated Indicated and Inferred Mineral Resources Estimate ('MRE') for the two permits of 132 million tonne ('Mt') at 1.04g/t of gold, for 4.4 million ounces ('Moz') of gold at a cut-off grade of 0.5g/t. The MRE was classified as Indicated and Inferred in accordance with the 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ('JORC'). A resource upgrade for the Kebigada deposit was subsequently announced on 28 March 2023, which also included a maiden measured resource of 32.9Mt at 0.99g/t of gold. As a result of the upgrade, the Project's JORC 2012 MRE increased to 149.2Mt at 0.99g/t of gold, for 4.7Moz of gold at a cut-off grade of 0.5g/t.

In December 2020 Amani advised that BGRIMM had commenced an update of the feasibility study for the Kebigada deposit. However, in December 2021 the Company announced this feasibility study had been deferred to allow for additional exploration and resource drilling.

As part of the December 2021 update, Amani provided a Joint Venture update. Under the Association Agreement formed in 2012 between Amani Consulting and SOKIMO, Amani had agreed with SOKIMO to defer the submission of the feasibility study to 30 June 2023. In consideration for this deferment, SOKIMO will be paid a monthly US$60,000 until the end of the deferment. Further, SOKIMO may request the termination of the Association Agreement after a six-month notice in the event where Amani Consulting fails to submit a feasibility study before 30 June 2023 and the parties fail to agree on an extension.

The Company's 2022 Annual Report outlined risks associated with the Project being sovereign risk, changes in government policy with a pending election due in 2023 and risks associated with prevention of access to the site by reason of political, civil unrest and disease outbreak. These challenges are brought about by the economic, social and political issues of operating the DRC, a nation that is consistently ranked as one of the poorest nations in the world (see Section 7.2 of this Report for further discussion).

Further information on the Project including the risks of operating in the DRC is detailed in the Independent Specialist Report contained in Appendix 3 of this Report.

## Recent Corporate Events

A private placement was announced on 10 September 2021 to raise $7,000,000 through the issue of 7,000,000,000 shares at $0.001 per share across two tranches. Each share issued also came with a free attaching listed option exercisable at $0.0015 and expiring on 15 January 2024. As part of the second tranche, Amani disclosed that it had received a firm commitment from Shining Mining Limited, a related entity of Mr Simon Cong for $1,750,000. However, on 20 December 2022, Amani announced that the funds from Shining Mining Limited were not received within the required time and as such, the issue of shares to Shining Mining Limited did not proceed. In aggregate, through the placement, the Company raised $1,000,000 through the issue of 1,000,000,000 shares and 500,000,000 listed options.

On 20 December 2021 Amani announced that Conrad Karageorge had been appointed to Chief Executive Officer via a consultancy agreement. He was previously Amani's Chief Operating Officer.

On 8 March 2022, Amani undertook a full repayment of all outstanding convertible notes issued to Neo Gold Limited ('Neo Gold') for a total of $2,191,670. Neo Gold was issued 2,100,000 notes with a face value of $1 per note, conversion price of $0.003 per share, a 2.5% interest rate, and an expiry of 29 January 2022. The notes were issued to Neo Gold on 29 January 2020.

On 11 March 2022, Simon Cong resigned as a director of the Company.

On 10 March 2023 Amani announced that Mr Klaus Eckhof had resigned as executive chairman effective immediately. Amani appointed Mr Peter Huljich to the position of non-executive chairman. As part of this announcement the Company also announced Mr Conrad Karageorge would join the board through the position of managing director.

## 5.2 Historical Statement of Financial Position

| Statement of Financial Position | Reviewed as at 31-Dec-22 $ | Audited as at 30-Jun-22 $ | Audited as at 30-Jun-21 $ |
|---|---|---|---|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 2,337,444 | 3,804,534 | 874,608 |
| Other receivables | 47,151 | 157,353 | 62,404 |
| Asset held for sale | 30,138,294 | - | - |
| TOTAL CURRENT ASSETS | 32,522,889 | 3,961,887 | 937,012 |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 2,402 | 22,674 | 30,231 |
| Exploration and evaluation expenditure | - | 28,785,048 | 22,611,498 |
| Right of Use Asset | 83,386 | 100,638 | - |
| TOTAL NON-CURRENT ASSETS | 85,788 | 28,908,360 | 22,641,729 |
| TOTAL ASSETS | 32,608,677 | 32,870,247 | 23,578,741 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 262,386 | 943,566 | 903,105 |
| Right of Use Liability | 27,702 | 27,702 | - |
| Interest-bearing convertible notes | - | - | 2,100,000 |
| TOTAL CURRENT LIABILITIES | 290,088 | 971,268 | 3,003,105 |
| NON-CURRENT LIABILITIES | | | |
| Right of Use Liability | 64,224 | 76,330 | - |
| TOTAL NON-CURRENT LIABILITIES | 64,224 | 76,330 | - |
| TOTAL LIABILITIES | 354,312 | 1,047,598 | 3,003,105 |
| NET ASSETS | 32,254,365 | 31,822,649 | 20,575,636 |
| EQUITY | | | |
| Contributed equity | 94,686,607 | 92,994,343 | 80,352,042 |
| Reserves | 12,790,010 | 13,582,891 | 12,258,954 |
| Accumulated losses | (62,163,779) | (61,842,373) | (58,770,006) |
| Non-controlling interest | (13,058,473) | (12,912,212) | (13,265,354) |
| TOTAL EQUITY | 32,254,365 | 31,822,649 | 20,575,636 |

Source: Reviewed financial statements of Amani for the half-year ended 31 December 2022 and the Company's audited financial statements for the financial years ended 30 June 2022 and 30 June 2021.

The Company's auditor emphasised a material uncertainty for Amani to continue as a going concern, in its audit reports for the financial years ended 30 June 2022 and 30 June 2021 and in its review report for the half-year ended 31 December 2022. The Company's ability to continue as a going concern was dependent upon several factors including its ability to raise additional funding from shareholders or other parties, its ability to reduce expenditure in line with available funding and the completion of the Proposed Transaction. However, the audit opinion was not modified in respect of that matter.

- Cash and cash equivalents decreased from $3.80 million as at 30 June 2022 to $2.34 million as at 31 December 2022. This reduction was primarily driven by capital expenditure on the Project ($1.56 million) and payments to Amani's suppliers and employees ($0.89 million), partially offset by the December 2022 placement which raised $1.00 million before costs.
- The asset held for sale line item relates to Amani's interest in Amani Consulting which was reclassified following the announcement of the Proposed Transaction. The reclassification also resulted in reductions in the property, plant and equipment and the exploration and evaluation expenditure balance as at 31 December 2022.

- The interest-bearing convertible notes liability of $2.10 million as at 30 June 2021 was fully repaid to Neo Gold Limited during the 2022 financial year.

## 5.3 Historical Statement of Profit or Loss and Other Comprehensive Income

| Statement of Profit or Loss and Other Comprehensive Income | Reviewed for the year ended 31-Dec-22 $ | Audited for the year ended 30-Jun-22 $ | Audited for the year ended 30-Jun-21 $ |
|---|---|---|---|
| Revenue from continuing operations | 27,234 | 901 | 48,536 |
| Cost of sales | - | - | - |
| Gross profit | 27,234 | 901 | 48,536 |
| Consultants and corporate costs | (308,142) | (1,350,247) | (706,387) |
| Employee benefits expense | (205,598) | (382,746) | (822,345) |
| Share-based payments expense | (271,800) | (2,323,666) | (719,445) |
| Depreciation expense | (23,632) | (29,868) | (32,039) |
| Occupancy expenses | (27,649) | (155,622) | (112,362) |
| Travel expenses | (20,857) | (27,405) | (2,305) |
| Foreign exchange gain/(loss) | (1,454) | (80,396) | (137,926) |
| Impairment of exploration and evaluation assets | (2,663) | (3,655) | (1,014,806) |
| Loss before income tax | (834,561) | (4,352,704) | (3,499,079) |
| Income tax (expense)/benefit | - | - | - |
| Loss for the period from continuing operations | (834,561) | (4,352,704) | (3,499,079) |
| Gain/(loss) from discontinued operations | (321,337) | (393,453) | (689,131) |
| Total comprehensive loss for the period, net of tax | (1,155,898) | (4,746,157) | (4,188,210) |

Source: Reviewed financial statements of Amani for the half-year ended 31 December 2022 and the Company's audited financial statements for the financial years ended 30 June 2022 and 30 June 2021.

The Company's auditor emphasised a material uncertainty for Amani to continue as a going concern, in its audit reports for the financial years ended 30 June 2022 and 30 June 2021 and in its review report for the half-year ended 31 December 2022. The Company's ability to continue as a going concern was dependent upon several factors including its ability to raise additional funding from shareholders or other parties, its ability to reduce expenditure in line with available funding and the completion of the Proposed Transaction. However, the audit opinion was not modified in respect of that matter.

- The sharp decrease in revenue from $48,536 during the financial year ended 30 June 2021 to $901 for the following financial year was driven by the Company's gold trading business in Tanzania ceasing due to COVID-19 and travel restrictions.
- Share-based payments increased from $0.72 million as at 30 June 2021 to $2.32 million as at 30 June 2022. This is a result of the Company choosing to record share-based payments as an expense rather than equity as share issue costs related to a capital raising. A total of $1,668,231 of equity incentives was issued to board members in 2022.
- An impairment of $1.01 million was recognised during the financial year ended 30 June 2021 following the Company's decision to abandon the Gada project.

## 5.4 Capital Structure

The share structure of Amani as at 15 June 2023 is outlined below:

| | Number |
|---|---|
| Total ordinary shares on issue | 25,143,441,125 |
| Top 20 shareholders | 19,512,497,459 |
| Top 20 shareholders - % of shares on issue | 77.60% |

Source: Shareholder registry data from Amani management

The range of shares held in Amani as at 15 June 2023 is as follows:

| Range of Shares Held | No. of Ordinary Shareholders | No. of Ordinary Shares | Percentage of Issued Shares (%) |
|---|---|---|---|
| 1 - 1,000 | 76 | 11,734 | 0.00% |
| 1,001 - 5,000 | 86 | 271,029 | 0.00% |
| 5,001 - 10,000 | 134 | 1,122,244 | 0.00% |
| 10,001 - 100,000 | 675 | 30,364,089 | 0.12% |
| 100,001 - and over | 2,890 | 25,111,672,029 | 99.87% |
| TOTAL | 3,861 | 25,143,441,125 | 100.00% |

Source: Shareholder registry data from Amani management

The ordinary shares held by the most significant shareholders as at 15 June 2023 are detailed below:

| Name | No. of Ordinary Shares | Percentage of Issued Shares (%) |
|---|---|---|
| Citcorp Nominees Pty Limited | 5,290,772,053 | 21.04% |
| BNP Paribas Pty Limited | 2,669,199,883 | 10.62% |
| HSBC Custody Nominees Limited | 2,558,558,488 | 10.18% |
| McNeil Nominees Pty Limited | 1,843,785,789 | 7.33% |
| BNP Paribas Pty Limited ACF Clearstream | 1,553,921,121 | 6.18% |
| Subtotal | 13,916,237,334 | 55.35% |
| Others | 11,227,203,791 | 44.65% |
| Total ordinary shares on Issue | 25,143,441,125 | 100.00% |

Source: Shareholder registry data from Amani management

A summary of the list of Amani's options and performance rights on issue as at 15 June 2023 are outlined below:

| Description | No. of Options/Rights |
|---|---|
| Listed options with an exercise price of $0.015 expiring on 15 January 2024 | 9,480,182,637 |
| Unlisted Performance Rights with $nil exercise price: | |
| Performance rights expiring 15 December 2026 which vest upon the Company's daily volume weighted average share price meeting or exceeding a vesting share price of $0.002 over a minimum of 20 trading days. | 400,000,000 |
| Performance rights expiring 15 December 2026 which vest upon the Company's daily volume weighted average share price meeting or exceeding a vesting share price of $0.003 over a minimum of 20 trading days. | 400,000,000 |

| Description | No. of Options/Rights |
|---|---|
| Performance rights expiring 22 December 2027 which vest upon the Company completing and releasing a JORC 2012 compliant pre-feasibility study for the Company's Giro Gold Project to the market. | 450,000,000 |
| | 1,250,000,000 |
| Total number of options and performance rights | 10,730,182,637 |

Source: Shareholder registry data from Amani management

# 6. Profile of Mabanga Shining

## 6.1 History

At the time of the announcement of the Proposed Transaction, Mabanga Mining was disclosed as the identity of the acquirer. Subsequently however, the Company engaged a legal firm to provide a legal opinion in connection with the Proposed Transaction, and it was determined that, due to an administrative oversight, the acquirer is actually Mabanga Shining. Mabanga Shining is a DRC-registered private entity with a sole shareholder by the name of Patrick Muyembe. Amani further advised that, although Mr Simon Cong is not a shareholder in Mabanga Shining, he is an associate of that entity.

Mr Cong was appointed to the board of Amani on 27 August 2020 and resigned on 11 March 2022. Mr Cong is the sole shareholder of Shining Mining Limited, a current top twenty shareholder of Amani.

As outlined by Amani in its announcement of the Proposed Transaction on 7 February 2023, Simon Cong has familiarity with the Project, experience with similar projects within the DRC and past experience in raising funds.

# 7. Economic analysis

Amani is exposed to the risks and opportunities of the Australian and the DRC market due to its listing on the ASX and DRC asset base. Accordingly, we have presented an analysis on the Australian and DRC economies.

## 7.1 Australian economic analysis

### Overview

In its June 2023 Monetary Policy Decision, the Reserve Bank of Australia ('RBA') Board decided to increase the cash rate by 25 basis points to 4.10%. The Board additionally raised the interest paid on Exchange Settlement Balances by 25 basis points to 4.0%. Since May 2022, the RBA has executed monthly cash rate rises at each of its meetings, with the exception of April 2023, where the RBA decided to hold interest rates steady to provide additional time to assess the impact of the recent interest rate rises on the economy. Despite a welcome decline in inflation, in both its May and June 2023 meetings, the RBA increased the cash rate with the intention to return inflation to its target range in an accelerated timeframe.

Inflation was 7.8% over the 2022 calendar year, the highest year-end inflation figure since 1990, and significantly higher than the RBA's inflation target of 2-3%. The RBA has stated that the monthly consumer price index ('CPI') indicator suggests inflation has since peaked in Australia, with the growth in CPI declining to 7.0% over the twelve months to March 2023. However, at 7.0%, inflation remains too high, and the RBA predicts it will be some time before it returns to target levels.

The RBA has stated that the economic growth has slowed. Currently, the combination of heightened interest rates and cost-of-living pressures is leading to a substantial deceleration in household spending. Housing prices are rising again and some households have substantial savings buffers, although others are experiencing a significant squeeze on their finances. Australia's gross domestic product ('GDP') is anticipated to increase by 1.25% over the remainder of 2023 and by 2% over the year to mid-2025.

The rebound from the COVID-19 pandemic waned throughout 2022, contributing to a slowdown in the global economy. Like many advanced economies, high inflation and energy prices have weighed on demand in Australia. In addition, in 2023 and 2024, it is anticipated that GDP growth in Australia's key trading partners will remain substantially below historical norms. However, downside risks to growth in the major global economies have lessened in recent months, helped by China's reversal of its COVID-19 measures in December 2022, which has diminished such risks and stabilised the supply chain recovery trajectory.

The recent banking system crisis in the United States and Switzerland has resulted in volatility in financial markets and a reassessment of the outlook for global interest rates. These problems are also expected to influence tighter financial conditions, forming an additional headwind for the global economy. However, the RBA considers the Australian banking system to be strong, well capitalised and highly liquid. It is, therefore, well placed to provide the credit that the economy needs.

Since November 2022, the size of the balance sheet remains little changed, declining slightly to around $600 billion as at mid-June 2023. The RBA's balance sheet is expected to decline more significantly over the coming years as funding provided under the Term Funding Facility and the RBA's government bond holdings mature.

Conditions in the labour market have eased, although remain very tight. Employment growth has moderated and the unemployment rate has increased slightly to 3.7% in April 2023. Both job vacancies and job advertisements are at high levels but have fallen recently. Notwithstanding, many firms continue to express difficulty hiring workers, although some report an easing in labour shortages, as job vacancies have plateaued in recent months. As economic growth slows, the unemployment rate is expected to gradually rise, reaching 4.5% by mid-2025.

Wage growth has accelerated, particularly in the private sector, in response to the tight labour market and high inflation. The RBA expects wage growth in the public sector to pick up further. The RBA states at the aggregate level, wages growth is in line with the inflation target, provided productivity growth picks up. The RBA remains alert to the risk of a prices-wages spiral, given the limited spare capacity in the economy and the historically low rate of unemployment, and will continue to pay close attention to both the evolution of labour costs and the price-setting behaviour of firms.

### Outlook

Economic growth in Australia is forecast to be hampered by rising interest rates, higher living costs and declining real wealth. As a result, the forecast declining trajectory of inflation in Australia remains uncertain and the high inflation environment is expected to continue weighing on real household incomes for the short term. The composition of inflation in Australia is also likely to shift, with higher inflation expected in more persistent and non-discretionary items, such as rent, in the coming years. However, despite inflationary concerns, aggregate household incomes have been sustained by solid labour demand, which has underpinned the health of household balance sheets. Although the balance of risks has improved in recent months, the pathway forward remains uncertain, with upside and downside scenarios equally plausible.

Mineral resource exploration and development companies are not immune to the effects of inflation, with rising drilling and corporate costs impacting the level of capital required to fund exploration programs. Additionally, a tight labour market may make it more difficult for explorers to source labour and advance exploration.

Sources: www.rba.gov.au Statement by Phillip Lowe, Governor: Monetary Policy Decision dated 6 June 2023 and prior periods, www.rba.gov.au Statement on Monetary Policy May 2023 and prior periods, Bloomberg and BDO analysis.

## 7.2 The DRC economic analysis

Amani is exposed to the risks and opportunities of the DRC due to the Project being based in the DRC.

### Overview

The DRC is endowed with significant resource wealth, however a long history of conflict, political upheaval and instability, and authoritarian rule have led to a grave, ongoing humanitarian crisis. In addition, there has been forced displacement of populations. These features have not changed significantly since the end of the Congo Wars in 2003.

In the 2020 Human Capital Index, the World Bank ranked the DRC at number 164 out of 174 countries, reflecting the economic, social and political challenges that the nation faces. DRC is among the five poorest nations in the world. In 2022, nearly 62 % of Congolese, around 60 million people, lived on less than US$2.15 a day.

The DRC economic growth was estimated to be 8.6% in 2022. The mining sector remains the key driver of economic growth supported by higher commodity prices and higher public investment. While the World Bank's medium-term outlook for the DRC is favourable with growth estimated at 7.5% by 2025, its economy remains vulnerable to commodity prices and growth of its major trading partners which may be impacted by geopolitical conflicts. Combined with the rising global food and energy costs exacerbated by the war in Ukraine, the poverty and inequality faced by residents may worsen.

Inflation has risen in the DRC to 17.0% in March 2023 from 16.8% in February 2023. The Central Bank for the DRC has increased policy rates to 9.0% on 22 March 2023, an increase of 75 basis points. The bank has taken this position due to the accelerated inflation due to strong domestic demand and increased food prices.

The 2023 election is expected to be held at the later part of the year and is forecast to increase public spending to 1.5% in 2023. However, the security situation in North Kivu and Ituri provinces has deteriorated, with fighting between the army and armed groups forcing thousands to flee, further causing more uncertainty. A decline in commodity prices, the Russian-Ukraine conflict, and security issues could undermine the outlook of the nation.

### The DRC Mining Code

Following the commencement of a revision process in 2012, the DRC passed a new Mining Code was approved by both houses on 27 January 2018. Some key changes to the modified Mining Code include:

- an increase in the DRC Government-owned free carried, non-dilutable equity interest from 5% to 10%, for new permit applications, increased by 5% each time a permit is renewed. For existing permit holders, the equity interest will increase by 5% on each renewal of a mining licence;

- an increase in royalties from 2.0% to 3.5% for non-ferrous and base metals, and from 2.5% to 3.5% for precious metals (calculated on the gross market value of the products);
- a new 10% royalty on minerals deemed to be 'Strategic Substances', which include cobalt (as declared on 24 November 2018);
- The creation of special 50% tax on excess profits, defined as profits made when a commodity exceeds by 25% the prices used in the bankable feasibility study; and
- the reduction of exploitation licenses from 30 to 25 years.

Source: World Bank 2022 *Africa Economic Update, The World Bank in DRC Overview*, Bloomberg, Norton Rose Fulbright, '*Major changes to the mining code of the Democratic Republic of Congo*', Focus Economics '*DR Congo Economic Forecast'* May 2023.

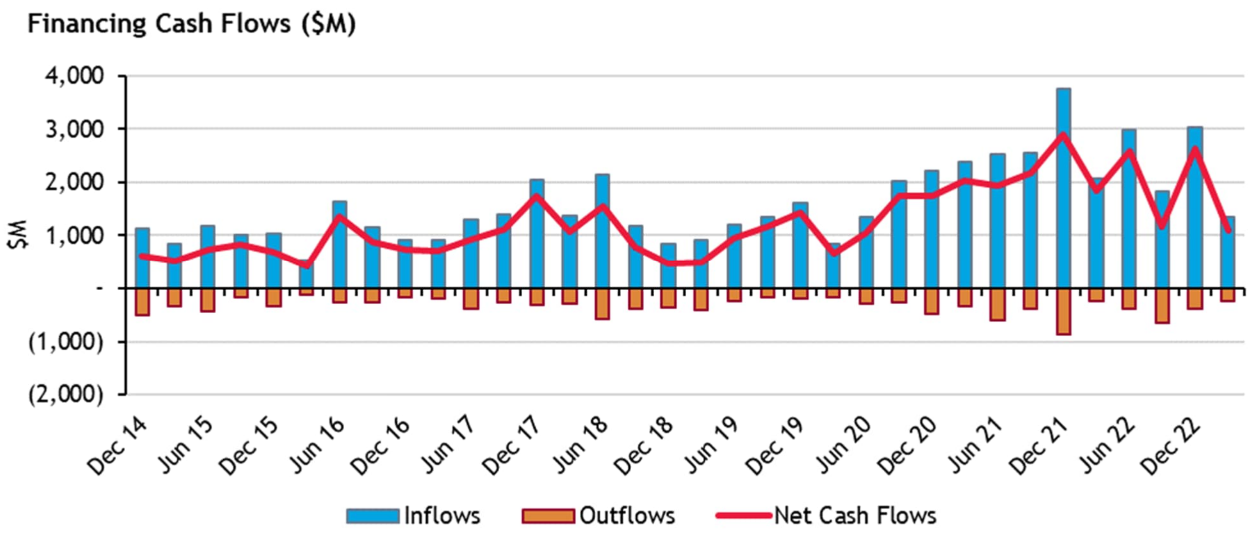
# 8. Industry analysis

Amani is exposed to the risks and opportunities effecting the gold industry with its sole project being focused on the development and exploration of gold.

## 8.1 Exploration sector

BDO reports on the financial health and cash positions of ASX-listed exploration companies based on the quarterly Appendix 5B reports lodged with the ASX. ASX-listed mining and oil and gas exploration companies are required to lodge an Appendix 5B report each quarter, outlining the company's cash flows, their financing facilities available and management's expectation of future funding requirements. BDO's report for the March quarter of 2023 suggests that volatile financial markets have constrained the ability of the sector to raise funds, which in turn, has resulted in subdued operations and investment.

Financing cash inflows for the March 2023 quarter declined 55%, reaching $1.35 billion, while the average financing inflows per company dipped by 53% when compared to the two-year average. Notably, the proportion of companies raising over $1 million decreased as smaller-scale fund raises became more prominent. The observed trends indicate a distinct decline in the capacity to secure funding, which BDO attributes to growing stringency of prevailing market conditions.

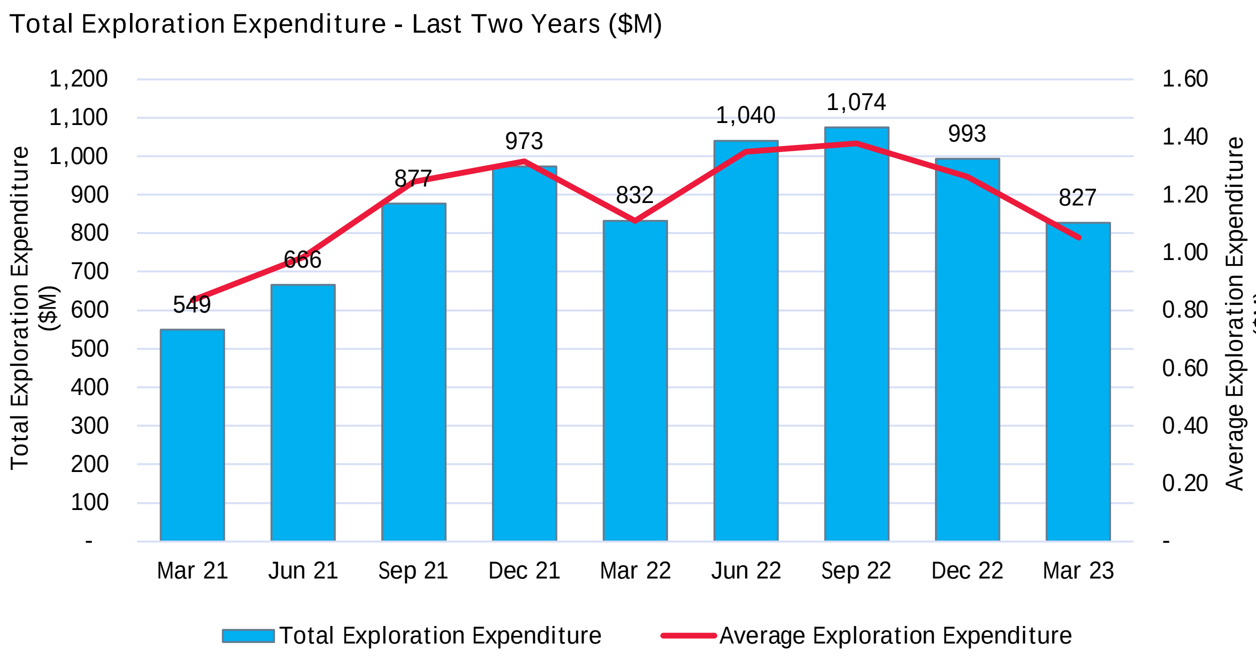



Source: BDO Explorer Quarterly Cash Update: March 2023

In the March 2023 quarter, 34 companies (which we have termed 'Fund Finders') raised capital exceeding $10 million, down from 51 in the previous quarter. The Fund Finders still underpinned the financing inflows for the March 2023 quarter, contributing 69% of the total funds raised by the sector, marginally down from the 76% in the December 2022 quarter. Within these fund raisings, gold explorers raised the most funds over the March 2023 quarter as persistent inflation, geopolitical uncertainty and market volatility continued to drive demand. Lithium and graphite explorers sourced the second and third most funds, respectively, as part of their application in the lithium-ion batteries and the EV supply chain.

Explorers' cash positions showed resilience despite the upward inflationary pressure, with the average cash balance declining from $11.1 million in the December 2022 quarter to $10.2 million at the end of the March 2023 quarter. The overall cash position still remained strong when compared to historical levels, with 81% of exploration companies reporting a cash balance of over $1 million as at 31 March 2023, which is still significantly above the historical averages since the commencement of BDO's analysis in the June 2013 quarter.

Total exploration expenditure declined for the second consecutive quarter, receding from the record $1 billion spend in the June and September quarters of 2022. The March 2023 quarter's $827 million exploration spend represented a 17% decrease from the December 2022 quarter, with explorers seeking to manage their expenses more efficiently considering the rise in exploration costs and potentially subdued access to future funding. The average exploration spend per company reached a new low of $1.05 million since June 2021, but the range between $1.05 million and $1.38 million over the past year, remained high relative to historical levels.




Source: BDO Explorer Quarterly Cash Update: March 2023

The top ten exploration spending companies comprised four lithium companies, three oil and gas companies, two gold companies and one nickel-copper company. Gold and oil and gas typically account for the largest portion of the top 10 exploration spends, however, this quarter, we have also observed growth in exploration spending for lithium that has likely been driven by the sustained demand for renewable energy sources to meet future requirements.

The results from the March 2023 quarter show that despite the noticeable industry wide slowdown due to deteriorating global macroeconomic conditions, including inflation and wavering commodity prices, the sector has shown resilience and adaptability. Gold has remained a popular safe haven investment, whilst Government incentives supporting critical minerals explorers and the anticipated growth in the electric vehicle industry has seen sustained investor interest towards battery metals. The Australian gold mining sector remains in a favourable position given the current economic circumstances and its continuing ability to attract funding.

Source: BDO Explorer Quarterly Cash Update: March 2023 and prior releases.

## 8.2 Gold

Gold is a soft malleable metal which is highly desirable due to its rarity, permanence, and unique mineral properties. Gold has been used in jewellery and as a form of currency for thousands of years, however more recently, there has been increasing demand for its use in the manufacture of electronics, dentistry, medicine, and aerospace technology.

In addition to its practical applications, gold also serves as an international store of monetary value. Gold is widely regarded as a monetary asset as it is considered less volatile than world currencies and therefore provides a safe haven investment during periods of economic uncertainty.

The nature of the ore deposit determines the mining and mineral processing techniques applied. Gold contained in oxide ore deposits are typically of low grade and are simple to extract and readily amenable by cyanidation. Consequently, highly disseminated gold can be contained within sulphide minerals which require mining, crushing, grounding and to be followed by gravity separation to recover the gold, subject to flotation to concentrate the sulphide mineral fraction containing the gold. Inherently, the costs associated with the treatment of oxide ore are significantly less than of sulphide ores.

Once mined, gold continues to exist indefinitely and is often melted down and recycled to produce alternative or replacement products. Consequently, demand for gold is supported by both gold ore mining and gold recycling. A summary of the recent historical supply of gold is provided in the table below:

| Gold supply (tonnes) | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|
| Mine production | 3,573 | 3,655 | 3,594 | 3,474 | 3,570 | 3,612 |
| Net producer hedging | (26) | (12) | 6 | (39) | (23) | (2) |
| Recycled gold | 1,112 | 1,132 | 1,276 | 1,293 | 1,136 | 1,144 |
| Total supply | 4,660 | 4,775 | 4,876 | 4,728 | 4,683 | 4,755 |

Source: World Gold Council 2022 Statistics, 31 January 2023

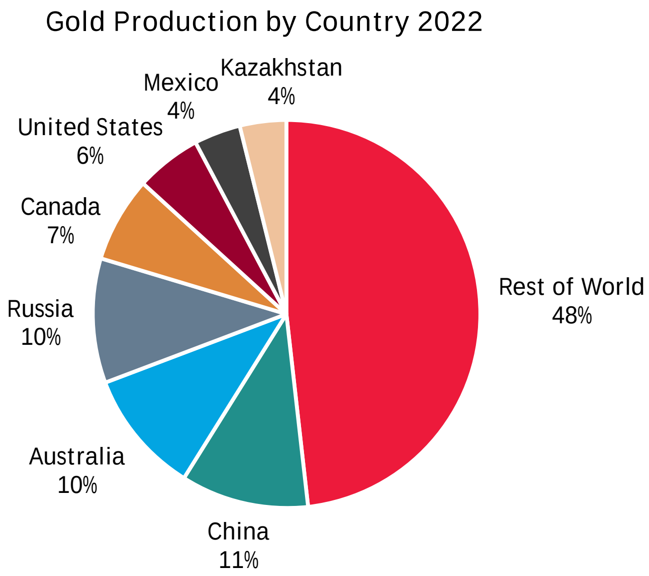
Historically, the price of gold is negatively correlated to the prices of other asset classes during times of uncertainty and financial crises. Growing uncertainty on the back of the COVID-19 outbreak caused the price of gold to rally, as investors demanded the high liquidity that gold provides.

The World Gold Council expects that the interplay between financial uncertainty, rising interest rates, high inflation, weakening global economic growth and gold price volatility will continue to drive gold demand in the near term.

## Gold ore mining trends

Gold ore mining is a capital intensive and high-cost process, which becomes increasingly difficult and more expensive as the quality of ore reserves diminish. The industry also incurs many indirect costs related to exploration, royalties, overheads, marketing and native title law. Typically, many of these costs are fixed in the short term as a result of industry operators' inability to significantly alter cost structures once a mine commences production.

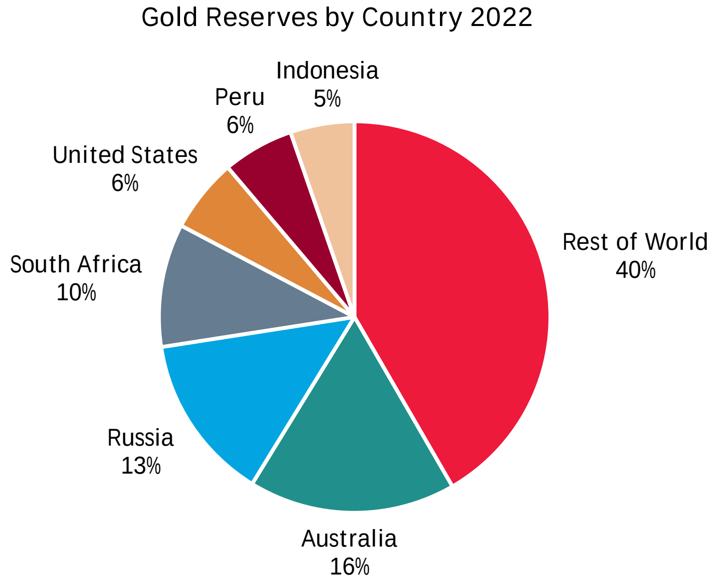
The gold industry is geographically diverse as China, Australia and Russia lead global gold production. According to the USGS, total estimated global gold ore mined for 2022 was approximately 3,090 metric tonnes. The chart below illustrates the estimated global gold production by country for 2022.




Source: 2023 USGS and BDO analysis

According to the World Gold Council, global gold production fell by 7% in 2021 following the prolonged effects of COVID-19 creating global investor uncertainty. The decrease in supply was hardest felt in the United States as production fell by 13%, whilst production also fell by 5% in Russia.

Despite China leading global gold production in 2022, Australia, Russia and South Africa hold the largest known gold reserves globally. As depicted below, the USGS estimates that collectively, these three countries account for approximately 39% of global gold reserves.

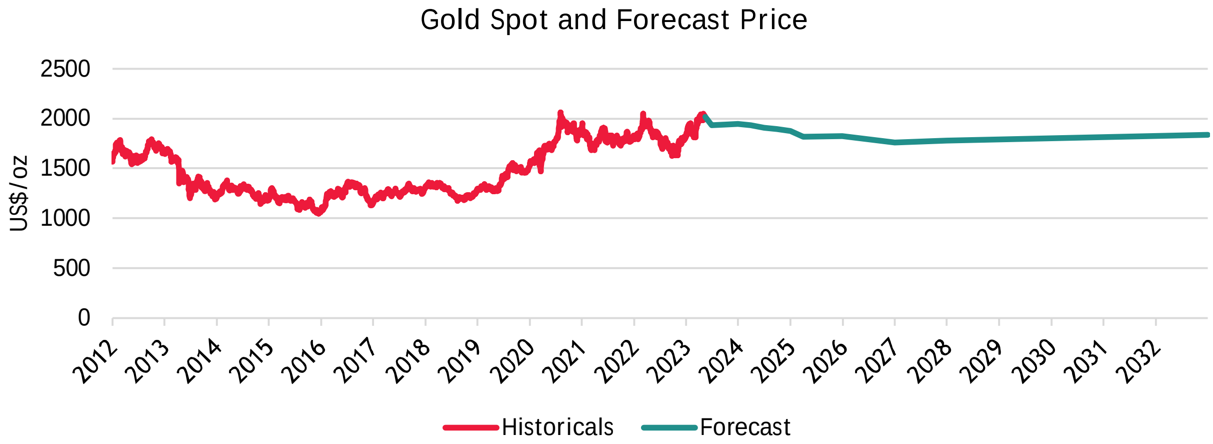



Source: 2023 USGS and BDO analysis

According to the 2023 USGS, Australia's gold reserves amount to 8,400 tonnes, representing 16% of global reserves and the largest percentage held by any one country. IBISWorld estimates domestic industry revenue will fall by an annualised 0.8% over the five-year period through to 2026-27, to approximately $32 billion. This is largely expected to be the result of a forecast decline in domestic gold prices and a stronger Australian dollar.

## Gold prices

The gold spot price since 2013 and forecast prices through to 2032 are depicted in the graph below.




Source: Bloomberg and Consensus Economics

The price of gold was around US$1,500 at the start of 2013, before entering a declining trend. The downturn represented the beginning of a correction in the gold price, which had almost tripled in the two-year period prior to the European crisis in 2011. Over the period from 2014 through to 2019, the gold price fluctuated primarily between US$1,100 and US$1,400.

Gold prices fluctuated significantly throughout 2020. Demand for gold increased in response to the uncertainty created by the global spread of COVID-19, as investors prioritised safe haven assets. In late March 2020, the increasing demand for gold was interrupted by a panic selloff as investors began to realise their profits amidst the growing uncertainty caused by the crisis. Gold spot prices fell to a yearly low of US$1,471, before rallying in late July and early August to exceed US$2,000. The COVID-19 crisis was the primary driver of the gold price, as central banks injected trillions of dollars into financial markets and investors prioritised safe haven assets. Additionally, the prevailing low interest rate environment across 2020 increased access to capital, which further spurred investment in gold.

Through to early January 2021, the price of gold increased as a result of further fallout from the US Election, climbing back over US$1,900 after remaining in the US$1,800s through most of December 2020. For the rest of 2021, the price of gold traded between US$1,600 and US$1,900 as demand fluctuated throughout the year. Rising US treasury yields initially threatened gold's appeal as an inflation hedge by increasing the opportunity cost of holding the precious metal. However, concerns regarding the spread of the Delta variant increased gold's safe haven appeal, and subsequently, the price of gold climbed back above the US$1,800 mark in early July 2021. This was quickly reversed in the following months as the US Federal Reserve signalled policy tightening sooner than anticipated which drove US treasury yields and a stronger US dollar. Towards the end of the year, gold prices significantly strengthened following the US Federal Reserve's announcement to reduce purchases of Government bonds and the release of US inflation data which revealed an annualised inflation rate of 6.2%, its highest level since 1990.

The invasion of Ukraine by Russia in February 2022 saw gold prices reach a 15-month high, with prices climbing above US$1,900 and peaking at US$2,039 during March, in response to a number of economic sanctions on Russia and the release of US inflation data which indicated an annualised inflation rate of 8.5%. In May 2022, the price of gold weakened to US$1,800 following the US Federal Reserve's aggressive monetary tightening in an attempt to control rising inflation. On 26 September 2022, the price of gold was at its lowest since 30 April 2020 at US$1,622. Since the low in September 2022, the gold price has been on a general incline, reaching US$1,904 in mid-March 2023. According to Consensus Economics, the gold price rally from September 2022 is attributed to a combination of slowing US inflation, depreciation of the US dollar, and increased gold demand by central banks for reserve diversification. Given the current geopolitical climate, continued volatility of the gold price is expected for the short term.

In March 2023, Credit Suisse Group AG secured a US$54 billion bailout from the Swiss National Bank after poor performance lost the company 75% of its value in the 12 months prior. In the same month, federal regulators in the US closed Silicon Valley Bank when the lender was unable to meet demands from depositors for their money, as a result of having a high proportion of uninsured deposits invested in hold-to-maturity securities.

Early April 2023 saw gold prices surpass US$2,000 as investors speculated a nearing of the end of interest rate tightening in the US. The increased viability of gold as a hedge against current inflation and emerging market central banks continuing to purchase gold to diversify from the US dollar and US bonds have also contributed to the price hike. Gold continues to be a safe haven asset relied upon during times of volatility.

Consensus Economics forecasts the price of gold to exhibit a declining trend over the period to the end of 2026, from which point it is expected to stabilise over the longer term and remain high in comparison to historical levels. Future price movements are expected to depend on interest rates, inflation and the extent to which geopolitical risks resurface.

Source: Bloomberg, Consensus Economics, IBISWorld, World Gold Council and Reuters

## 9. Valuation approach adopted

There are a number of methodologies which can be used to value a business or the shares in a company. The principal methodologies which can be used are as follows:

- Capitalisation of future maintainable earnings ('FME')
- Discounted cash flow ('DCF')
- Quoted market price basis ('QMP')
- Net asset value ('NAV')
- Market based assessment

A summary of each of these methodologies is outlined in Appendix 2.

### Valuation of Amani's 85% interest in Amani Consulting

Different methodologies are appropriate in valuing particular companies, based on the individual circumstances of that company and available information. It is possible for a combination of different methodologies to be used together to determine an overall value where separate assets and liabilities are valued using different methodologies. When such a combination of methodologies is used, it is referred to as a 'sum-of-parts' ('Sum-of-Parts') valuation.

The approach using the Sum-of-Parts involves separately valuing each asset and liability of the company. The value of each asset may be determined using different methods as described above.

In our assessment of the value of Amani's 85% interest in Amani Consulting, we have chosen to employ the Sum-of-Parts as our methodology, which estimates the market value of a company by assessing the realisable value of its identifiable assets and liabilities. The value of each asset and liability may be determined using different methods and the component parts are then aggregated using the NAV methodology.

We have employed the Sum-of-Parts method in estimating the fair market value of Amani's 85% interest in Amani Consulting, having consideration to the:

- Value of Amani Consulting's 65% interest in the Project, as valued by independent technical specialist, SRK Consulting (Australasia) Pty Ltd ('SRK'). Further details of the valuation methodologies employed by SRK can be found in its report contained in Appendix 3; and
- Value of Amani Consulting's other assets and liabilities using the NAV approach.

We have chosen these methodologies for the following reasons:

- The core value of Amani Consulting lies in its 65% interest in the Project. The Project is currently not producing, nor generating revenues or cash flows for Amani. Therefore, we have commissioned SRK as the independent technical specialist to value Amani's interest in the Project. This value has been combined with the value of Amani Consulting's other assets and liabilities assessed using the NAV approach. Hence, we consider the Sum-of-Parts approach to be an appropriate methodology to use in assessing the value of the 85% interest in Amani Consulting;
- The Project's mineral assets have no material level of foreseeable future net cash inflows on which either SRK or BDO would have sufficient reasonable grounds in accordance with RG 170 and ASIC's IS 214 therefore the application of the DCF approach is not appropriate; and
- The FME methodology is most commonly applicable to profitable businesses with steady growth histories and forecasts. Amani Consulting does not have a history of generating profits as the Project

has yet to enter production. Furthermore, the FME methodology is also not considered appropriate for valuing finite life assets such as mining assets.

- The QMP basis is a relevant methodology when a company's shares are publicly listed, therefore reflecting the value that a Shareholder will receive for a share sold on market. It requires a regulated and observable market for which a company's shares can be traded. In order for a QMP to be considered appropriate, the company's shares should be liquid and the market should be fully informed on the company's activities. Although Amani is a public company trading on the ASX, Amani Consulting itself is not a listed entity and therefore the QMP methodology is not considered appropriate for valuing the asset.

We do not consider there to be a secondary valuation methodology that is appropriate to adopt in our valuation of Amani's 85% interest in Amani Consulting. However, SRK has had regard to several valuation methodologies in forming its valuation opinion of the Project, which forms the core of the value of Amani Consulting. SRK has considered the market based assessment, yardstick approach and a cost based approach in its valuation of the Project, further details of which are contained in the Independent Specialist Report ('ISR') contained in Appendix 3. SRK does not consider an income based approach to be appropriate to value the Project given the current phase of development it is in.

## Technical Expert

In performing our valuation of the Project held by Amani Consulting, we have relied on the ISR prepared by SRK, which includes an assessment of the market value of the Project.

We instructed SRK to provide an independent market valuation of the Project held by Amani. SRK considered a number of different valuation methods when valuing these assets. SRK's ISR has been prepared in accordance with the Australasian Code for Public Reporting of Technical Assessments and Valuation of Mineral Assets (2015 Edition) ('VALMIN Code') and the JORC Code.

We are satisfied with the valuation methodologies adopted by SRK, which we believe are in accordance with industry practices and are compliant with the requirements of the VALMIN Code. The specific valuation methodologies used by SRK are referred to in the respective sections of our Report and in further detail in the ISR attached as Appendix 3.

## Valuation of the Consideration

As detailed in Section 4, the US$30 million Consideration is payable across four tranches, the last of which occurs in the third year following the initial First Tranche payment. To account for the time value of money, we have discounted the USD payments based on the timing of the four payment tranches, at the relevant US Treasury rates. We then converted the present value of the four tranche of payments into an AUD equivalent by applying the prevailing exchange rate.

We have used the US Treasury rates as a proxy for the risk-free rate given the Sale Shares remain in escrow until the final Fourth Tranche payment has been made. Should Mabanga Shining default on its obligations prior to completion to the final Fourth Tranche payment, Amani will be able to hold the Sale Shares in escrow as security and will maintain its ownership in the Sale Shares and the Project. Due to this mechanism, we have not applied a discount rate that is reflective of the counterparty risk in our valuation of the deferred payments.

The total present value of the Consideration is then reduced by the estimated capital gains tax payable. Amani has sourced taxation advice from Grant Thornton Australia Limited ('Grant Thornton'). Grant Thornton has estimated the total tax payable to be $676,828, subject to Amani satisfying the continuity of ownership test as set by the Australian Taxation Office.

# 10. Valuation of Amani's 85% interest in Amani Consulting

## 10.1 Sum-of-Parts Valuation

We have employed the Sum-of-Parts methodology in estimating the fair market value of Amani's 85% interest in Amani Consulting, by aggregating the value of Amani Consulting's 65% interest in the Project and the value of its other assets and liabilities, and pro-rating for an 85% interest.

This is summarised in the table and accompanying discussion below:

| Value of 85% interest in Amani Consulting | Note | Reviewed as at 31-Dec-22 | Low value | Preferred value | High value |
|---|---|---|---|---|---|
| | | $ | $ | $ | $ |
| CURRENT ASSETS | | | | | |
| Cash and cash equivalents | a | 229,978 | 443,521 | 443,521 | 443,521 |
| Receivables | b | 76,358 | 100,992 | 100,992 | 100,992 |
| TOTAL CURRENT ASSETS | | 306,336 | 544,513 | 544,513 | 544,513 |
| NON-CURRENT ASSETS | | | | | |
| Plant and equipment | | 17,714 | 17,714 | 17,714 | 17,714 |
| Exploration and evaluation expenditure | c | 15,721,598 | 73,000,000 | 73,000,000 | 112,000,000 |
| TOTAL NON-CURRENT ASSETS | | 15,739,312 | 73,017,714 | 73,017,714 | 112,017,714 |
| TOTAL ASSETS | | 16,045,648 | 73,562,227 | 73,562,227 | 112,562,227 |
| CURRENT LIABILITIES | | | | | |
| Trade and other payables | b | 483,389 | 523,014 | 523,014 | 523,014 |
| TOTAL CURRENT LIABILITIES | | 483,389 | 523,014 | 523,014 | 523,014 |
| NON-CURRENT LIABILITIES | | | | | |
| Loans: | | | | | |
| Loan from Simon Cong | d | 1,438,443 | 1,451,944 | 1,451,944 | 1,451,944 |
| Intercompany loan from Amani | d | 36,757,351 | 39,897,627 | 39,897,627 | 39,897,627 |
| Intercompany loan from Panex | d | 1,405,163 | 1,405,163 | 1,405,163 | 1,405,163 |
| Intercompany loan from Amani Minerals (HK) Limited | d | 222,226 | 224,312 | 224,312 | 224,312 |
| Intercompany loan from Congold SASU | d | 295,582 | 298,356 | 298,356 | 298,356 |
| TOTAL NON-CURRENT LIABILITIES | | 40,118,766 | 43,277,403 | 43,277,403 | 43,277,403 |
| TOTAL LIABILITIES | | 40,602,155 | 43,800,417 | 43,800,417 | 43,800,417 |
| NET ASSETS | | (24,556,507) | 29,761,810 | 29,761,810 | 68,761,810 |
| Multiplied by: Amani's interest in Amani Consulting | | | 85% | 85% | 85% |
| Value of Amani's 85% interest in Amani Consulting (rounded) | | | 25,300,000 | 25,300,000 | 58,450,000 |

Source: Amani's reviewed financial statements for the half-year ended 31 December 2022, Amani's unaudited management accounts at 31 March 2023, discussions with Amani Management and BDO analysis

Note: the balances above have been adjusted to reflect Amani Consulting's 65% interest in its subsidiary Giro Goldfields.

We have assessed the value of Amani's 85% interest in Amani Consulting to be in the range of $25.30 million and $58.45 million with a preferred value of $25.30 million.

We have been provided with Amani Consulting's unaudited management accounts at 31 March 2023. We have not undertaken a review of these unaudited accounts in accordance with Australian Auditing and Assurance Standard 2405 'Review of Historical Financial Information' and do not express an opinion on this financial information. However, nothing has come to our attention as a result of our procedures that would suggest the financial information within the management accounts has not been prepared on a reasonable basis.

We have been advised that there has not been any other significant change in the net assets of Amani Consulting since 31 December 2022 and that the assets and liabilities represent their fair market values apart from the adjustments detailed below. Where the above balances differ materially from the reviewed position at 31 December 2022, we have obtained supporting documentation to validate the adjusted value used, which provides reasonable grounds for reliance on the unaudited financial information.

### Note a) Cash and cash equivalents

We have adjusted the cash and cash equivalents balance of Amani Consulting from $229,978 at 31 December 2022 to $443,521 per the Company's management accounts at 31 March 2023 (and after accounting for the 65% interest in Giro Goldfields). We have sighted bank statements provided by Amani as support.

### Note b) Receivables and trade and other payables

We have adjusted these items, which are working capital in nature, to their balances per the Company's management accounts at 31 March 2023.

### Note c) Exploration and evaluation expenditure

We instructed SRK to provide an independent market valuation of the exploration assets held by Amani Consulting. SRK considered a number of different valuation methods when valuing the Mineral Resource and exploration potential of Amani Consulting. In forming its valuation range for the value of the Project, SRK considered a market based assessment, a yardstick approach and a cost based approach. We consider these methods to be appropriate given the stage of development for Amani Consulting's exploration assets. The full details of its valuation assessment are set out in the ISR attached as Appendix 3.

The range of values for Amani Consulting's exploration assets as calculated by SRK is set out below. We note that SRK's assessment was for the value of a 100% interest in the Project and quoted in USD terms. We have made adjustments to value Amani Consulting's 65% interest in the Project and converted it into AUD terms at the prevailing exchange rate based on SRK's valuation date of 1 June 2023:

| Exploration and evaluation expenditure | *Units* | Low value | Preferred value | High value |
|---|---|---|---|---|
| SRK's assessment of the Project (100% basis): | | | | |
| Mineral Resource | *US$m* | 72,800,000 | 72,800,000 | 110,400,000 |
| Exploration potential | *US$m* | 1,000,000 | 1,000,000 | 2,500,000 |
| SRK's assessment of the value of the Project (100%-basis and rounded to nearest million) | *US$m* | 73,800,000 | 73,800,000 | 112,900,000 |
| *Divided by:* *AUD:USD exchange rate at 1 June 2023* | *AUD:USD* | *0.6571* | *0.6571* | *0.6571* |
| SRK's assessment of the value of the Project (AUD terms) | *A$m* | 112,311,673 | 112,311,673 | 171,815,553 |
| Amani Consulting's interest in the Project | | 65% | 65% | 65% |

| Exploration and evaluation expenditure | *Units* | Low value | Preferred value | High value |
|---|---|---|---|---|
| Value of Amani Consulting's interest in the Project (rounded to nearest million) | *A$m* | 73,000,000 | 73,000,000 | 112,000,000 |

Source: SRK's ISR, Bloomberg and BDO analysis

The table above indicates a range of values between $73.00 million and $112.00 million, with a preferred value of $73.00 million.

As discussed in its report, for the value of the Project, SRK considers the lower end of its valuation range to be its preferred value as this better reflects the size, structure, country risk profile and the junior exploration status of Amani. Further, SRK has acknowledged its assessment of the value of the Project has resulted in a wide range, which is indicative of the uncertainty associated with mineral assets in the advanced exploration and pre-development stages.

### Note d) Loans

We have adjusted the loan balances in Amani Consulting to reflect the updated balances per management accounts at 31 March 2023. Amani has advised that these loans will be repayable by Amani Consulting through funds generated from the development of the Project. The loans themselves do not change as a result of the Proposed Transaction, but a further discussion of their repayment is outlined in Section 13.3.

## 10.2 Assessment of the 85% interest in Amani Consulting

The results of the valuations performed are summarised in the table below:

| | Low<br>$ | Preferred<br>$ | High<br>$ |
|---|---|---|---|
| Sum-of-Parts (Section 10.1) | 25,300,000 | 25,300,000 | 58,450,000 |

Source: BDO analysis

Based on the results above we consider the value of Amani's 85% interest in Amani Consulting to be between $25.30 million and $58.45 million, with a preferred value of $25.30 million.

We have chosen to rely solely on the Sum-of-Parts for the purposes of determining our range for the following reasons:

- The core value of Amani Consulting lies in its interest in the Project. The Project is currently not producing, nor generating revenues or cash flows for Amani. Therefore, we have commissioned SRK as the independent technical specialist to value the Project. This value has been combined with the value of Amani Consulting's other assets and liabilities assessed using the NAV approach. Hence, we consider the Sum-of-Parts approach to be an appropriate methodology to use in assessing the value of Amani's 85% interest in Amani Consulting; and
- We do not consider there to be a secondary valuation methodology that is appropriate to adopt in our valuation of Amani Consulting. However, SRK has had regard to several valuation methodologies in forming its valuation opinion of the Project, which forms the core of the value of Amani Consulting. SRK has considered the market based assessment, yardstick approach and a cost based approach in its valuation of the Project, further details of which are contained in the ISR contained in Appendix 3.

## 11. Valuation of the Consideration

As the Consideration is staggered across four payment tranches and paid in USD terms, we have accounted for the time value of money by discounting these payments at the relevant US Treasury rates. We then converted the present value of the Consideration into an AUD equivalent by applying the prevailing exchange rate.

We have used the US Treasury rates as a proxy for the risk-free rate given the Sale Shares remain in escrow until the final Fourth Tranche payment has been made. Although the risk associated with the Sale Shares will pass and vest to Mabanga Shining (who will also become operator and manager of the Project) upon First Tranche Completion, the Sale Shares will remain in escrow until the final Fourth Tranche payment has been made. In the event Mabanga Shining defaults on its obligations prior to completion to the final Fourth Tranche payment, Amani will be able to hold the Sale Shares in escrow as security and will maintain its ownership in the Sale Shares and the Project. Due to this mechanism, we have not applied a discount rate that is reflective of the counterparty risk in our valuation of the deferred payments.

For the purposes of our assessment, we have assumed a payment of the First Tranche on 28 March 2023 with the subsequent tranches paid at the yearly anniversary thereafter until the Fourth Tranche payment. We note that the payments may be made within up to one year of each previous payment but have assumed a yearly payment for our purposes.

For each tranche, the amount paid is discounted to a present value using the relevant US Treasury bond rate as at the 19 June 2023. We have used the US Treasury 12-month, two-year and three-year bond yields (estimated having regard to the two- and five-year US Treasury rates). The present value in USD terms is then translated into an AUD equivalent at the prevailing exchange rate as sourced from Bloomberg. This is summarised in the table below.

| Consideration | Assumed Payment Date | Years delayed | Amount | Discount Rate Applied | Present Value |
|---|---|---|---|---|---|
| First Tranche | 28-Mar-23 | - | US$ 5,000,000 | - | US$ 5,000,000 |
| Second Tranche | 28-Mar-24 | 1 | US$ 8,000,000 | 5.228% | US$ 7,602,539 |
| Third Tranche | 28-Mar-25 | 2 | US$ 8,000,000 | 4.715% | US$ 7,295,788 |
| Fourth Tranche | 28-Mar-26 | 3 | US$ 9,000,000 | 4.472% | US$ 7,893,088 |
| Total in USD terms | | | US$ 30,000,000 | | US$ 27,791,415 |
| | | | *AUDUSD Rate* | | *0.6851* |
| Present value in AUD terms | | | | | A$ 40,565,487 |
| Less estimated capital gains tax payable | | | | | (A$ 676,828) |
| Present value in AUD terms after tax (rounded) | | | | | A$ 39,890,000 |

Source: Bloomberg, BDO analysis

The above table outlines that the present value of the US$30,000,000 Consideration discounted to a present value and translated into AUD terms, is equivalent to approximately A$40.57 million. This amount is then reduced by the estimated tax payable of A$676,828 as advised to the Company by Grant Thornton which results in an after-tax value of approximately A$39.89 million. We note that Grant Thornton’s tax payable estimate is subject to Amani satisfying the continuity of ownership test as set by the Australian Taxation Office.

The present value of the Consideration (in AUD terms) is subject to fluctuations in the AUDUSD exchange rate, timing of payments, as well as the discount rates assumed. Accordingly, the actual value received by the Company may differ from the above and any difference cannot reliably be estimated.

# 12. Is the Proposed Transaction fair?

The value of Amani's 85% interest in Amani Consulting is compared to the value of the Consideration below:

| | Ref | Low $ | Preferred $ | High $ |
|---|---|---|---|---|
| Value of Amani's 85% interest in Amani Consulting | 10.2 | 25,300,000 | 25,300,000 | 58,450,000 |
| Value of the Consideration | 11 | 39,890,000 | 39,890,000 | 39,890,000 |

We note from the table above that the value of the Consideration falls within the range of the value of Amani's 85% interest in Amani Consulting. Although the value of the Consideration is lower than the value of the asset being sold at the high valuation point, at the low valuation point, which is also the preferred valuation point, the value of the Consideration is greater than the value of Amani's 85% interest in Amani Consulting. Therefore, we consider that the Proposed Transaction is fair.

The valuation range for Amani's 85% interest in Amani Consulting is largely driven by the wide valuation range of the Project as assessed by SRK. As discussed in the ISR, this wide range is indicative of the uncertainty associated with mineral assets at the advanced exploration to pre-development stage. Our preferred value for Amani's 85% interest in Amani Consulting is driven by SRK's preferred valuation position for the value of the Project, which is at the low end of its assessed range. This is because the low end of the range better reflects the size, structure, country risk profile and junior exploration status of Amani.

# 13. Is the Proposed Transaction reasonable?

## 13.1 Alternative Proposal

We are unaware of any alternative proposal that might offer the Shareholders of Amani a premium over the value resulting from the Proposed Transaction. We note that, prior to First Tranche Completion, the Company is able to terminate the Term Sheet and hence the Proposed Transaction, should it receive a superior offer.

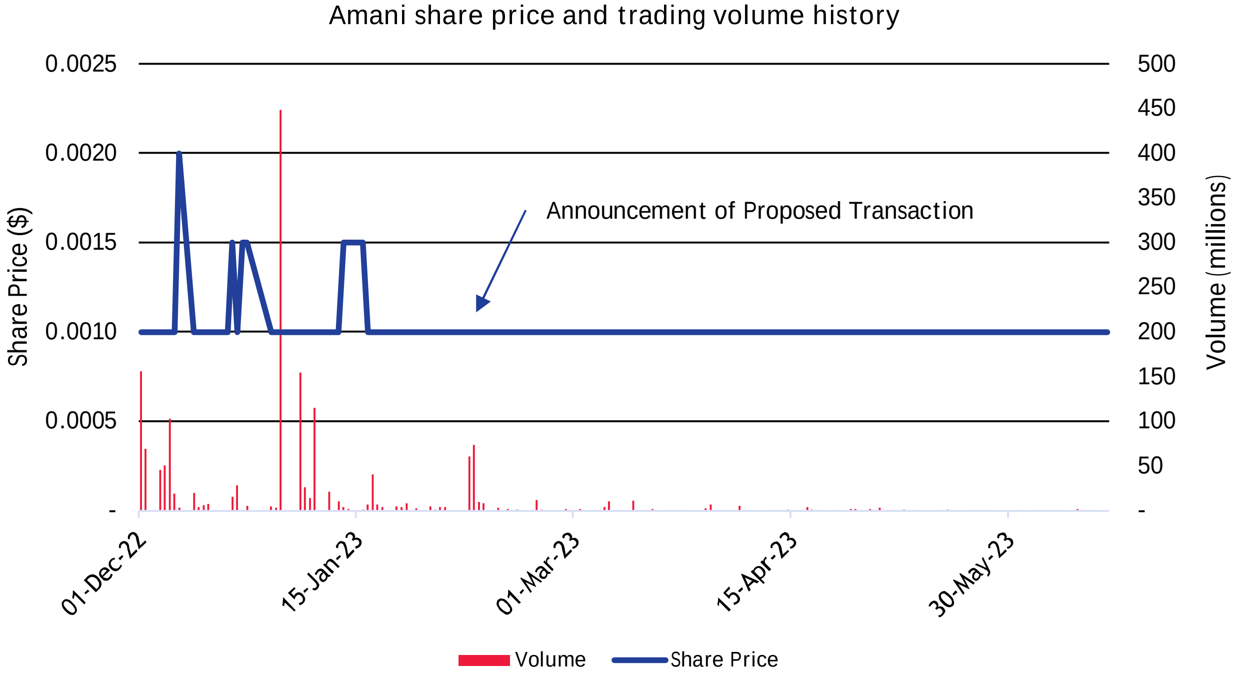
## 13.2 Consequences of not Approving the Proposed Transaction

### Consequences

If the Proposed Transaction is not approved, Amani will continue to hold its effective 55.25% interest in the Project via Amani Consulting. The Company would continue to fund its share of expenses associated with the Project, which may require it to raise further equity capital that would potentially dilute Shareholders' interest.

## Potential impact on share price

We have analysed movements in Amani's share price since 1 December 2022 through to 19 June 2023. The below graph outlines the share price and trading volume leading up to and following the announcement of the Proposed Transaction is set out below.




Source: Bloomberg

Over the period assessed, Amani's shares displayed a low level of liquidity, with 6.58% of total issued capital being traded from the period 1 December 2022 through to 19 May 2023. During this period, there were twenty one trading days, or approximately 16% of the days with no trading in Amani's shares. There were noticeable spikes in the trading volumes of Amani's shares on 30 December 2022 and 3 January 2023, when approximately 1.78% and 0.61% of the Company's total issued capital were traded, respectively. There were no announcements released on either of these days.

Furthermore, we note that the Company's share price doubled on 9 December 2022 even though no announcements were made on the day, however only approximately $4,400 in value was traded, reinforcing the illiquid trading nature of the Company's shares.

On the day the Proposed Transaction was announced, the share price closed unchanged and remained at $0.001 over the next few weeks. Although trading on that day and the day after was comparatively higher than usual, the value of securities traded remained low at approximately $60,600 and $73,200, respectively. Trading in Amani's shares returned to their low levels in the period following the announcement of the Proposed Transaction and has remained low over the remainder of the period analysed.

Given the above analysis, it is not possible to conclude whether Amani's share price will react positively or negatively if the Proposed Transaction is not approved.

## 13.3 Other considerations

Amani Consulting has loans on its balance sheet which has been its primary source of funding for development of the Project. These loans include loans from its parent, Amani, which at 31 December 2022 totalled approximately $38.96 million. At the same balance date Amani Consulting also had a loan from Simon Cong of approximately $2.21 million. The repayment of these loans by Amani Consulting are dependent upon the Project's ability to be developed and generate revenues or from an injection of capital.

Although the current intercompany loans between Amani and Amani Consulting, are not directly impacted by the Proposed Transaction, there is a possibility that, following the Proposed Transaction, the simplified ownership structure may increase the chances of the successful development of the Project into production, thereby increasing the likelihood that Amani Consulting would repay the loans to Amani. However, as it is difficult to measure this likelihood, we have included this point as a consideration for Shareholders in assessing the Proposed Transaction.

## 13.4 Advantages of Approving the Proposed Transaction

We have considered the following advantages when assessing whether the Proposed Transaction is reasonable.

| Advantage | Description |
|---|---|
| The Proposed Transaction is fair | As set out in Section 12 the Proposed Transaction is fair. RG 111 states that an offer is reasonable if it is fair. |
| Removes funding, geopolitical and country risks associated with the Project | As discussed in Section 5, the Project is located in the DRC and therefore Amani is exposed to the geopolitical and country risks associated with the DRC. These risks have been outlined by the Company in its annual reports and further discussed in Section 7.2 of this Report and in the ISR. These risks have made it challenging for the Company to develop the Project, contributing to the slow development at the Project which is yet to achieve commercial production.<br><br>Furthermore, development of the Project into production would require funding, which, given the geopolitical and country risks associated with an asset in the DRC, coupled with Amani's small market capitalization (approximately $25 million), would be challenging for the Company to obtain. Any equity raised would likely be dilutive to existing Shareholders. The Proposed Transaction therefore provides an opportunity for the Company to remove these risks associated with the Project. |
| Sale Shares remain in escrow until the final Fourth Tranche payment has been made | The Proposed Transaction is structured to reduce the risk of Mabanga Shining defaulting on its purchase of the Sale Shares. Although the risk associated with the Sale Shares will pass and vest to Mabanga Shining (who will also become operator and |

| Advantage | Description |
| --- | --- |
| | manager of the Project) upon First Tranche Completion, the Sale Shares will remain in escrow until the final Fourth Tranche payment has been made. Should Mabanga Shining default on its obligations prior to completion to the final Fourth Tranche payment, Amani will be able to hold the Sale Shares in escrow as security and will maintain its ownership in the Sale Shares and the Project. |
| Provides an immediate cash injection to allow the Company to pursue alternative projects and opportunities | Under the Proposed Transaction, US$5 million is payable upon execution of the Term Sheet, with the remainder of the consideration payable over the subsequent three years. The US$5 million cash injection immediately provides Amani with funds to pursue alternative projects and investment opportunities to facilitate the Company's continued listing on the ASX. |
| Payment of the Consideration is in cash providing certainty of value | Notwithstanding the payments are scheduled across four tranches over a three-year period and therefore the fluctuation in the AUD:USD exchange rate introduces some uncertainty around the AUD amounts receivable by Amani, the payment of the Consideration in cash as opposed to shares provides the Company with certainty of the value that it would receive for the sale of its asset (in US$ terms). |
| Allows Amani to realise value in the Project prior to the potential termination of the Association Agreement by SOKIMO | Under the current Association Agreement with SOKIMO, Amani Consulting is required to pay SOKIMO a monthly fee of US$60,000 until the earlier of submission of a feasibility study or 30 June 2023. The deadline for the submission of the feasibility study has been deferred as the Company undertakes further exploration to define and potentially expand the existing resource. Until a feasibility study is completed, Amani Consulting would have to continue to negotiate a deferral and may be required to continue making payments to SOKIMO. Given Amani is the main shareholders of Amani Consulting and is primarily funding its operations through intercompany loans, the Proposed Transaction provides the Company the opportunity to realise value in the Project and releases the Company from its obligation to meet the US$60,000 monthly payments.<br><br>Furthermore, SOKIMO may request termination of the Association Agreement after a six-month notice in the event where Amani Consulting does not submit a feasibility study before 30 June 2023 and the parties fail to agree on an extension. Given the risk that the Association Agreement could be terminated under this scenario, the Proposed Transaction provides an option for the Company to realise value in the Project imminently. According to |

| Advantage | Description |
|---|---|
| | Amani, Mabanga Shining has indicated that it will provide this feasibility study as soon as Tranche 1 completion has occurred. |

## 13.5 Disadvantages of Approving the Proposed Transaction

If the Proposed Transaction is approved, in our opinion, the potential disadvantages to Shareholders include those listed in the table below:

| Disadvantage | Description |
|---|---|
| Shareholders forego the opportunity to participate in any upside associated with the Project | If the Proposed Transaction is approved, Shareholders will forego their exposure to the Project. We note that the value ranges presented in our assessment of whether the Proposed Transaction is fair for Shareholders indicate that there is upside above the value of the Consideration as evidenced by the fact our high value of the value of Amani's 85% interest in Amani Consulting is higher than the value of the Consideration. This is largely driven by the wide range of values provided by SRK in its valuation of the Project. SRK noted in its report that the range was indicative of the uncertainty associated with the mineral assets which are at the advanced exploration to pre-development stage. With this uncertainty, there is potential upside, however if Shareholders approve the Proposed Transaction, they will forego the opportunity to participate in this upside, should it materialise. |
| Risk that Amani may not be able to identify suitable alternative investment opportunities | Should the Company not be able to identify an alternative primary undertaking within the 6-months period afforded by the ASX, the ASX can suspend trading in Amani's shares. Although the Company can apply for an extension to demonstrate compliance with ASX Listing Rule 12.1, there is no guarantee that the ASX would grant one. Should the ASX impose a suspension on the Company's shares, Shareholders would not be able to realise the value of their investment on market. |
| Payment of the Consideration is staggered across four tranches | Notwithstanding US$5 million of the US$30 million Consideration has already been paid, the remaining US$25 million is staggered over a three-year period with the last payment tranche expected only in 2026. Consequently, the Company cannot immediately realise the full value of the US$30 million Consideration which would enable it to acquire alternative projects and opportunities. |
| The change in risk profile may not align with Shareholders' risk preferences | Shareholders may have invested in Amani on the basis that they were seeking exposure to gold assets in the DRC. Immediately |

| Disadvantage | Description |
|---|---|
| | following the Proposed Transaction, Amani will be a Company without a main undertaking and its main asset will be cash, largely from the Consideration. Accordingly, Amani's risk profile following the Proposed Transaction may not align with Shareholders' risk preferences and their initial reason for their investment in Amani. Furthermore, even if the Company is able to identify an alternative investment, there is no guarantee that it would align with the risk profile and preferences of Shareholders. |

## 14. Conclusion

We have considered the terms of the Proposed Transaction as outlined in the body of this report and have concluded that the Proposed Transaction is fair and reasonable to Shareholders.

## 15. Sources of information

This report has been based on the following information:

- Draft Notice of Meeting and Explanatory Statement on or about the date of this report;
- Audited financial statements of Amani for the years ended 30 June 2022 and 30 June 2021;
- Reviewed financial statements of Amani for the half-year ended 31 December 2022;
- Unaudited management accounts of Amani and Amani Consulting for the period ended 31 March 2023;
- Independent Specialist Report of Amani's mineral assets dated 21 June 2023 performed by SRK Australasia Pty Ltd;
- Binding Terms Sheet between Amani, Amani Consulting, Mabanga Shining and Simon Cong dated 23 January 2023;
- Tax advice letter in respect of the Proposed Transaction dated 18 April 2023 from Grant Thornton Australia Limited;
- Legal opinion report on the Proposed Transaction by Liedekerke Wolters Waelbroeck Kilpatrick dated 14 June 2023;
- Share registry information provided by the Company;
- Information in the public domain; and
- Discussions with Directors and Management of Amani.

## 16. Independence

BDO Corporate Finance (WA) Pty Ltd is entitled to receive a fee of $30,000 (excluding GST and reimbursement of out of pocket expenses). The fee is not contingent on the conclusion, content or future use of this Report. Except for this fee, BDO Corporate Finance (WA) Pty Ltd has not received and will not receive any pecuniary or other benefit whether direct or indirect in connection with the preparation of this report.

BDO Corporate Finance (WA) Pty Ltd has been indemnified by Amani in respect of any claim arising from BDO Corporate Finance (WA) Pty Ltd's reliance on information provided by the Company, including the non provision of material information, in relation to the preparation of this report.

Prior to accepting this engagement BDO Corporate Finance (WA) Pty Ltd has considered its independence with respect to Amani and Mabanga Shining and any of their respective associates with reference to ASIC Regulatory Guide 112 'Independence of Experts'. In BDO Corporate Finance (WA) Pty Ltd's opinion it is independent of Amani and Mabanga Shining and their respective associates.

BDO Audit (SA) Pty Ltd was the appointed Auditor of Amani for the financial years ended 30 June 2022 and 30 June 2021 but have since retired. The provision of our services is not considered a threat to our independence as auditors under Professional Statement APES 110 – Professional Independence. The services provided have no material impact on the financial report of Amani.

A draft of this report was provided to Amani and its advisors for confirmation of the factual accuracy of its contents. No significant changes were made to this report as a result of this review.

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## 17. Qualifications

BDO Corporate Finance (WA) Pty Ltd has extensive experience in the provision of corporate finance advice, particularly in respect of takeovers, mergers and acquisitions.

BDO Corporate Finance (WA) Pty Ltd holds an Australian Financial Services Licence issued by the Australian Securities and Investments Commission for giving expert reports pursuant to the Listing rules of the ASX and the Corporations Act.

The persons specifically involved in preparing and reviewing this report were Sherif Andrawes and Adam Myers of BDO Corporate Finance (WA) Pty Ltd. They have significant experience in the preparation of independent expert reports, valuations and mergers and acquisitions advice across a wide range of industries in Australia and were supported by other BDO staff.

Sherif Andrawes is a Fellow of the Institute of Chartered Accountants in England & Wales and a Fellow of Chartered Accountants Australia & New Zealand. He has over 35 years' experience working in the audit and corporate finance fields with BDO and its predecessor firms in London and Perth. He has been responsible for over 500 public company independent expert's reports under the Corporations Act or ASX Listing Rules and is a CA BV Specialist. These experts' reports cover a wide range of industries in Australia with a focus on companies in the natural resources sector. Sherif Andrawes is the Corporate Finance Practice Group Leader of BDO in Western Australia, the Global Head of Natural Resources for BDO and a former Chairman of BDO in Western Australia.

Adam Myers is a member of Chartered Accountants Australia & New Zealand and the Joint Ore Reserves Committee. Adam's career spans over 25 years in the audit and corporate finance areas. Adam is a CA BV Specialist and has considerable experience in the preparation of independent expert reports and valuations in general for companies in a wide number of industry sectors.

## 18. Disclaimers and consents

This report has been prepared at the request of Amani for inclusion in the Notice of Meeting which will be sent to all Amani Shareholders. Amani engaged BDO Corporate Finance (WA) Pty Ltd to prepare an independent expert's report to consider the proposed sale of its 85% interest in Amani Consulting to Mabanga Shining for a cash consideration of US$30 million, payable in four tranches.

BDO Corporate Finance (WA) Pty Ltd hereby consents to this report accompanying the above Notice of Meeting. Apart from such use, neither the whole nor any part of this report, nor any reference thereto may be included in or with, or attached to any document, circular resolution, statement or letter without the prior written consent of BDO Corporate Finance (WA) Pty Ltd.

BDO Corporate Finance (WA) Pty Ltd takes no responsibility for the contents of the Notice of Meeting other than this report.

We have no reason to believe that any of the information or explanations supplied to us are false or that material information has been withheld. It is not the role of BDO Corporate Finance (WA) Pty Ltd acting as an independent expert to perform any due diligence procedures on behalf of the Company. The Directors of the Company are responsible for conducting appropriate due diligence in relation to Mabanga Shining. BDO Corporate Finance (WA) Pty Ltd provides no warranty as to the adequacy, effectiveness or completeness of the due diligence process.

The opinion of BDO Corporate Finance (WA) Pty Ltd is based on the market, economic and other conditions prevailing at the date of this report. Such conditions can change significantly over short periods of time.

We note that the forecasts provided do not include estimates as to the effect of any future emissions trading scheme should it be introduced as it is unable to estimate the effects of such a scheme at this time.

With respect to taxation implications it is recommended that individual Shareholders obtain their own taxation advice, in respect of the Proposed Transaction, tailored to their own particular circumstances. Furthermore, the advice provided in this report does not constitute legal or taxation advice to the Shareholders of Amani, or any other party.

BDO Corporate Finance (WA) Pty Ltd has also considered and relied upon independent valuations for mineral assets held by Amani.

The valuer engaged for the mineral asset valuation, SRK Consulting (Australasia) Pty Ltd, possess the appropriate qualifications and experience in the industry to make such assessments. The approaches adopted and assumptions made in arriving at their valuation is appropriate for this report. We have received consent from the valuer for the use of their valuation report in the preparation of this report and to append a copy of their report to this report.

The statements and opinions included in this report are given in good faith and in the belief that they are not false, misleading or incomplete.

The terms of this engagement are such that BDO Corporate Finance (WA) Pty Ltd is required to provide a supplementary report if we become aware of a significant change affecting the information in this report arising between the date of this report and prior to the date of the meeting or during the offer period.

Yours faithfully

BDO CORPORATE FINANCE (WA) PTY LTD

Sherif Andrawes
Director

Adam Myers
Director

# Appendix 1 – Glossary of Terms

| Reference | Definition |
|---|---|
| $, A$, AUD | Australian Dollars |
| AFCA | Australian Financial Complaints Authority |
| Amago Trading | Amago Trading Tanzania Limited |
| Amani | Amani Gold Limited |
| Amani Consulting | Amani Consulting SARL |
| APES 225 | Accounting Professional & Ethical Standards Board professional standard APES 225 ‘Valuation Services’ |
| ASIC | Australian Securities and Investments Commission |
| ASX | Australian Securities Exchange |
| BDO | BDO Corporate Finance (WA) Pty Ltd |
| BGRIMM | Beijing General Research Institute of Mining and Metallurgy |
| CPI | Consumer price index |
| DCF | Discounted Future Cash Flows |
| Douze | The Douze Match exploration permit |
| DRC | Democratic Republic of Congo |
| EBIT | Earnings before interest and tax |
| EBITDA | Earnings before interest, tax, depreciation and amortisation |
| First Tranche Completion | Completion of the First Tranche payment to Amani |
| FME | Future Maintainable Earnings |
| FSG | Financial Services Guide |
| GDP | Gross Domestic Product |

| Reference | Definition |
|---|---|
| Giro Goldfields | Giro Goldfields SARL |
| Grant Thornton | Grant Thornton Australia Limited |
| ISR | Independent Specialist Report |
| JORC | 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves |
| Km | Kilometres |
| $Km^2$ | Square Kilometres |
| Mabanga Mining | Mabanga Mining SARL |
| Mabanga Shining | Mabanga Shining SARLU |
| Moz | Million ounces |
| MRE | Mineral Resources Estimate |
| Mt | Million tonne |
| NAV | Net Asset Value |
| Neo Gold | Neo Gold Limited |
| our Report | This Independent Expert's Report prepared by BDO |
| Panex | Panex Resources Incorporated |
| QMP | Quoted market price |
| RBA | Reserve Bank of Australia |
| RG 111 | Content of expert reports (March 2011) |
| RG 112 | Independence of experts (March 2011) |
| RG 74 | Acquisitions Approved by Members |
| RG 76 | Related party transactions |
| Sale Shares | 850 shares in Amani Consulting |

| Reference | Definition |
|---|---|
| Shareholders | Shareholders of Amani not associated with the Proposed Transaction |
| SOKIMO | La Société Minière De Kilo-Moto SA |
| SRK | SRK Consulting (Australasia) Pty Ltd |
| Sum-of-Parts | Sum-of-Parts valuation |
| Term Sheet | Binding term sheet between Mabanga Shining and Amani |
| The Act | The Corporations Act 2001 Cth |
| the Company | Amani Gold Limited |
| the Consideration | Cash of US$30 million |
| the Project | Giro Gold Project |
| the Proposed Transaction | Sale of Amani's 85% interest in Amani Consulting |

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# Appendix 2 – Valuation Methodologies

Methodologies commonly used for valuing assets and businesses are as follows:

### 1 *Net asset value ('NAV')*

Asset based methods estimate the market value of an entity's securities based on the realisable value of its identifiable net assets. Asset based methods include:

- Orderly realisation of assets method
- Liquidation of assets method
- Net assets on a going concern method

The orderly realisation of assets method estimates fair market value by determining the amount that would be distributed to entity holders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the entity is wound up in an orderly manner.

The liquidation method is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter time frame. Since wind up or liquidation of the entity may not be contemplated, these methods in their strictest form may not be appropriate. The net assets on a going concern method estimates the market values of the net assets of an entity but does not take into account any realisation costs.

Net assets on a going concern basis are usually appropriate where the majority of assets consist of cash, passive investments or projects with a limited life. All assets and liabilities of the entity are valued at market value under this alternative and this combined market value forms the basis for the entity's valuation.

Often the FME and DCF methodologies are used in valuing assets forming part of the overall Net assets on a going concern basis. This is particularly so for exploration and mining companies where investments are in finite life producing assets or prospective exploration areas.

These asset based methods ignore the possibility that the entity's value could exceed the realisable value of its assets as they do not recognise the value of intangible assets such as management, intellectual property and goodwill. Asset based methods are appropriate when an entity is not making an adequate return on its assets, a significant proportion of the entity's assets are liquid or for asset holding companies.

### 2 *Quoted Market Price Basis ('QMP')*

A valuation approach that can be used in conjunction with (or as a replacement for) other valuation methods is the quoted market price of listed securities. Where there is a ready market for securities such as the ASX, through which shares are traded, recent prices at which shares are bought and sold can be taken as the market value per share. Such market value includes all factors and influences that impact upon the ASX. The use of ASX pricing is more relevant where a security displays regular high volume trading, creating a liquid and active market in that security.

### 3 *Capitalisation of future maintainable earnings ('FME')*

This method places a value on the business by estimating the likely FME, capitalised at an appropriate rate which reflects business outlook, business risk, investor expectations, future growth prospects and other entity specific factors. This approach relies on the availability and analysis of comparable market data.

The FME approach is the most commonly applied valuation technique and is particularly applicable to profitable businesses with relatively steady growth histories and forecasts, regular capital expenditure requirements and non-finite lives.

The FME used in the valuation can be based on net profit after tax or alternatives to this such as earnings before interest and tax ('EBIT') or earnings before interest, tax, depreciation and amortisation ('EBITDA'). The capitalisation rate or 'earnings multiple' is adjusted to reflect which base is being used for FME.

### 4 *Discounted future cash flows ('DCF')*

The DCF methodology is based on the generally accepted theory that the value of an asset or business depends on its future net cash flows, discounted to their present value at an appropriate discount rate (often called the weighted average cost of capital). This discount rate represents an opportunity cost of capital reflecting the expected rate of return which investors can obtain from investments having equivalent risks.

Considerable judgement is required to estimate the future cash flows which must be able to be reliably estimated for a sufficiently long period to make this valuation methodology appropriate.

A terminal value for the asset or business is calculated at the end of the future cash flow period and this is also discounted to its present value using the appropriate discount rate.

DCF valuations are particularly applicable to businesses with limited lives, experiencing growth, that are in a start up phase, or experience irregular cash flows.

# Appendix 3 – Independent Specialist Report

Final

# Independent Specialist Report – Technical Assessment and Valuation

Giro Gold Project, Haut-Uele Province, Democratic Republic of Congo

Amani Gold Limited

and

BDO Corporate Finance (WA) Pty Ltd

SRK Consulting (Australasia) Pty Ltd ▪ BDO023 ▪ 21 June 2023

srk consulting

**Final**

# Independent Specialist Report – Technical Assessment and Valuation

Giro Gold Project, Haut-Uele Province, Democratic Republic of Congo


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Quality
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**Cover Image:**
Drilling at the Giro Project


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# Acknowledgments

The following consultants have contributed to the preparation of this report.

| Role | Name | Professional designation |
|---|---|---|
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| Peer Review | Jeames McKibben | BSc (Hons), MBA, FAusIMM(CP), MAIG, SME, MRICS |
| Releasing Authority | Jeames McKibben | BSc (Hons), MBA, FAusIMM(CP), MAIG, SME, MRICS |



**Disclaimer**: The opinions expressed in this Report have been based on the information supplied to SRK Consulting (Australasia) Pty Ltd (SRK) by Amani Gold Ltd (Amani). The opinions in this Report are provided in response to a specific request from Amani to do so. SRK has exercised all due care in reviewing the supplied information. While SRK has compared key supplied data with expected values, the accuracy of the results and conclusions from the review are entirely reliant on the accuracy and completeness of the supplied data. SRK does not accept responsibility for any errors or omissions in the supplied information and does not accept any consequential liability arising from commercial decisions or actions resulting from them. Opinions presented in this Report apply to the site conditions and features as they existed at the time of SRK's investigations, and those reasonably foreseeable. These opinions do not necessarily apply to conditions and features that may arise after the date of this Report, about which SRK had no prior knowledge nor had the opportunity to evaluate.

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# Useful definitions

This list contains definitions of symbols, units, abbreviations, and terminology that may be unfamiliar to the reader.

| | |
|---|---|
| A$ | Australian dollar |
| AAS | atomic absorption spectrometry |
| ADR | absorption, desorption and recovery |
| AIG | Australian Institute of Geoscientists |
| Amani | Amani Gold Limited |
| ANL | ASX Ticker code, Amani Gold Limited |
| asl | above sea level |
| ASX | Australian Securities Exchange |
| Au | gold |
| AusIMM | Australasian Institute of Mining and Metallurgy |
| BDO | BDO Corporate Finance (WA) Pty Ltd |
| BGRIMM | Beijing General Research Institute of Mining and Metallurgy |
| BIF | banded iron formation |
| Burey | Burey Gold Limited |
| BYR | ASX Ticker Code, Burey Gold Limited |
| CIL | carbon-in-leach |
| CIL/CIP | carbon-in-leach/carbon-in-pulp |
| Company | Amani Gold Limited |
| CV | Coefficient of Variation |
| DCF | discounted cash flow |
| DD | diamond drilling |
| DGPS | Differential Geographic Positioning System |
| DRC | Democratic Republic of Congo |
| DTM | digital terrain model |
| g/t | grams per tonne |
| GFC | Global Financial Crisis |
| IER | Independent Expert's Report |
| IP | induced polarisation |
| IVSC | International Valuation Standards Committee |
| JORC Code | Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves – The JORC Code 2012 edition |
| JV | joint venture |
| kg | kilograms |
| km | kilometres |
| $km^2$ | square kilometres |
| KZS | KZ structure |

| | |
|---|---|
| LBMA | London Bullion Market Association |
| LoM | life-of-mine |
| MEE | Multiples of Exploration Expenditure |
| m | metres |
| M | Million |
| $m^3$ | cubic metres |
| Ma | Million years ago |
| MIK | Multiple Indicator Kriging |
| Moz | Million ounces |
| m RL | metres Relative Level |
| Mt | Million tonnes |
| Mt/a | Million tonnes per annum |
| MTR | market transactions ratio |
| OECD | Organisation for Economic Cooperation and Development |
| oz | ounces |
| Panex | Panex Resources Inc. |
| ppm | parts per million |
| PSD | particle size distribution |
| QA/QC | quality assurance and quality control |
| RBA | Reserve Bank of Australia |
| RC | reverse circulation |
| RICS | Royal Institution of Chartered Surveyors |
| RoM | run-of-mine |
| SANAS | South African National Accreditation Service |
| SD | standard deviation |
| SGS | SGS Mineral Services |
| Sokimo | Société Minière de Kilo-Moto SA |
| SRK | SRK Consulting (Australasia) Pty Ltd |
| t | tonnes |
| $t/m^3$ | tonnes per cubic metre |
| the Project | Giro Gold Project, located in the northeast of the DRC |
| The SRK Report | Independent Specialist Report on the mineral assets of Amani Gold Limited |
| TSF | tailings storage facility |
| US$ | United States dollar |
| VALMIN | Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets 2015 – The VALMIN Code 2015 edition |

# Executive summary

BDO Corporate Finance (WA) Pty Ltd (BDO) has been engaged by Amani Gold Limited (Amani or the Company) to prepare an Independent Expert Report (IER) relating to a potential transaction involving the Company's Giro Gold Project in the northeast of the Democratic Republic of Congo (DRC) in central Africa. BDO has subsequently engaged SRK to prepare an Independent Specialist Report (ISR or the SRK Report) incorporating a Technical Assessment and Valuation of the mineral assets of Amani.

The Company's key asset is the Giro Gold Project comprising the Kebigada and Douze Match gold deposits situated within two granted Exploitation Permits (PE5046 and PE5049). Collectively, these assets form the Giro Gold Project (the Project).

The objective of the SRK Report is to provide an independent assessment of the technical merits relating to the Project as well as the Market Value of Amani's mineral assets, including any stated Mineral Resources and Exploration Potential. SRK notes that there are no Ore Reserves presently defined at the Project.

SRK has completed a high-level review of Amani's stated Mineral Resource Estimates for the Kebigada and Douze Match prospects and further exploration potential within the remaining portions of the Giro Gold Project for determining their validity from a valuation perspective. SRK has not performed, nor does it accept, the responsibilities of a Competent Person as defined by the JORC Code (2012) in respect of the Mineral Resource Estimates presented in the SRK Report.

When valuing Amani's exploration and development assets, SRK has considered methods commonly used to value mineral assets at these stages of development. These methods are outlined elsewhere in the SRK Report.

All monetary figures used in this report are expressed in United States dollars (US$) terms. This report has adopted an Effective Valuation Date of 01 June 2023.

SRK's recommended valuation ranges and preferred values are detailed in the Valuation section (Section 11) of the SRK Report and are summarised in Table ES1. SRK has produced a Market Value as defined by the VALMIN Code (2015).

SRK's preferred values consider the level of technical study completed to date and the geo-political risk factors associated with future development. SRK understands that tenure over PE5046 and PE5049 has been secured, based on a regulatory requirement for delivery of a DRC feasibility study, which was completed in May 2021.

In SRK's opinion, the Market Value of Amani's 55.25% interest in the Giro Project resides in the range of US$41 M to US$62 M, with a preferred value of US$41 M (Table ES1).

**Table ES1: Valuation summary of Amani's interests in the mineral assets as at 01 June 2023**

| | Low (US$ M) | High (US$ M) | Preferred (US$ M) |
|---|---|---|---|
| Mineral Resource | 72.8 | 110.4 | 72.8 |
| Exploration Potential | 1.0 | 2.5 | 1.0 |
| **Total (100% equity basis)** | **73.8** | **112.9** | **73.8** |
| **Attributable to Amani (55.25% equity basis)** | **40.8** | **62.4** | **40.8** |

Source: SRK analysis

Note: Amounts may not add due to rounding

# 1 Introduction

SRK has been advised that BDO Corporate Finance (WA) Pty Ltd (BDO) has been engaged by Amani Gold Limited (Amani) to prepare an Independent Expert Report (IER) relating to a potential transaction involving its Giro Gold Project located in the northeast of the Democratic Republic of Congo (DRC) in central Africa. BDO has subsequently engaged SRK to prepare an Independent Specialist Report (ISR or the SRK Report) incorporating a Technical Assessment and Valuation of the mineral assets of Amani Gold Limited.

The potential transaction envisages the sale of Amani's 85% shareholding in Amani Consulting SARL, a DRC-based entity holding a 65% interest in the Giro Gold Project for a cash consideration totalling US$30 M. SRK is advised that the purchaser is Mabanga Mining SARL, another DRC-registered entity.

The purpose of the SRK Report is to provide BDO with an independent report incorporating a technical assessment and valuation of the Project prepared in accordance with the VALMIN Code (2015). SRK understands that this ISR is to be included in a Notice of Meeting to be provided to the shareholders of Amani in relation to the proposed transaction.

## 1.1 Reporting standard

This Report has been prepared to the standard of, and is considered by SRK to be, a Technical Assessment and Valuation Report under the guidelines of the VALMIN Code (2015). The authors of this Report are Members or Fellows of either the Australasian Institute of Mining and Metallurgy (AusIMM) or the Australian Institute of Geoscientists (AIG) and, as such, are bound by both the VALMIN and JORC Codes. For the avoidance of doubt, this Report has been prepared according to:

- The 2015 edition of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (VALMIN Code)
- The 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).

The main author and peer reviewer of this Report, Shaun Barry and Jeames McKibben, are Registered Valuers and Chartered Valuation Surveyors with the Royal Institution of Chartered Surveyors (RICS). As a result, this Report may be subject to monitoring by RICS under its Conduct and Disciplinary Regulations. This Report does not comply with the RICS 2022 Valuation Standards, otherwise known as the 'Red Book', as SRK is required to provide a valuation range that reflects the highest and lowest likely Market Values of the Project, in accordance with its mandate.

As per the VALMIN Code (2015), a first draft of the SRK Report was supplied to Amani to check for material error, factual accuracy and omissions before the final report was issued.

For the purposes of this Report, value is defined as 'Market Value', *being the amount of money (or the cash equivalent or some other consideration) for which a mineral asset should change hands on the Valuation Date between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing, wherein the parties each acted knowledgeably, prudently and without compulsion*.

## 1.2 Work program

This assignment commenced in March 2023, with a review of available technical data and other information sourced by SRK from literature, as well as subscription databases such as S&P Capital IQ database services. Amani has provided SRK with access to a data room pertaining to the Project, as well as relevant technical personnel.

SRK has completed a site visit to the project. Also, SRK consultants involved in this valuation exercise were previously involved in SRK's 2017 report (which included a site visit component) and again in 2021 for an update relating to the Giro Project. Therefore, SRK has a reasonable understanding of the prevailing site conditions and has been advised by Amani that there have been no material changes to the project during the intervening period.

## 1.3 Legal matters

SRK has not been engaged to comment on any legal matters. SRK notes that it is not qualified to provide legal representations as to the ownership and legal standing of the mineral tenements that are the subject of this valuation. SRK has not attempted to confirm the legal status of the tenements with respect to joint venture (JV) agreements, local heritage or potential environmental or land access restrictions. SRK has been provided with a legal opinion by Liedekerke DRC SASU and dated 14 June 2023 that outlines the status of the project tenures and is appended in Appendix B. SRK makes no further representations over and above that outlined by Liedekerke DRC SASU.

## 1.4 Valuation Date and Effective Date

The Valuation Date and the Effective Date of this Report is 01 June 2023.

## 1.5 Project team

This Report has been prepared by a team of consultants from SRK's offices in Australia. Details of the qualifications and experience of the consultants who have carried out the work in this Report, who have extensive experience in the mining industry and are members in good standing of appropriate professional institutions, are set out below.

**Shaun Barry, BSc Hons (Geology), MSc Eng (Mineral Economics), MAusIMM (CP), MRICS Registered Valuer – Principal Consultant**

Shaun Barry has a commercial and geological background with more than 30 years of experience in mining, exploration and quarry valuations, mineral economics, minerals marketing and geology. In corporate advisory and business development, Shaun has provided independent expert reviews, valuations, due diligence and optimisation mine studies. Shaun has also worked as a mining equity analyst on the Johannesburg Securities Exchange, mineral economist and mine geologist in South Africa.

Shaun is a Member and Chartered Professional of the AusIMM and a Member of RICS as well as a RICS Registered Valuer. He has the appropriate relevant qualifications, experience, competence and independence to be considered a 'Specialist' and 'Competent Person' under the VALMIN (2015) and JORC (2012) Codes, respectively.

**Jeames McKibben, Principal Consultant (Project Evaluation), MBA, BSc (Hons), FAusIMM (CP), MAIG, MRICS, SME**

Jeames McKibben is an experienced international mining professional having operated in a variety of roles including consultant, project manager, geologist and analyst over more than 27 years. He has a strong record in mineral asset valuation, project due diligence, independent technical review and deposit evaluation. As a consultant, he specialises in mineral asset valuations and Independent Technical Reports for equity transactions and in support of project finance. Jeames has been responsible for multi-disciplinary teams covering precious metals, base metals, bulk commodities (ferrous and energy), industrial minerals and other minerals in Australia, Asia, Africa, North and South America and Europe. He has assisted numerous mineral companies, financial, accounting and legal institutions and has been actively involved in arbitration and litigation proceedings. Jeames has experience in the geological evaluation and valuation of mineral projects worldwide.

Jeames is a Fellow of the AusIMM, a Member of the AIG, a Member of the SME and a Member of the RICS. He has the appropriate relevant qualifications, experience, competence and independence to be considered a 'Specialist' and 'Competent Person' under the VALMIN (2015) and JORC (2012) Codes, respectively.

**Donald Elder, GDip Eng (Mining Engineering), National Higher Diploma (Mineral Resource Management), National Diploma (Mine Survey), MAusIMM (CP) – Principal Consultant**

Donald has over 30 years' experience in mining, mine planning, consulting, mineral resource management and project management. He has considerable operational experience and technical expertise in deep level, hard rock mining methods for narrow vein and massive ore bodies, mine infrastructure design and planning, mine production scheduling and financial evaluation. In addition to his operational experience, he has several years of experience in the management of technical teams and technical studies as a Mineral Resource Manager on operations in South Africa, and as a Principal Consultant – Mining with Xstract Mining Consultants Pty Ltd, now Calibre Group-Professional Services, in Australia.

Donald has experience in mine start-ups having worked on shaft sinking, mine re-development and mine extension projects. His roles have all included planning and execution, working with both owner/operator and contractor operator teams. In addition to this, he managed the project team tasked with the Independent Expert Report for the Cannington operation during the South32 demerger in 2015. He is a Competent Person for signing off JORC Code (2012) Ore Reserves

**Simon Walsh, Associate Principal Consultant (Metallurgy), BSc, MBA (Hons) GAICD, MAusIMM (CP)**

Simon Walsh has 25 years of design and operational expertise across a range of mineral processing and hydrometallurgical processes. His broad range of experience covers both management, supervisory and technical roles in plant operations, commissioning, process simulation, project studies, detailed engineering design, metallurgical testwork management and competent person reporting.

Simon is a Chartered Professional of the AusIMM. He has the appropriate relevant qualifications, experience, competence and independence to be considered a 'Specialist' and 'Competent Person' under the VALMIN (2015) and JORC (2012) Codes, respectively.

**Oliver Willetts, BSc (Geology), MSc (Geophysical Hazards), MAusIMM – Senior Consultant**

Oliver Willetts is a geologist with expertise in database design and management, geological modelling, and Mineral Resource estimation across a range of deposit styles. His 12 years of experience in the Australian mining industry has given him opportunity to work on solutions to technical problems on projects spanning greenfields exploration, through feasibility, and into production. Oliver has domestic and international experience with commodities including gold, copper, uranium, lithium, mineral sands, and bauxite. Oliver is a Competent Person for sedimentary phosphate and gold resource reporting as defined in the JORC Code (2012). As an expert computational geoscientist, Oliver maintains a software toolkit comprising mining software (Micromine, Leapfrog, Leapfrog Edge), statistical analysis (R, Mathematica, Python), geostatistics (Isatis Neo), database administration (Microsoft SQL Server, Azure SQL Database), GIS (ArcGIS, QGIS) and software development (Microsoft Visual Studio, .NET). He readily combines his technical skills and geological knowledge to produce innovative and effective workflows.

**Mathew Davies, BSc(Hons), MAusIMM – Senior Consultant**

Mathew is a geologist with over 15 years of experience in the Australian mining industry. His experience includes over twelve years working as a consultant for SRK and three years working as an exploration geologist. Mathew's valuation experience includes public and internal reporting for both private and listed entities. These works have covered a wide range of commodities worldwide, including energy minerals (lithium, uranium, and graphite), base metals (lead, zinc, copper, tin, bauxite, and nickel), precious metals (gold, silver, and PGEs), rare earth elements (niobium and tantalum), bulk commodities (coal, iron ore), heavy mineral sands deposits, and fertilizer minerals. Mathew's multi-commodity experience includes regional- to prospect-scale geological mapping, target generation, prospectivity analysis, legislative compliance and reporting, exploration management and planning, drill rig supervision, core logging and sampling. Mathew is competent in development of geological models using Leapfrog and Minex and has a high level of competence in spatial packages, such as ArcGIS and MapInfo. Mathew's onsite project experience includes working as a coal exploration/project geologist for several mines owned by both majors and mid-tiers in New South Wales, while his onsite mineral project experience includes near-mine and remote field camp exploration in Queensland.

## 1.6 Declaration

The information in this report that relates to Technical Assessment and Valuation of Mineral Assets reflects information compiled and conclusions derived by Mr Shaun Barry, who is a Member of the AusIMM and RICS, as well as a RICS Registered Valuer. Mr Barry is a permanent employee of SRK. Mr Barry has sufficient experience relevant to the Technical Assessment and Valuation of Mineral Assets under consideration and to the activity which he is undertaking to qualify as a Practitioner as defined by the 2015 edition of the VALMIN Code. Mr Barry consents to the inclusion in the Report of the matters based on his information in the form and context in which it appears.

## 1.7 Limitations, independence and indemnities and fees

### 1.7.1 Limitations

SRK's opinion contained herein is based on information provided to SRK by Amani throughout the course of SRK's investigations as described in this Report, which in turn reflects various technical and economic conditions at the time of writing. Such technical information as provided by Amani was taken in good faith by SRK. SRK has not independently verified the Mineral Resource Estimates by means of recalculation.

As far as SRK has been able to ascertain, the information provided by Amani was complete and not incorrect, misleading or irrelevant in any material aspect. Amani has confirmed in writing to SRK that full disclosure has been made of all material information and that to the best of its knowledge and understanding, the information provided by Amani was complete, accurate and true and not incorrect, misleading or irrelevant in any material aspect.

SRK has no reason to believe that any material facts have been withheld.

The Report includes technical information, which requires subsequent calculations to derive subtotals, totals, averages and weighted averages. Such calculations may involve a degree of rounding. Where such rounding occurs, SRK does not consider them to be material.

### 1.7.2 Statement of SRK independence

Neither SRK, nor any of the authors of this Report, has any material present or contingent interest in the outcome of this Report, nor any pecuniary or other interest that could be reasonably regarded as capable of affecting their independence or that of SRK.

SRK has no beneficial interest in the outcome of this Report capable of affecting its independence.

### 1.7.3 Indemnities

As recommended by the VALMIN Code (2015), Amani has provided SRK with an indemnity under which SRK is to be compensated for any liability and/or any additional work or expenditure resulting from any additional work required:

- that results from SRK's reliance on information provided by Amani or Amani not providing material information
- that relates to any consequential extension workload through queries, questions or public hearings arising from this Report.

### 1.7.4 Consulting fees

SRK's estimated fee for completing this Report is based on its normal professional daily rates plus reimbursement of incidental expenses. The fees are agreed based on the complexity of the assignment, SRK's knowledge of the assets and the availability of data. The fee payable to SRK for this engagement is estimated at approximately A$30,000. The payment of this professional fee is not contingent upon the findings of this Report.

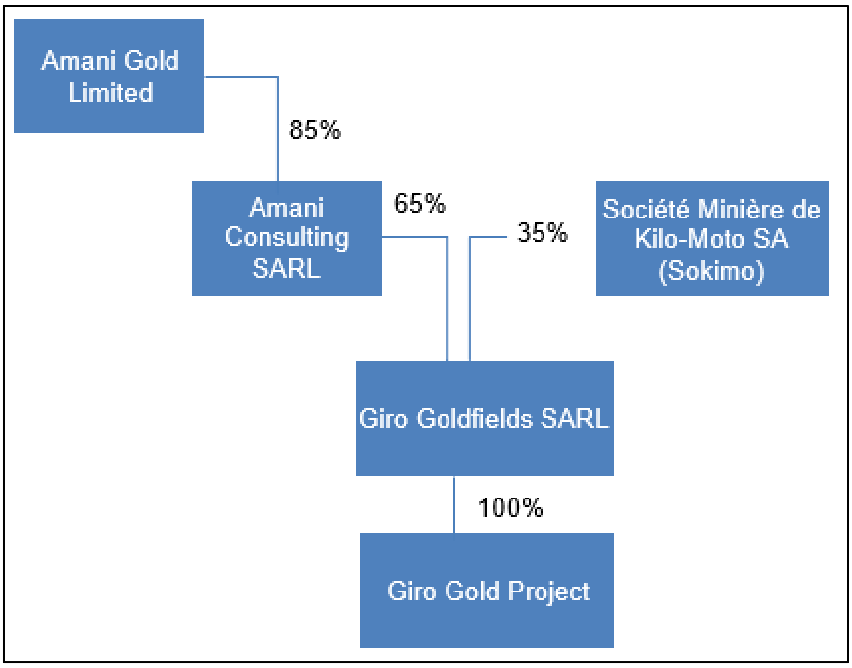
# 2 Amani Gold Limited

## 2.1 Background

Amani is an Australian Securities Exchange (ASX) listed (Ticker code: ANL) exploration company, with its corporate headquarters located in Perth, Western Australia. It was formerly known as Burey Gold Limited (Ticker code: BYR), changing its name on 30 December 2016.

Amani holds an effective 55.25% interest in the Giro Gold Project, located in the northeast quadrant of the DRC. The Giro Project is legally and beneficially owned by Giro Goldfields SARL, a private limited liability company registered in the DRC. Giro Goldfields SARL is in turn owned 65% by Amani Consulting SARL and 35% by the DRC state-owned entity, Société Minière de Kilo-Moto SA (Sokimo). Amani holds an 85% interest in Amani Consulting SARL, which is also a DRC-registered company. The corporate structure is shown in Figure 2-1.

**Figure 2-1: Corporate structure**




Source: Amani (2023)

Amani holds a first right of refusal over the remaining 15% interest in Amani Consulting SARL, which equates to a 9.75% incremental interest in the Giro Project area.

While the Giro Gold Project consists of a number of defined prospects and deposits, it is currently the sole project owned by Amani, which is predominantly focused on gold exploration within the Kebigada Shear Zone. This area is a significant regional structure within the broader Kilo-Moto Greenstone Belt of the north eastern DRC.

The name, Giro, has been used interchangeably by Amani/Burey over time to mean both the project (including all prospects) and as a name for what is now referred to as the Kebigada prospect. For the sake of clarity, the following nomenclature will be used in the SRK Report:

- Giro Project – referring to the greater project over both tenements and including all prospects
- Kebigada Prospect – referring to the primary prospect for which a Mineral Resource has been defined, and located near the town of Watsa, as described below.

## 2.2 Giro Project

### 2.2.1 Location and infrastructure

The Giro Project lies near the Uganda and Sudanese international borders in proximity to the town of Watsa, approximately 1,750 km northeast of the national capital, Kinshasa, 560 km northeast of the city of Kisangani and 170 km west of the Ugandan border town of Arua, in the Haut-Uele Province in north eastern DRC (Figure 2-2).

The project is situated 40 km to the west of the 16 Moz Kibali gold mining and processing operations, which are owned by Kibali Goldmines SA, a JV effectively owned by Barrick Gold Corporation (45%), AngloGold Ashanti Limited (45%) and Sokimo (10%). The mine is operated by Barrick.

The capital of the Haut-Uele Province is the town of Isiro, which lies approximately 235 km west of the Project by road and has a population of 182,900 (2012). Isiro is serviced by the Matri Airport, which lies approximately 6 km northwest of the town.

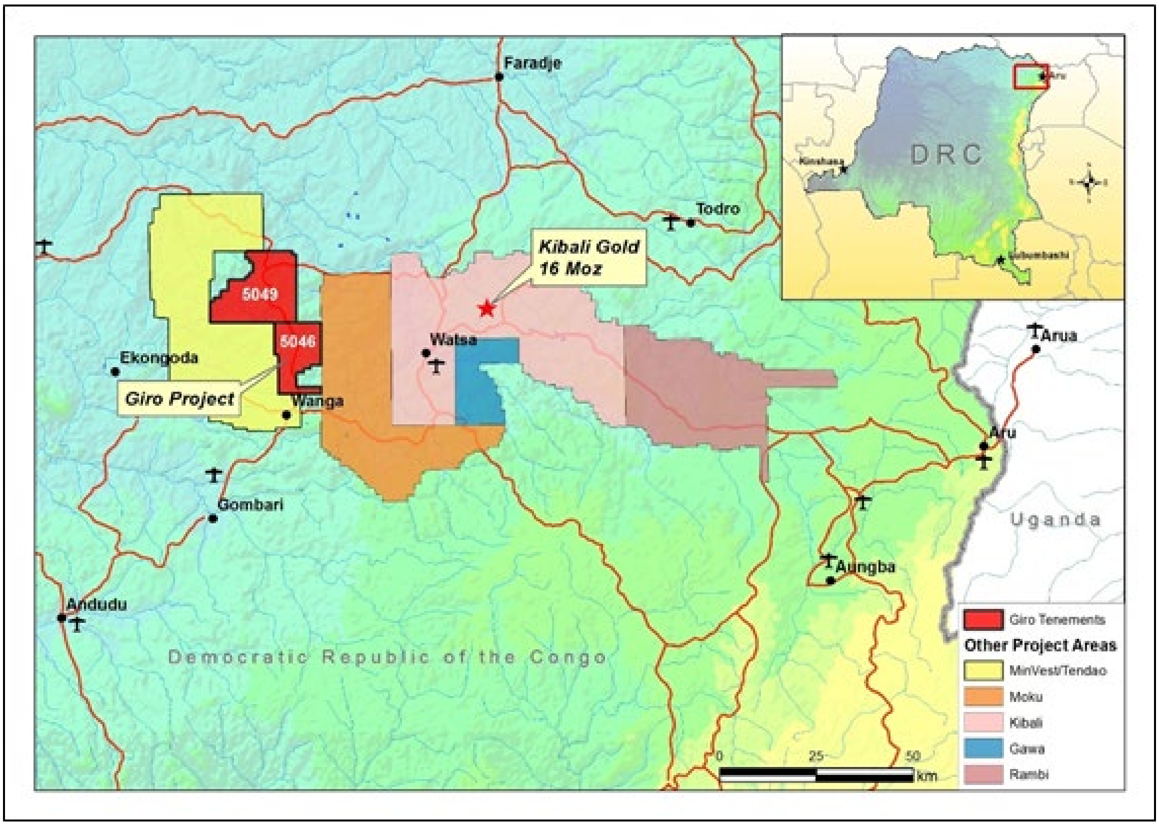
Access for personnel is commonly through Entebbe, Uganda, which lies approximately 490 km southeast of the Project. Entebbe is serviced daily by international carriers. Road access is available from Kampala, Uganda and is approximately 650 km. Unsealed roads provide commercial trade with Uganda and South Sudan, with a narrow-gauge rail line to the port of Bumba on the Congo River not currently in operation. The main material access points for Project exploration and development include the major ports of Mombasa, Kenya (1,800 km) and Dar es Salaam, Tanzania (1,950 km). The routes are paved up to the DRC border. Supplies typically require two weeks to arrive from Mombasa.

The Project area is situated in a rural setting that lacks local infrastructure. Infrastructure in the DRC is generally poor as a result of limited investment in the maintenance of road networks established during colonial times. Historically, the lack of investment was the result of civil unrest and diminished government revenue collection.

There is no national grid power supply to the site and, as a result, the project remains dependent upon its own generation facilities, with diesel generators used to supply the bulk of the site’s electrical requirements.

The primary source of raw water supply is rain and spring water with further sources including tributaries to the Kibali and/or Ibu rivers.

**Figure 2-2: Location of Giro Project**




Source: Amani Gold Limited

### 2.2.2 Climate, physiography and local resources

The DRC straddles the equator and the surrounding region to the Project is characterised by a tropical or equatorial climate, being hot and humid. Climate data for Isiro (the nearest reported weather station) reports an average monthly temperature range of between about 25°C and 35°C, with maximum temperatures averaging between 35°C and 39°C in February/March and minimum temperatures of between 22°C to 25°C in September/October. Monthly rainfall averages between 25 mm and 50 mm in the dry season and from 200 mm to 400 mm in the wet season, resulting in an annual rainfall around 2,000 mm.

The Project is located between equatorial rainforest and the savannah, and generally consists of both dry areas and swamp, with agricultural areas and cultivated fields derived from rainforest. The topography is gently hilly, with average altitude between 370 m and 430 m above sea level (asl). Vegetation is dominated by elephant grass with forested areas along drainages. It is likely the entire area comprised rainforest prior to modification by human activity.

The surrounding area to the project is largely inaccessible during the wet season due to a combination of unsealed roads and tracks, poor road conditions and high annual rainfall.

The official commercial activity in the surrounding area is coffee production, with the area also recognised as a major centre for gold mining, with artisanal gold mining of alluvial deposits occurring for centuries. A 2013 Organisation for Economic Co-operation and Development (OECD) report estimates that over 42,000 workers were engaged in artisanal mining in the area.

### 2.2.3 Ownership

The Project tenure is held in the name of Giro Goldfields SARL, a Congolese limited liability company formed on 03 January 2012 under a JV Agreement between Sokimo and Amani Consulting SARL.

Following the ratification of the JV agreement extension amendment (see discussion below), Amani now holds a 55.25% beneficial interest in the two tenements held by Giro Goldfields SARL. This company is in effect an incorporated JV between Amani Consulting SARL and Sokimo. The JV is governed by an Association Agreement.

Tshibangu Ilunga & Partners (2017) advise that as a condition of the Association Agreement, Amani Consulting SARL must provide a feasibility study for the Project within the specified time. SRK is advised that Amani has agreed to defer the submission of a feasibility study to Sokimo to 30 June 2023.In consideration for the deferment, Sokimo is to be paid a monthly fee of US$60,000 until the end of the deferment period. The decision to defer the feasibility study was taken to provide the Company with the opportunity to undertake further exploration to define and potentially expand the existing resource (refer Amani ASX Announcement dated 30 September 2022).

#### Joint venture agreement

SRK was provided with copies of the Association Agreement (The Agreement) between Amani Consulting SARL and Sokimo dated 03 January 2012, as well as three amendments to that Agreement. This Agreement and the amendments were provided on 18 September 2017 in both French (original) and English (translated) versions. In relation to these documents, SRK notes:

- SRK is not qualified to provide a legal opinion regarding these legal contracts and does not assert to do so.
- A cursory review was completed to assess any potential payments or other financial obligations associated with the tenements, which identified potentially liabilities totalling US$5 M as well as a loan facility to Sokimo for unpaid acreage fees.
- The Agreement also identifies potential for a royalty to Sokimo but the rate or conditions are not specified.
- These liabilities were not identified in the legal opinion by Tshibangu Ilunga & Partners (2017) and therefore their impact has not been considered in SRK's value opinion.

### 2.2.4 Tenure

SRK has relied upon the independent legal opinion of Tshibangu Ilunga & Partners dated 18 August 2017, in regard to the validity of Giro Goldfields SARL's licences. SRK makes no other assessment or assertion as to the legal title of the tenements and is not qualified to do so.

As shown in Table 2-1, the Giro Gold Project tenure consists of two granted Exploitation Permits (PE5046 and PE5049), with a combined total area of 497.06 $km^2$.

**Table 2-1: Giro Project Tenure**

| Tenements | Holder | Area | Granted | Expiry |
|---|---|---|---|---|
| PE5046 - Exploitation Certificate CAMI/CE.4653/2008 | Giro Goldfields SARL, 100% | 181.95 $km^2$ | 22 May 2008* | 11 May 2029 |
| PE5049 - Exploitation Certificate CAMI/CE.4653/2008 | Giro Goldfields SARL, 100% | 315.11 $km^2$ | 22 May 2008* | 11 May 2029 |

Source: Tshibangu Ilunga & Partners
Notes: Both tenements were renewed on 12 May 2014 for a 15-year period.

Tshibangu Ilunga & Partners (2017) advise that the following conditions exist for these tenements:

- The annual surface rights must be paid or risk forfeiture of the tenements.
- A 'feasibility' study is required to show the impact and protection of the environment, avoidance of pollution and ultimately rehabilitation.

Tshibangu Ilunga & Partners (2017) also advise that:

- The tenements are in good standing.
- The Association Agreement requires the delivery of the feasibility study. This study was originally due to be delivered in January 2014 and has been extended three times up to 30 June 2023.
- Sokimo has not issued a notice of breach of the Agreement, and Sokimo would have to provide Amani Consulting SARL with six months' notice of termination due to a breach of the Agreement.
- Both Amani Consulting SARL and Giro Goldfields SARL are in good standing with regards to DRC corporate law.

A copy of the legal opinion by Tshibangu Ilunga & Partners (2017) is presented in Appendix B.

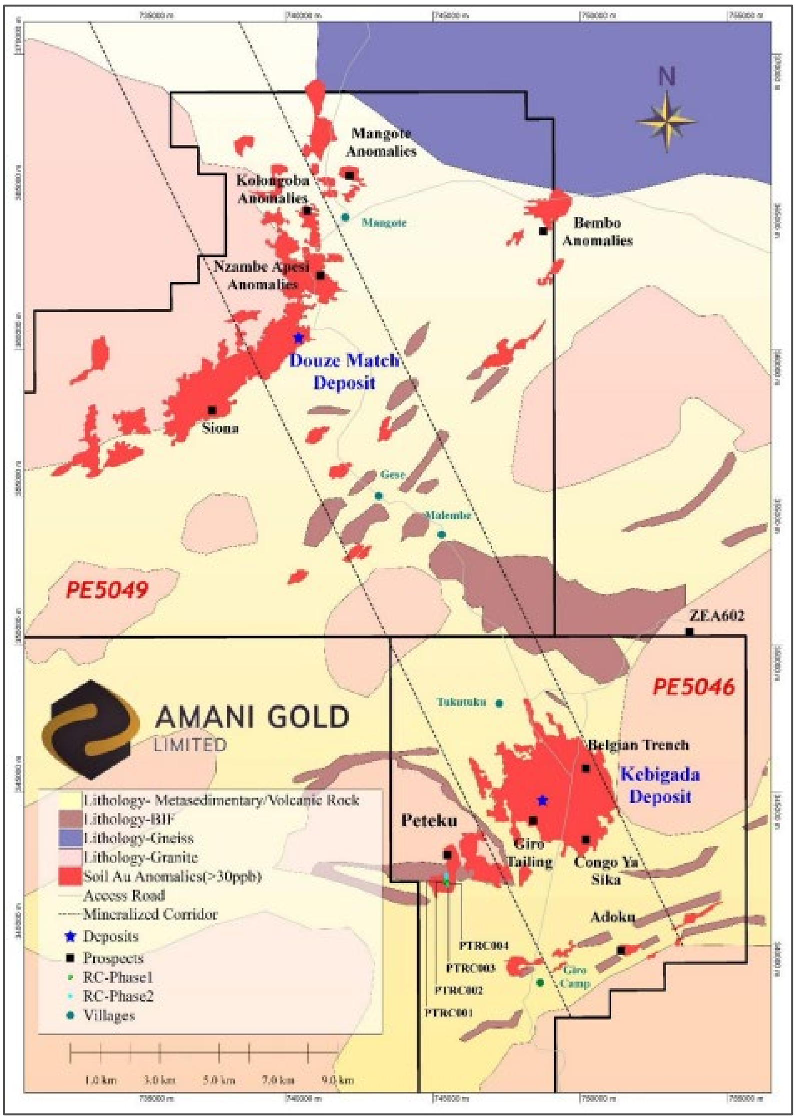
# 3 Exploration history

The Giro Gold Project comprises two granted permits (PE5046 and 5049) that host seven prospects (Figure 3-1). All known prospects are located along, or proximal to, a mineralised corridor defined by the regionally significant Kebigada Shear Zone, a north-northwest oriented structure that extends for more than 35 km within the Kilo-Moto Greenstone Belt.

These prospects comprise:

- Adoku
- Peteku
- Kebigada
- Giro Vein
- Douze Match – includes the Tango Shear and Siona anomalies
- Mangote
- Kolomgobo.

**Figure 3-1: Giro Gold Project – individual anomalies and prospects**




Source: Amani Gold Limited

Exploration activities, including small scale and artisanal mining, has occurred along the Kebigada Shear Zone since the early 1900s, coinciding with the commencement of Belgian colonial rule (Jackson, Kwaku et al., 2016) which occurred between 1908 and 1960. There were two periods of significant post-war investment in the 1920s and 1950s, which drove increased mining activity across the Belgian Congo.

A brief history of exploration of the Giro project area is provided by Jackson, Kwaku et al., (2016) and others:

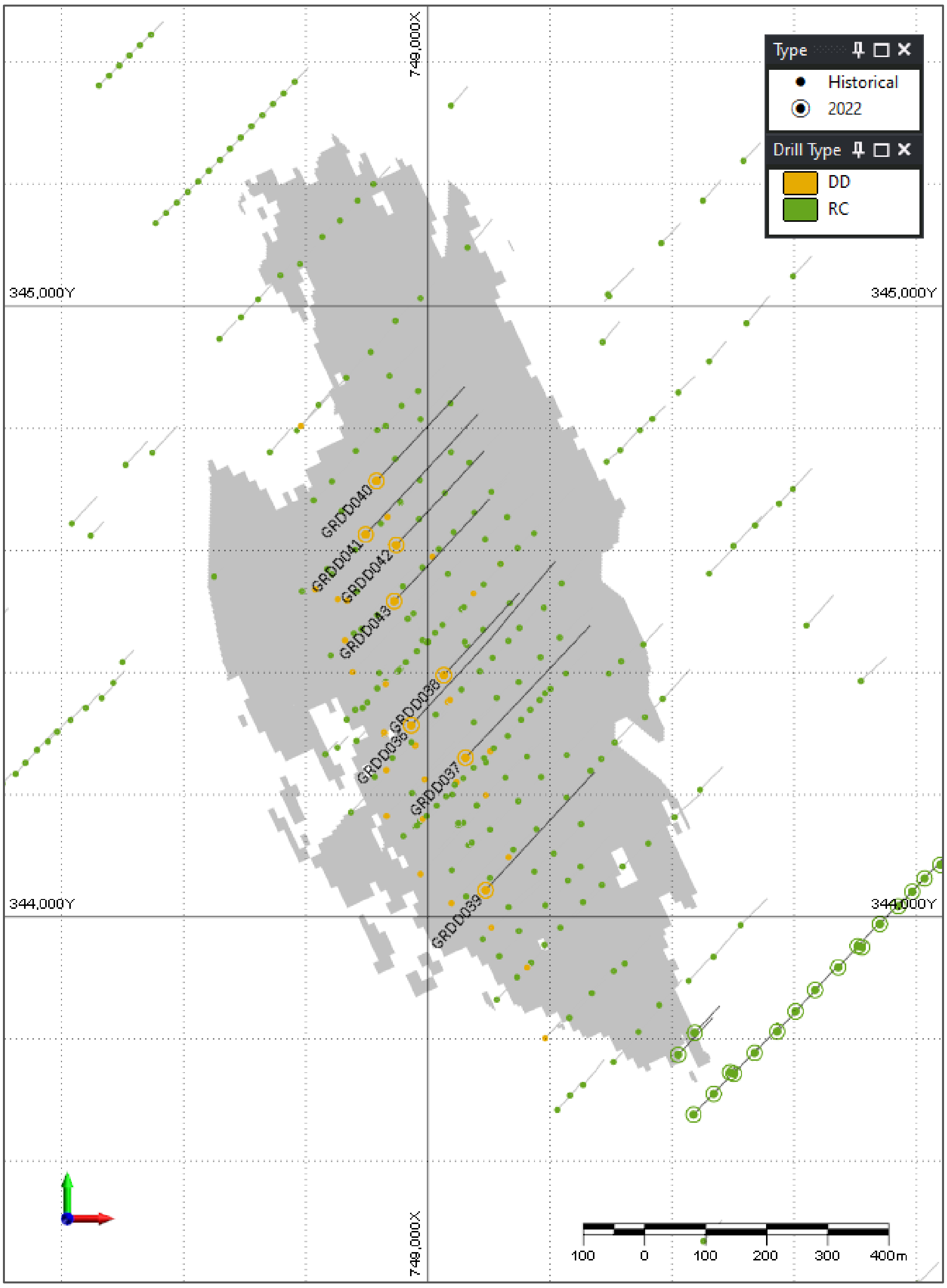
- Historically, the Belgians mined high-grade gold veins and laterite at Kebigada, Giro Vein, Peteku, and Douze Match. The Belgians also mined two deposits to the north: the Mangote open pit, and the Kai-Kai underground workings (Eckhof 2017).
- Two regional airborne magnetic and radiometric geophysical surveys were conducted across large parts of the Kilo-Moto Greenstone Belt. The first, in 1988, was administered by World Geoscience and the latter, in 2012, by Mineral Invest International. Both surveys were completed on a 200 m line spacing.
- In 2012, Erongo Energy Limited conducted a small geochemical sampling and reconnaissance program.
- Panex Resources Inc. (Panex) operated a 57-hole (for 2,888 m) RC drilling program at the Giro Vein and Kebigada Shear Zone prospects in 2013.
- Between 2014 and May 2017, Burey Gold Limited (Burey, the name by which Amani was previously known) carried out two RC/DD campaigns focused on the Kebigada Shear Zone prospect (Witley 2017):
  - October 2014 – December 2016: 145 RC holes and 10 DD holes:
    i. The RC drill holes were on 200 m spaced lines, at approximately 40 m centres, to an average downhole depth of 100 m.
    ii. In 2016, the RC line spacing was closed down to 100 m. Additional holes were drilled on some of the previous Panex drill lines to increase hole depths and provide infill, and to test geochemical anomalies in the eastern part of the Kebigada Shear Zone.
    iii. During this period (in 2015), an induced polarisation (IP) and resistivity geophysical survey was conducted over the Kebigada Shear Zone and Giro Vein prospects. The survey was conducted on a 100 m line spacing and 25 m station interval, with six Pole-Dipole lines surveyed using an electrode spacing of 50 m (Elliot, 2015).
  - February 2017 – May 2017: 45 RC holes and 14 DD holes:
    i. The RC holes were drilled to close the line spacing down to 50 m.
    ii. The DD holes were drilled to confirm structure and test deeper mineralisation.

A drill plan showing the resource drilling complete at the Kebigada prospect as at 07 August 2017 is shown in Figure 3-2.

A program of 8 DD holes and 189 RC holes was completed during 2016/17 to explore the Douze Match prospect. These RC holes were generally shallow (average <50 m) targeting anomalies in a previous soil geochemical sampling survey.

A further 52 RC scout holes were drilled at the adjacent Siona prospect.

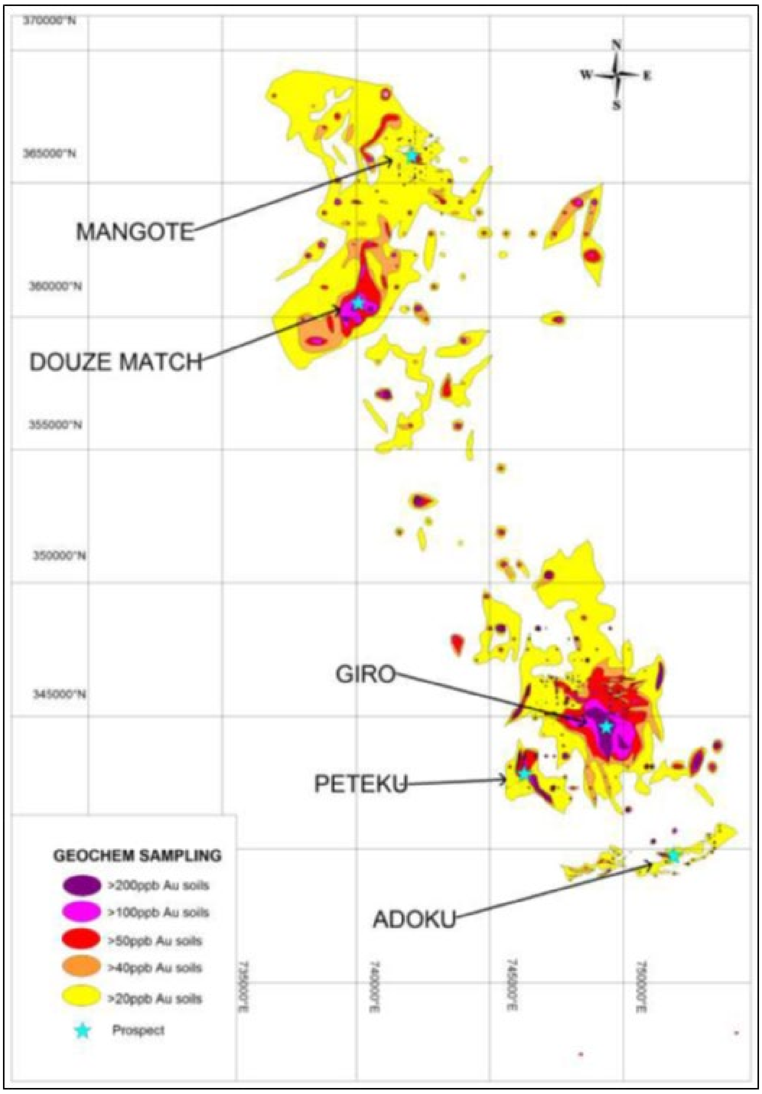
**Figure 3-2: Kebigada resource drilling**




Source: SRK (2023)

Soil geochemical sampling was completed progressively by Burey/Amani, with 13,475 soil samples evident in the database provided to SRK. Jackson, Kwaku et al., (2016) reported that, by June 2016, a 200 m by 800 m grid had been completed over a 40 km strike length along the Kebigada shear corridor. This spacing was closed down to 50 m by 200 m at Giro Vein, Kebigada Shear, Adoku, and Mangotu prospects, with infill underway at Douze Match. The extent of the soil sampling for the Giro project is shown in Figure 3-3 as at June 2016.

**Figure 3-3: Regional soil geochemistry sampling program (Au anomalism)**




Source: Jackson, Kwaku et al., 2016

Channel geochemical sampling was also completed at the Mangote, Douze Match, Kebigada, Peteku and Adoku prospects with 348 samples collected by June 2016 (Jackson, Kwaku et al., 2016).

Other historic drilling at the various Giro prospects derived from Amani's drill hole database records represent deeper diamond programs to test mineralisation at depth below the historic Belgian mining areas:

- 8 DD holes and 189 RC holes at Douze Match
- 4 DD holes at the Giro Vein prospect
- 5 DD holes at the Adoku prospect
- 4 DD holes at the Mangote prospect
- 1 DD hole at the Peteku prospect.

The RC and diamond drilling completed at the Giro prospects is summarised in Table 3-1 and Table 3-2 respectively.

**Table 3-1: Giro Project – RC drilling summary**

| Company | Type | Prospect | Total metres | Number of holes |
|---|---|---|---|---|
| Panex Resources | RC | Giro | 1,266 | 22 |
| Panex Resources | RC | Kebigada | 1,624 | 36 |
| Burey Gold | RC | Douze Match | 9,110 | 189 |
| Burey Gold | RC | Kebigada | 15,105 | 148 |
| Burey Gold | RC | MO Anomaly | 151 | 3 |
| Burey Gold | RC | Siona | 240 | 5 |
| Amani Gold | RC | Kebigada | 6,024 | 48 |
| Amani Gold | RC | Siona | 2,123 | 47 |
| Amani Gold | RC | Kebigada SE | 1,988 | 18 |
| Amani Gold | RC | Congo Ya Sika | 1,114 | 18 |
| **Total** | | | **38,745** | **533** |

Source: Amani Gold Ltd, drilling database

**Table 3-2: Giro Project – DD drilling summary**

| Company | Type | Prospect | Total metres | Number of holes |
|---|---|---|---|---|
| Burey Gold | DD | Adoku | 839 | 5 |
| Burey Gold | DD | Douze Match | 1,218 | 7 |
| Burey Gold | DD | Giro | 310 | 2 |
| Burey Gold | DD | Kebigada | 2,633 | 9 |
| Burey Gold | DD | Mangote | 633 | 4 |
| Burey Gold | DD | Peteku | 100 | 1 |
| Amani Gold | DD | Douze Match | 170 | 1 |
| Amani Gold | DD | Giro | 206 | 2 |
| Amani Gold | DD | Kebigada | 8,857 | 27 |
| **Total** | | | **14,966** | **58** |

Source: Amani Gold Ltd, drilling database

In August 2017, Amani outlined a Mineral Resource at Kebigada of 45.62 Mt with an average 1.46g/t Au for 2.14 Moz (see ASX Announcements 18 July and 23 August 2017). This was updated in March 2020 (ASX Announcement (19 March 2020).

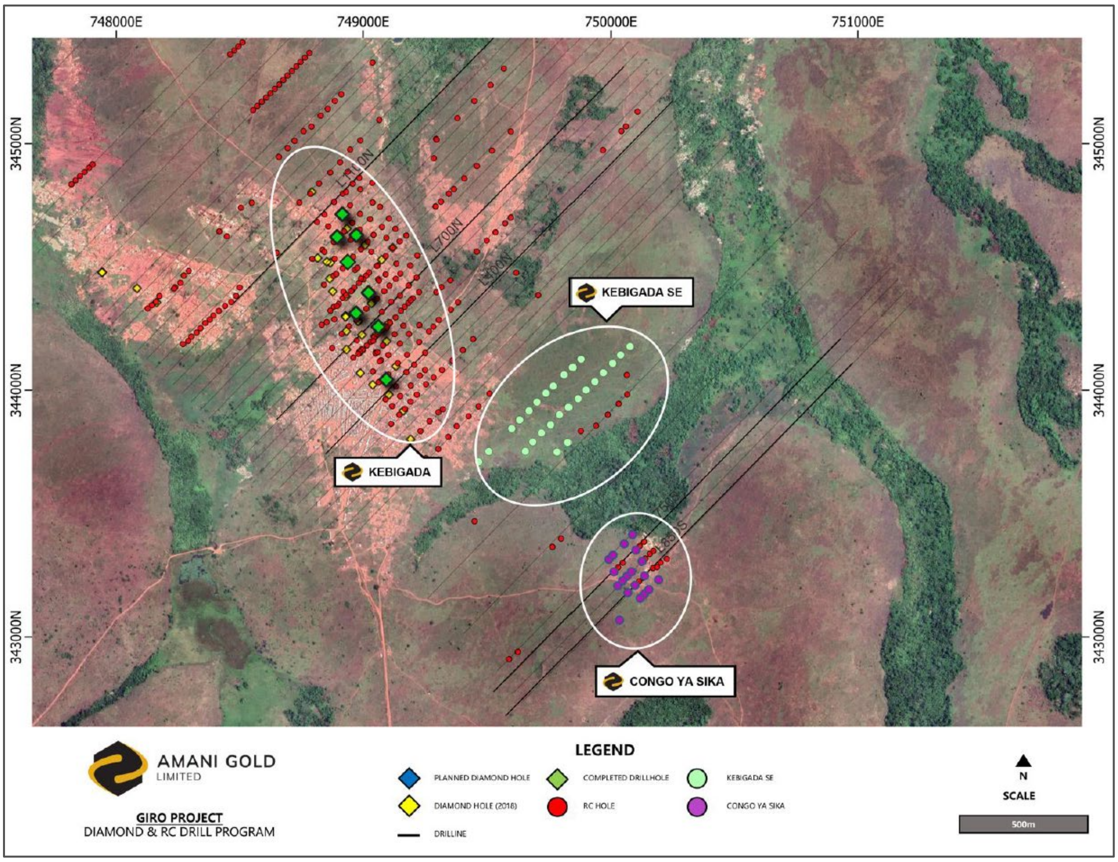
In December 2018, H&SC defined a maiden Resource Estimate for Douze Match after it reviewed all data provided by Amani forming the basis of the resource estimate.

In May 2021, the BGRIMM completed a techno-economic study relating to the Kebigada deposit.

In October 2022, Amani announced interim results from a new drilling campaign. These results included:

- completion of 8 new DD holes at the Kebigada prospect (GRDD036 – GRDD043)
- completion of 18 RC holes at the Kebigada Southeast prospect out of a planned campaign of 26 holes. SRK received logging and sampling records for 18 drill holes.
- the intention to commence drilling 19 drill holes at the Congo Ya Sika prospect to the southeast of Kebigada Southeast.

**Figure 3-4: Planned 2022 Amani drilling campaign**




Sources: Amani Gold ASX announcement (31/10/2022)

# 4 Geological setting

## 4.1 Regional geology

The Giro district is dominated by the Archean-aged (3,200 to 2,600 Ma) Kilo-Moto granite-greenstone belt, which comprises volcano-sedimentary rocks of the Kibalian complex including schists, amphibolites, and ironstone-chert horizons (Jackson, Kwaku et al., 2016, Witley 2017). Typical of these terrains, these rocks were intruded by younger granitoids of the Upper Zaire granitic complex. The granitoids played an important role in the gold mineralisation of the Kebigada Sheer corridor and acted as a heat source, driving the movement of mineralised hydrothermal fluids (Jackson, Kwaku et al., 2016).

Low-grade biotite greenschist facies metamorphism is evident at a regional scale across the area, with many rocks remaining undeformed. Where metamorphism is evident, the rocks show weak, local deformation and foliation development, and are predicted to have occurred before mineralisation.

Metamorphism is passive-thermal, associated with granitoid emplacement rather than the result of a regional tectonic event (Allibone 2017).

Gold deposits of the Kibali district are scattered along a curvilinear zone approximately 20 km long and up to 1 km wide, known as the KZ structure (KZS). Gold is concentrated in gently northeast to north-northeast-plunging shoots, whose orientations are generally parallel with a prominent lineation in the mineralised rocks. The structure of the Kibali district is interpreted to be the product of at least seven phases of deformation.

## 4.2 Local geology

The Giro Project is dominated by a volcano-sedimentary sequence. This includes mafic interbedded pyroclastic and volcanoclastic rocks, intermediate lavas and siltstones, and fine-grained banded iron formation (BIF). The sequence has been intruded by a range of mafic to felsic intrusive plutons, dykes and sills of the Zaire granitic complex. These intrusive bodies include the Tora, Motobi, Oese, Peteku and Mai masses, as shown in the local geology map in Figure 4-1 (Jackson, Kwaku et al., 2016, Allibone 2017).

The Kibalian rocks lie within the Kebigada Shear Zone, a sub-vertical, northwest-striking structural corridor that is several hundred metres wide (Witley 2017). The major lithologies generally dip southwest to northwest, and are extensively cross-cut by east-northeast to northwest faults. These faults occasionally offset mineralisation and some of these structures are preferentially intruded by barren mafic dykes (Jackson, Kwaku et al., 2016).

The major foliation direction identified by Jackson, Kwaku et al., (2016) varies from east-northeast at the Douze Match and Adoku prospects, to east–west at the Mangote and Peteku prospects.

At the Kebigada prospect, recent drilling[1] confirmed the northerly plunge of gold mineralisation with intercepts down-dip of existing intersections. These results corroborate a previous study of oriented core that suggested the foliation dips at -75° towards 205°. This foliation parallels both small-scale mineralised vein sets and larger scale mineralised lenses.

An alternative study by Vermaakt (2017) looked at the orientation of nearly 4,000 lineaments for the Kebigada prospect and established the following orientations:

- foliations 228°/75°
- carbonate veins/veinlets 227°/72°
- quartz veins/veinlets 214°/69°
- pyrite laminae 206°/72°
- high grade (Au) structures 220°/73°.

Flatter carbonate and quartz vein structures (253°/20°) were also identified and have been verified in the latest structural logging from the 2022 diamond drilling program.

A detailed study by Allibone (2017) investigated the petrographic and geochronological characteristics of the lithologies of the Kebigada, Adoku and Peteku prospects. Key findings included:

- Volcanoclastic rocks comprised volcanoclastic pebble conglomerates, typically massive with matrix supported clasts of porphyritic basalt, basaltic andesite, andesite and dacite in a fine-grained matrix.
- It was not clear whether these conglomerates were the result of pyroclastic volcanism, which occurred during deposition, or whether they represented epiclastic reworking of older pyroclastic deposits.
- Volcanic sandstones were minor, interbedded with the conglomerates, and essentially the same composition as the conglomerate matrix. They are described as sandstones, not tuffs, as a pyroclastic origin could not be proven.
- Fine-grain basaltic and andesitic rocks represent approximately 25% of the regional lithology. The presence of micro-vesicles suggests that these rocks represent volcanic flows rather than fine-grained intrusive bodies.
- Evidence was found at the Adoku prospect of finely laminated siltstones and minor BIFs, with well-preserved bedding and minimal foliation though these rocks were not found at Kebigada.

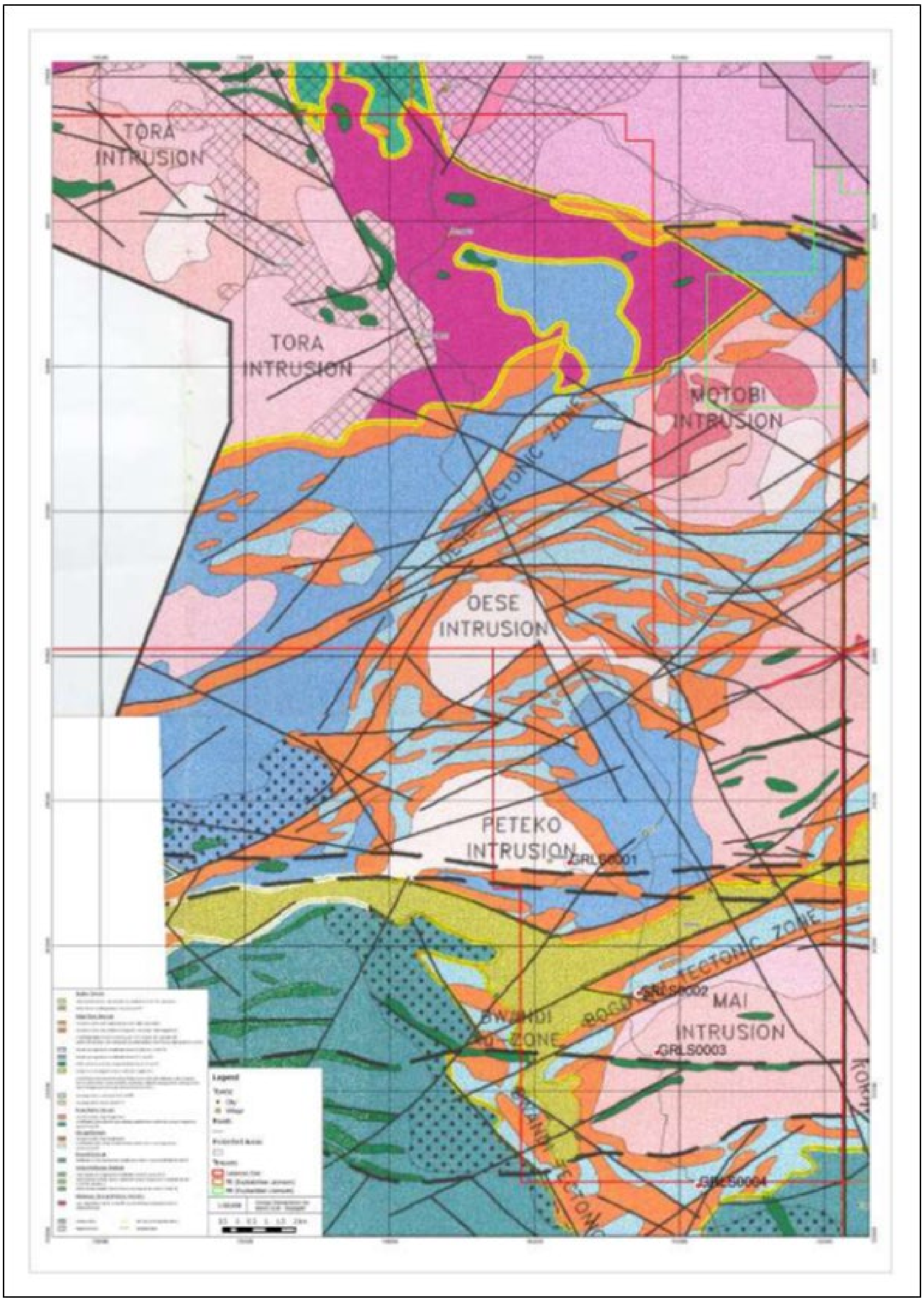
Allibone (2017) defined six groups of intrusive bodies:

- porphyritic quartz micro-diorite dykes
- massive to moderately foliated hornblende porphyritic gabbro-diorite dykes
- massive to strongly foliated diorite
- medium- to coarse-grained biotite tonalite

[1] 2022/10/21 ASX Release EXTENSIVE GOLD MINERALIZATION IN DIAMOND DRILLING AND VISIBLE GOLD OBSERVED IN SIX RC DRILL SAMPLES

- medium to coarse-grained gabbro
- dolerite dykes.

**Figure 4-1: Local geology showing Zaire granitic complex intrusive bodies interpreted from regional geophysical imagery**




Source: Jackson, Kwaku et al., 2016

### 4.2.1 Mineralisation and alteration

Studies on the controls of the known gold mineralisation appear to be generally limited to the greater Giro prospect (Kebigada and Giro Vein). Jackson, Kwaku et al., (2016) observe that the major controls are predominantly structural with some lesser lithological preferences.

In the case of the Kebigada prospect, mineralisation is largely bound by the Kebigada fault to the west. The prospect is inferred from a similarly abrupt termination of mineralisation to the east with a coincident drop in the IP chargeability geophysical imagery of the eastern control being a parallel structure. This thesis suggests that the mineralisation is associated with northwest dilational jogs between two north-northwest-trending faults (Jackson, Kwaku et al., 2016).

The lithological controls are based on observations that mineralisation tends to favour fine-grained volcanoclastic rocks, when in contact with coarser-grained pyroclastic rocks and as interbedded units. It is hypothesised that this preference may be a function of finer-grained units being a preferential site for strike-slip movement and brittle fracturing, compared to more massive units (Jackson, Kwaku et al., 2016). This lithological control is therefore a pseudo structural control providing preferential zones for movement, and as a result focuses the location of faults or shears.

The mineralisation at the Giro Vein prospect appears to be controlled by a strike-slip, brittle, ductile shear zone trending west-northwest. This has been reactivated over a long period of time, with continued injection of mineralised fluids (Jackson, Kwaku et al., 2016).

Jackson, Kwaku et al., (2016) describes three principal styles of mineralisation:

1. disseminated pyrite bands or lenses
2. quartz-carbonate-pyrite sheeted vein sets +/- chalcopyrite & molybdenite
3. grey-white banded ribbon quartz.

Both the sheeted veins and ribbon quartz have associated alteration assemblages such as pyrite, chlorite, epidote and free gold.

Allibone (2017) described the mineralised veins as containing pyrite, +/- chalcopyrite, +/- quartz, +/- carbonate with halos of pyrite +/- chlorite, +/- tourmaline alteration. Both veins and the alteration halos overprint earlier metamorphic alterations assemblages. This suggests that mineralisation occurred later in the area's geological history, after metamorphism.

The known gold mineralisation at Kebigada is capped by 5 m to 10 m of laterite, and a further 10 m to 30 m of saprolite (Witley 2017). These weathering profiles have previously been the target of both Belgian and artisanal miners.

SRK considers that the regional and local geological setting, including the structural setting, is well understood by Amani and warrants reasonable confidence in the regional geological model.

In the case of Douze Match, the main lithologies hosting the mineralisation are saprolite, quartz veins and stringers and silicified volcano-sediments. Mineralisation is associated with quartz veining and silicification of host rocks along a major northeast-southwest trending shear zone. The southeast-dipping gold mineralisation is hosted within the Tango shear structure and granite hosted contact. The mineralised shear structure transects three main lithologies that are:

1. the mafic volcano sediment
2. intermediate to mafic intrusion, and
3. the granite.

Generally, higher gold grades are associated with greater percentages of sulfide (pyrite) and silicification.

The Douze Match deposit is also capped by a mineralised saprolite and laterite layer that is normally between 10 m and 30 m thick.

# 5 Kebigada Mineral Resource Estimate

## 5.1 Current Mineral Resources

SRK has reviewed the Kebigada Resource Estimate prepared by Geowiz Consultants in 2023[2]. The following model assets were supplied for review:

- resource estimate report: Kebigada, Mineral Resource Estimate, March 2023
- block model (Surpac format)
- exploration database and composited Au assays.

Additional deeper diamond drilling conducted in late 2022 has increased the depth of the floor of the reported Mineral Resources and confirmed deeper continuity of mineralisation. This new drilling has resulted in:

- An increase to the total Mineral Resource inventory of almost 20 Mt for 300 koz Au.
- Upgraded resource confidence in the central region of the deposit, with 1.1 Moz now classified as Measured.

Key features of the latest Resource Estimate are:

- Reporting cut-off of 0.5 ppm Au.

Mineral Resources are constrained within a US$2000/oz theoretical pit shell. The estimate is summarised in Table 5-1.

**Table 5-1: Current Classified Mineral Resources**

| Classification | Tonnes (Mt) | Au (g/t) | Au (Moz) |
|---|---|---|---|
| Measured | 32.9 | 1.08 | 1.1 |
| Indicated | 46.4 | 1.03 | 1.5 |
| Inferred | 61.9 | 0.87 | 1.7 |
| **Total** | **141.1** | **0.97** | **4.4** |

Sources: Geowiz Consultants (2023)
Notes: 0.5 ppm Au reporting cut-off grade; US$2000/oz pit shell constraint

Mr Ross Corben (Geowiz Consulting) acted as Competent Person for reporting of both exploration results and Mineral Resources.

The updated Mineral Resource Estimate differs from the previous estimate (H&S, 2020) in the use of a non-recoverable estimation technique (ordinary kriging), use of a smaller block size, constraint within a pit shell, and the increased depth of the reported Mineral Resources arising from the new drilling. These changes have resulted in a larger Mineral Resource with comparable average grades.

[2] ASX Announcement (28/03/2023): Resource Upgrade – 1.1 Moz Measured Resource at Kebigada

## 5.2 Previous Mineral Resource Estimates

### 5.2.1 H&S Consultants (2020)

H&S Consultants prepared the previous Mineral Resource Estimate in 2020[3].

- reporting cut-off grade of 0.5 ppm Au
- unconstrained to a theoretical pit shell
- estimated using recoverable Multiple Indicator Kriging (MIK).

The estimate is summarised in Table 5-1.

**Table 5-2: Historical Classified Mineral Resources**

| Classification | Tonnes (Mt) | Au (g/t) | Au (Moz) |
|---|---|---|---|
| Indicated | 69.2 | 1.09 | 2.44 |
| Inferred | 54.4 | 0.95 | 1.67 |
| **Total** | **123.7** | **1.03** | **4.10** |

Sources: H&S (2020))
Notes: 0.5 ppm Au reporting cut-off grade; unconstrained

### 5.2.2 MSA Group (2017)

The MSA Group conducted an earlier Mineral Resource Estimate dated 18 August 2017, summarised in Table 5-3.

- reporting cut-off of 0.9 ppm Au
- constrained within a US$1500/oz theoretical pit shell.

**Table 5-3: Previously Classified Mineral Resources**

| Classification | Tonnes (Mt) | Au (g/t) | Au (Moz) |
|---|---|---|---|
| Indicated | 16.5 | 1.53 | 0.81 |
| Inferred | 29.1 | 1.42 | 1.33 |
| **Total** | **45.6** | **1.46** | **2.14** |

Sources: MSA (2017)
Notes: 0.9 ppm Au reporting cut-off grade; $US1500/oz pit shell constraint

[3] ASX Announcement (19/03/2020): Kebigada Mineral Resource Estimate Exceeds 4Moz Gold Milestone

## 5.3 Exploration data

### 5.3.1 Current drilling database

The current drilling database for the Kebigada project, including sub-prospects is shown in Table 5-4.

**Table 5-4: Kebigada drilling data (all sub-prospects)**

| Prospect | Drill type | # Holes | Meterage (m) |
|---|---|---|---|
| | DD | 43 | 13,042 |
| Kebigada | RC | 251 | 23,810 |
| | **Subtotal** | **294** | **36,853** |
| Kebigada-NW | RC | 20 | 1,175 |
| Kebigada-North | RC | 5 | 259 |
| Kebigada-Belgian Trend | RC | 10 | 585 |
| Kebigada-East | RC | 4 | 198 |
| Kebigada-Giro Vein | RC | 6 | 330 |
| Kebigada-SE | RC | 18 | 1,988 |
| | **Total** | **357** | **41,387** |

Sources: SRK

Additional DD and RC drilling was undertaken in 2022 at the Kebigada and Kebigada Southeast prospects.

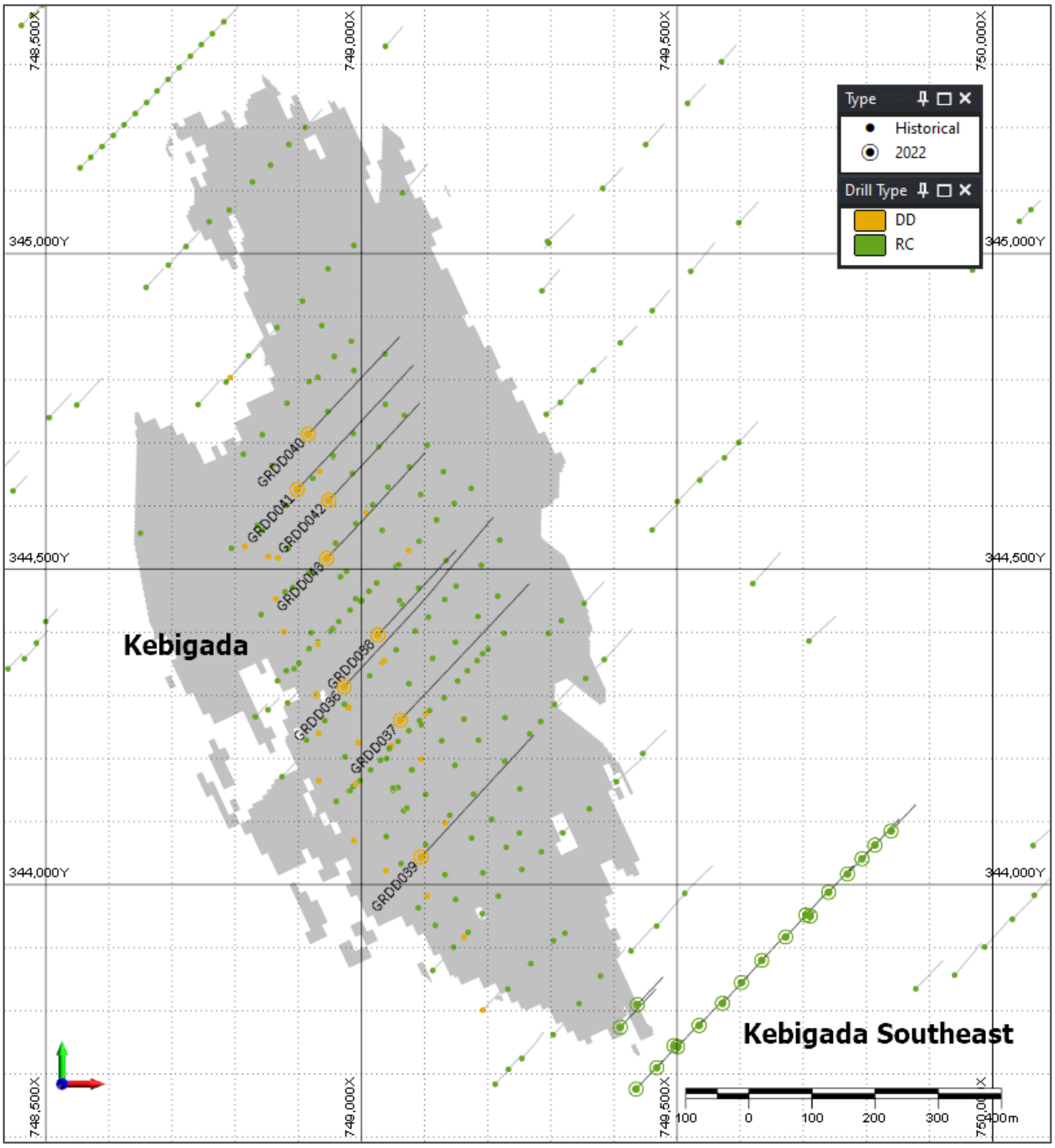
Eight additional DD holes drilled at Kebigada successfully intercepted mineralisation below the existing floor of exploration, improving the structural interpretation and mineralisation continuity down-dip and down-plunge[4].

Drilling at Kebigada Southeast was more exploratory in nature, consisting of 18 RC drill holes[5]. The drilling at Kebigada Southeast suggests pinching and closure of the dilational structure that hosts the Kebigada mineralisation and the potential for a narrower secondary mineralised corridor to the east of the main Kebigada prospect.

[4] ASX Announcement (31/10/2022): Extensive gold mineralisation in diamond drilling and visible gold observed in six RC drill samples

[5] ASX Announcement (23/02/2023): RC Drilling intersects extension zone of Kebigada deposit.

**Figure 5-1: Collar location plan highlighting 2022 drilling at Kebigada.**




Sources: SRK 2023

Notes: Geowiz (2023) block model with 0.5 ppm Au cut-off and pit constraint as grey shell

### 5.3.2 Resource database

The 2023 Mineral Resource Estimate used a subset of the total drill hole database comprising 229 RC holes and 38 DD drill holes (267 holes total), focussed on the main Kebigada area.

### 5.3.3 Surveys

New hole locations were surveyed using differential Geographic Positioning System (DGPS) methods to cm scale accuracy. One hundred earlier holes are reported as using handheld GPS surveys with elevation determined by projection onto a topographic surface derived from precise and accurate DGPS surveyed collars.

Downhole inclinations were measured using several methods:

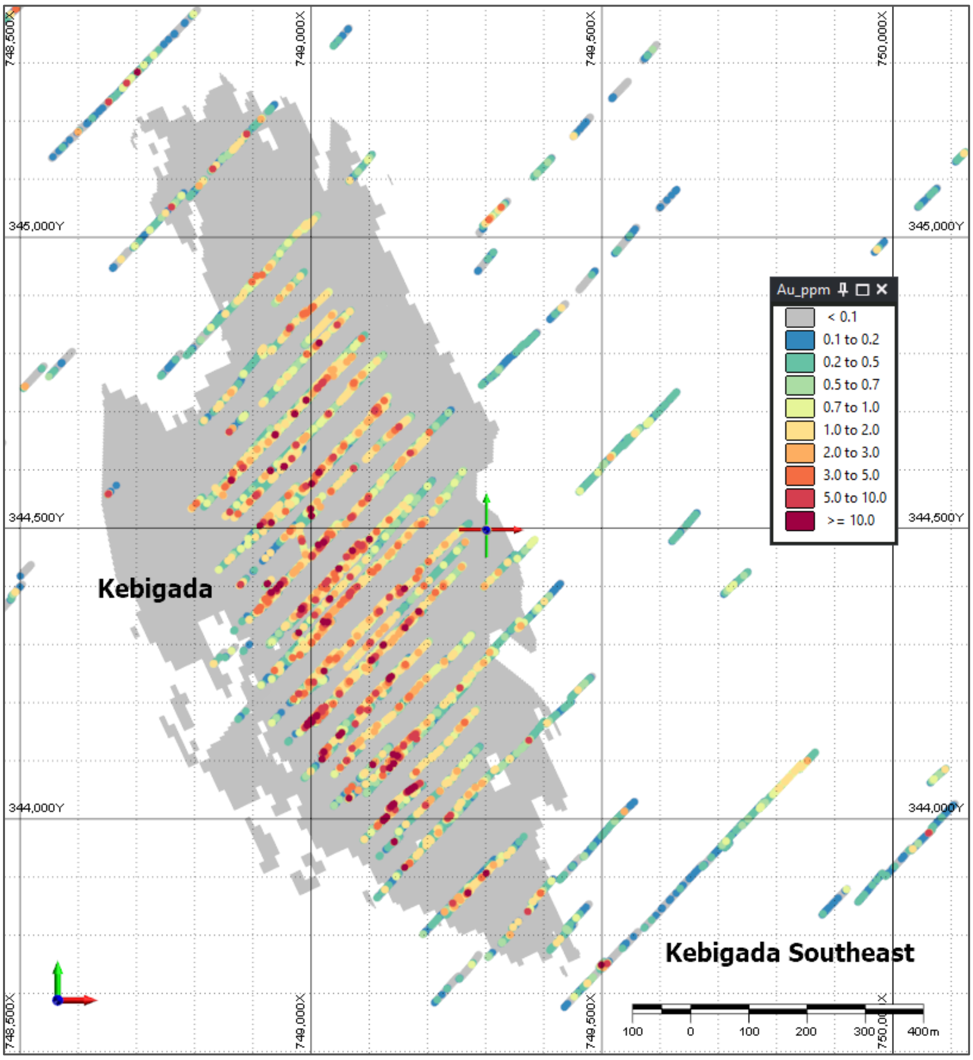
- 88 RC holes rely on compass measurements taken from the drill rig setup and assumed (straight) deviations.
- All DD and later 142 RC holes were surveyed downhole using appropriate downhole tooling.

### 5.3.4 Drill pattern

The drill pattern over the Kebigada region is highly variable: the main high-grade domain is defined by 30m drilling along lines spaced 50 m apart, while the surroundings are drilled at a looser spacing of around 50 m along-line and 250 m between lines (Figure 5-2).

Drill lines were oriented northeast–southwest (azimuth 43°), inclined 60° in a northeast direction. This results in the oblique intersection of drilling with the sub-vertical vein complex and offers a compromise between drilling practicality and the orientation of the mineralisation.

**Figure 5-2: Composited gold assays over the resource estimation area**




Sources: SRK 2023

Notes: Geowiz (2023) block model with 0.5 ppm Au cut-off and pit constraint as grey shell

### 5.3.5 Structural data

Structural data was obtained from oriented core from the DD holes. Structural logging of the 2022 deeper drilling has greatly assisted in establishing continuity of mineralisation at depth. Structural continuity is also evident in the high-grade trends visible between holes.

SRK validated the available structural data against the block model and verified the modelled grade trends in the block model broadly corroborate with the measured data (although there is considerable scatter amongst individual measurements).

### 5.3.6 Geological logging

Dominant lithology was logged with sufficient consistency to differentiate between the main stratigraphic units: laterite, saprolite and the underlying fresh, host rock species.

Continuity within the fresh domain is difficult to establish from the geological logging of rock type alone due to the variety of logged lithologies and difference in coding between drilling generations. Consequently, the resource model appears largely assay-driven (within each stratigraphic domain), with the model orientation corroborated with oriented structural data.

### 5.3.7 Exploration summary

- Eight additional diamond holes were drilled at Kebigada in 2022. These deeper holes increased the floor of exploration and provided additional data on mineralisation structure and continuity.
- The 2023 Mineral Resource Estimate used a subset of the total drill hole database comprising 229 RC holes and 38 DD drill holes (267 holes total), focussed on the main Kebigada area.
- The quality of drill hole data obtained is suitable to support the Mineral Resource Estimate undertaken.
- Structural data broadly supports the modelled orientation of the mineralisation.

## 5.4 Sampling and assaying

### 5.4.1 Sample recovery

Geowiz reports that core recoveries typically exceeded 80% in the weathered zone, and exceeded 95% in fresh material. Holes with regular recoveries below 80% were redrilled and core loss within the saprolite horizon was limited to a maximum of 1.5 m, reflecting the length of a core run.

Geowiz reports that ‘poor recoveries were not taken into account while calculating mineralised intervals’ due to the small quantity of samples affected.

### 5.4.2 Sample preparation

Sampling was adjusted to honour geological contacts. Lengths vary according to drilling type:

- HQ core samples are typically 0.5 m.
- NQ samples average 1 m long.

- RC samples vary between 1 to 3 m in length.

Core samples were half-sawn longitudinally to form a primary sample weighing approximately 2–3 kg.

RC percussion chips were continuously sampled downhole at 1 m intervals from the cyclone and riffle-split three times into a 2 kg primary sample for analysis.

RC holes were cleaned out every 3 m and a booster was used to improve sample collection below the water table. Samples were reported as typically dry and were dried, if wet.

### 5.4.3 Sample QA/QC

Geowiz Consultants undertook a review of the QA/QC data as part of its reporting. SRK noted the following:

- Certified Reference Material (CRM), blank and field duplicate samples were inserted at a rate of one for every 30 field samples.
- A second laboratory was used for round-robin laboratory duplicate analysis.
- The QA/QC sample database contained over 1,000 samples in each QA/QC sample category:
  - 1,114 CRM samples across 23 different CRM types
  - 1,078 blank samples
  - 1,201 field duplicates.
- 1,200 laboratory duplicates were sent for round-robin analysis (600 each way). MSA regarded performance of the CRM, blank and duplicate samples as reasonable and fit for purpose.

SRK observed that multiple sample duplicates above 0.5 ppm Au returned grade differences beyond 10% of the original value. No clear direction was observed to the bias and SRK considers the variability typical of the style of gold mineralisation present at Kebigada.

SRK considers the sample QA/QC documented by Geowiz as indicative of a robust estimation database suitable for estimation of Mineral Resources.

### 5.4.4 Laboratory assays

Samples were analysed using a standard 50 g fire assay method with Atomic Absorption Spectrometry (AAS) finish, initially at ALS Johannesburg, and later at SGS Mwanza. Both laboratories are ISO 17025-accredited by SANAS and were audited against one another using round-robin duplicate testing.

### 5.4.5 Sample density

Approximately 12,000 density samples are available over the Kebigada project area (including sub-prospects). These samples have been gathered over the full duration of the diamond core program.

The data gathered was sufficiently detailed to allow density assignment according to weathering zone, as per Table 5-5:

**Table 5-5: Measured density statistics by weathering zone**

| Zone | Samples | Mean |
|---|---|---|
| 1 | 11,967 | 2.81 |
| 2 | 547 | 1.64 |
| 3 | 8 | 1.62 |

Source: Geowiz (2023)
Notes: Zone 1: Fresh, 2: Saprolite, 3: Laterite

Geowiz (2023) observed that additional density sampling conducted during the 2022 program had no impact on the mean values, suggesting the sample population is robust for estimation purposes. SRK notes that the laterite sample population is small and would benefit from additional sampling.

### 5.4.6 Sampling summary

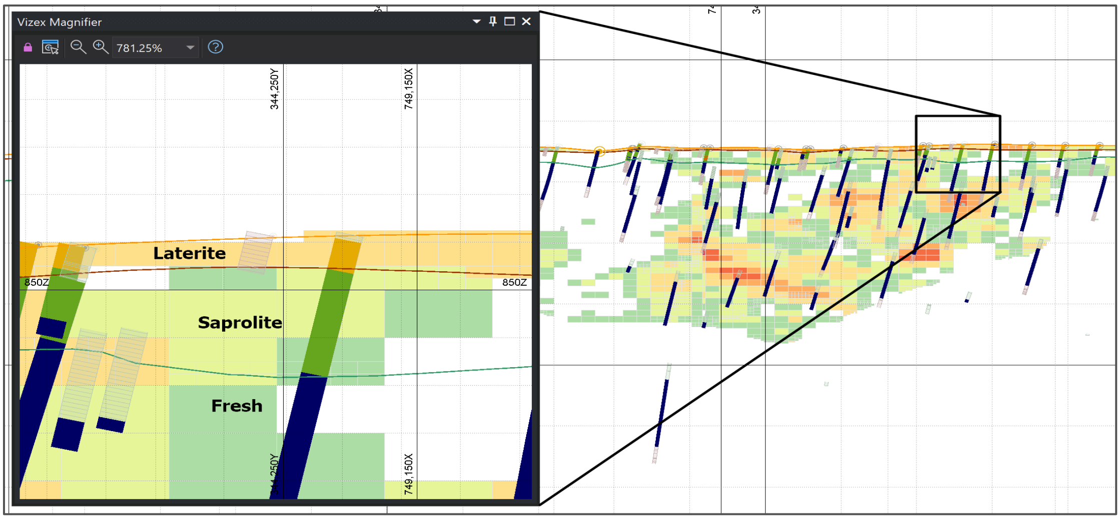
- Sample recoveries were not considered for the Mineral Resource Estimate due to the small number of samples with poor reported recoveries.
- Site sample preparation procedures appear standard and acceptable.
- Sample QA/QC measures meet the standards expected to support JORC Mineral Resources.
- Density has been reasonably assessed in competent materials and to a basic standard in the laterite. The assessment permits assignment of density by weathering zone.

## 5.5 Resource estimation

### 5.5.1 Estimation domains

Geowiz created domains for the three zones of the weathering profile: laterite, saprolite and fresh. Digital terrain model (DTM) surfaces were created for each from the downhole logged lithology and blocks were assigned within each weathering zone.

**Figure 5-3: Long section showing modelled lithological contacts**

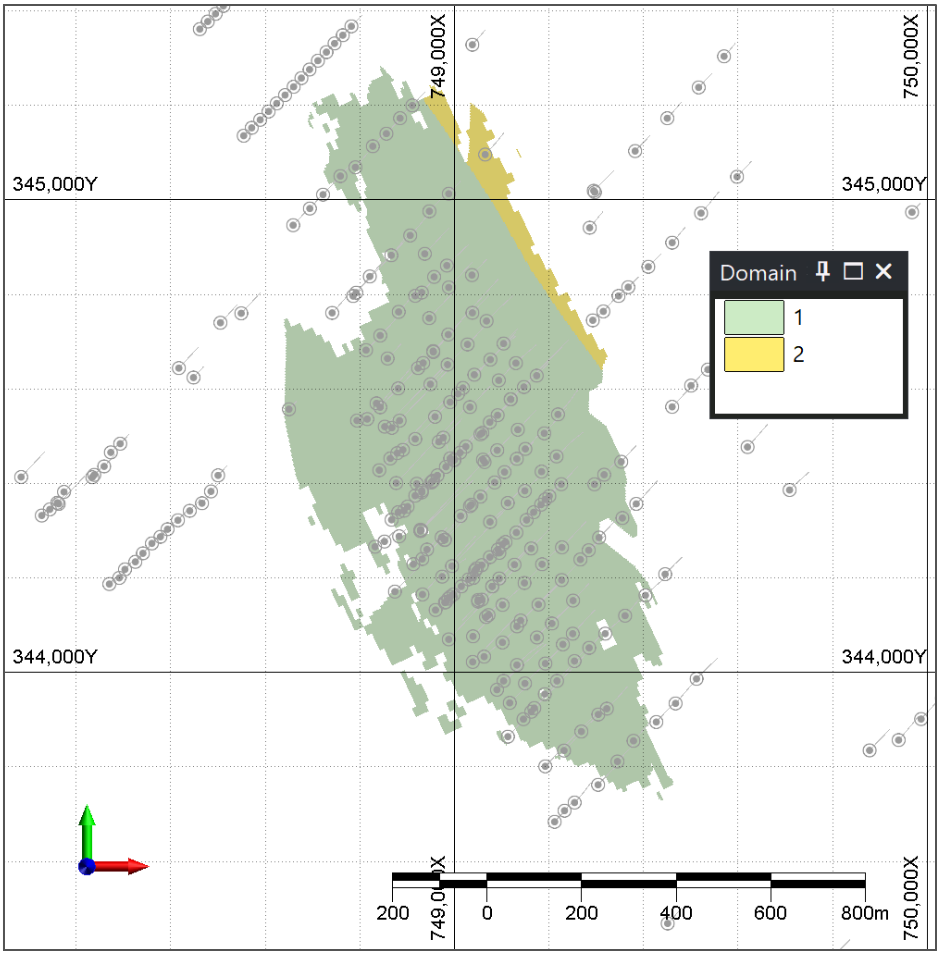



Source: Geowiz, 2023

The aerial extent of the model was subdivided into two domains to separate the densely drilled central region from the lesser explored eastern region. This strategy accommodates decreasing grade towards the east and prevents smearing of high grades. In practice, the eastern domain accounts for a small proportion of the overall reported Mineral Resources.

SRK considers the domaining strategy to be reasonable, given the data distribution (Figure 5-4).

**Figure 5-4: Central and east estimation domains**




Source: Geowiz, 2023

Notes: Domain 1: Main | 2: East; 2023 block model shown with 0.5 ppm Au cut-off

### 5.5.2 Sample compositing

Samples were composited to 2 m lengths, with length reduction up to 50% – this length is compatible with the dominant sample length of 1 m and appears justified.

Table 5-6 presents composited gold grade statistics for the estimation domains. The eastern domain is of lower grade compared to the main zone. The laterite horizon in both aerial domains is enriched compared with the underlying saprolite and fresh material.

**Table 5-6: Composited Au sample statistics by estimation domain**

| DomZone | Samples | Minimum | Maximum | Mean | SD | CV |
|---|---|---|---|---|---|---|
| 11 | 12,786 | 0.001 | 94.60 | 0.60 | 1.70 | 2.83 |
| 12 | 3,955 | 0.001 | 58.80 | 0.61 | 1.89 | 3.12 |
| 13 | 1,002 | 0.001 | 30.17 | 0.82 | 1.43 | 1.74 |
| 14 | 1,087 | 0.001 | 9.83 | 0.16 | 0.39 | 2.45 |
| 15 | 470 | 0.001 | 4.45 | 0.19 | 0.34 | 1.76 |
| 16 | 171 | 0.001 | 2.14 | 0.22 | 0.27 | 1.24 |

Source: Geowiz (2020)
Notes: DomZone 11-13: Central, 14-16: East

### 5.5.3 Top cuts

Outlier grades were top cut to prevent excessive influence on local block grades and overestimation of gold grade. Different cut grades were applied by domain following review of the population statistics.

**Table 5-7: Top cuts by domain**

| DomZone | Au (g/t) |
|---|---|
| 11 | 15 |
| 12 | 10 |
| 13 | 7 |
| 14 | 3 |
| 15 | 2 |
| 16 | - |

Sources: Geowiz (2020)

### 5.5.4 Weathering

DTMs defining the base of laterite and saprolite were created from logged lithology data to differentiate oxide material from fresh.

The DTMs appear to honour the source lithology data.

These surfaces were primarily used to create the estimation domains and assign density on a per-block basis.

### 5.5.5 Topography

Detailed topography was not sourced for the Project area, so a topographic surface was produced from the collar elevations. While this type of topographic surface is basic and lacks detail, more detailed topography is unlikely to make a material difference to the Mineral Resource at this stage.

### 5.5.6 Variography

Geowiz performed geostatistical analysis and fitted variogram models to the laterite, and combined saprolite and fresh domains. Models were applied across the aerial domains.

### 5.5.7 Block model

A blank block model was created for block grade estimation onto a local grid to avoid rotating blocks to fit the mineralisation geometry. Parameters are detailed in Table 5-8.

The block model and composited samples were rotated 25° clockwise to align the blocks with the mineralisation grade trends (striking 335°). Consequentially, the block model employs a local grid coordinate system.

Block dimensions appear compatible with the drill spacing and estimation method.

**Table 5-8: Block model parameters**

| Parameter | East | North | Elevation |
|---|---|---|---|
| Minimum | 9,500 | 4,500 | 300 |
| Maximum | 12,500 | 6,600 | 900 |
| Block Size | 10 | 20 | 10 |
| No. of blocks | 5 | 2.5 | 2.5 |
| Length | 9,500 | 4,500 | 300 |

Source: Geowiz (2023)

### 5.5.8 Grade estimation

Geowiz estimated grade using ordinary kriging within each estimation domain.

Boundaries between the Central and Eastern domains were treated as soft, allowing interchangeable sample selection between aerial domains.

The laterite domain boundary was treated as hard with respect to the saprolite and fresh. This decision honours the different properties of the contained mineralisation. The saprolite-fresh boundary was considered soft, representing the diffuse weathering profile.

Search ellipsoid orientation was varied by zone: the laterite was considered horizontal, while the combined saprolite/fresh zone was angled to the steeply-dipping shear zone (70° west). The search strategy employed three nested estimation passes to ensure all blocks were estimated, each using progressively greater search distances (50, 70 and 130–180 m) and relaxed sample selectivity.

The model was validated visually, statistically and by using swath plots. Swath plots showed reasonable correlation of block and composite sample gold grades.

Sectional review of blocks above the 0.5 ppm Au reporting cut-off confirmed that the Mineral Resource forms a generally coherent body. Waste regions within the ore zone are large enough to potentially be selectively separated into a dedicated waste stream.

SRK views the Geowiz estimation strategy as sound for valuation purposes.

### 5.5.9 Resource classification

Mineral Resources are classified as Measured, Indicated and Inferred as per Table 5-1 down to 480 m RL (~380 m depth from surface). This represents an 80 m depth increase on the previous (H&S, 2020) Mineral Resource.

Measured resources were classified for the first time in this latest resource estimate. Confidence appears to have been boosted by the additional 2022 diamond drilling, which correlated well with neighbouring historical holes and provided additional understanding of the mineralisation controls and structure.

Mineral Resources were classified according to the estimation search pass criteria: Measured Resources were classified in the core of the deposit using the tightest search criteria from the first pass. Indicated Resources were classified over blocks estimated during the second pass, with Inferred classified over the remainder of the deposit out to 130 m distance from drill holes. Additional manual edits were applied to the classification to restrict the Measured and Indicated classifications to the central region.

Resources were classified within an optimised pit shell using the following parameters:

- A$2,000/oz assumed gold price
- 88% recovery
- $2.50/t ore and waste mining cost
- $28.00/t processing cost
- 50° pit slopes.

Artisanal mining near-surface has been factored into the reported Mineral Resource by deducting 5% from the laterite and saprolite tonnages.

Overall, the Mineral Resource classification appears sound for valuation purposes and fulfils the criterion of possessing reasonable prospects for eventual economic extraction.

### 5.5.10 Estimation summary

- Three estimation domains were interpreted on a geological basis from the logged weathering: laterite, saprolite and fresh:
  - The deposit was also bisected into a Central and Eastern domain according to drilling distribution.
- Two geological domains were estimated: a combined laterite/saprolite domain and the fresh material.
- 2 m composite samples were top cut to control the impacts of extreme sample grades on the block grade estimates
- Model validation indicates the model is representative of the data and that the Mineral Resource forms a coherent body, suited to the proposed open pit mining technique.

- The resource classification includes high confidence, Measured Mineral Resources. This reflects quality data, tight drill spacing and increased confidence in geological continuity.
- Mineral Resources were classified up to Measured confidence within an optimised pit shell based on reasonable parameters at the time of writing.

# 6 Douze Match Mineral Resource Estimate

SRK has reviewed the Douze Match Resource Estimate prepared by H&S in 2018[6] which represents the most recent estimate. The following model information was supplied:

- resource estimate report: Resource estimation of the Douze Match Deposit
- block model (DataMine format)
- domain wireframes
- exploration database.

Gold grade was estimated using an inhouse developed recoverable MIK approach. The estimate is summarised in Table 6-1.

**Table 6-1: Classified Mineral Resources**

| Classification | Tonnes (Mt) | Density ($t/m^3$) | Au (ppm) | Au (Moz) |
|---|---|---|---|---|
| Indicated | 2.2 | 2.11 | 1.2 | 0.09 |
| Inferred | 5.8 | 2.54 | 1.2 | 0.23 |
| **Total** | **8.1** | **2.41** | **1.2** | **0.32** |

Source: H&S (2018)
Notes: 0.5 ppm Au reporting cut-off grade

H&S assumed reporting responsibility for the Mineral Resource Estimate and resource classification. Amani was required to nominate a Competent Person for all other public reporting components.

## 6.1 Exploration data

### 6.1.1 Drilling database

The Douze Match exploration database contains 303 drill holes totalling 143,318 m of drilling, comprising 18 DD holes and 285 RC holes.

Collar locations have been surveyed using a DGPS at 155 sites (approximately 50%). The remaining locations have no survey method recorded and cannot be ascertained.

Downhole inclinations were measured using several methods:

- Early RC holes rely on compass measurements and assumed deviations.
- DD and later RC holes were surveyed downhole using appropriate tooling. H&S reported no unrealistic deviations during database validation.

[6] ASX Announcement (10/12/2018): Giro gold project exceeds 3Moz with Douze Match maiden resource estimate of 320koz gold.

### 6.1.2 Drilling pattern

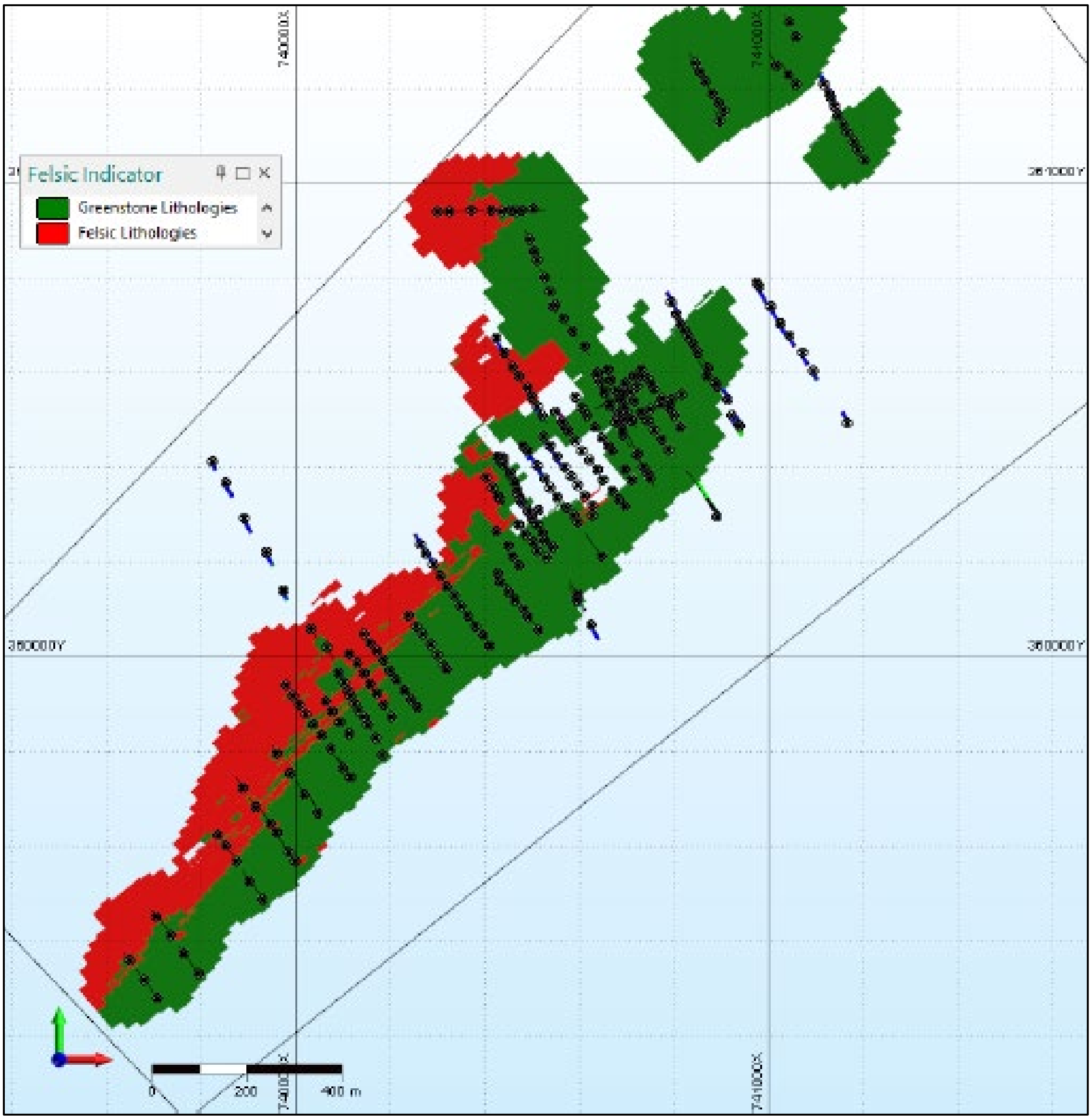
Holes were completed along northwest–southeast-oriented drill lines with 40 to 100 m between adjacent lines. Holes are spaced approximately 30 m along lines (Figure 6-1).

Downhole inclinations vary according to position over the host structure – a mix of vertical and 60° inclination is typical. The direction of angled drilling also varies, depending on whether the intended target is flat-lying or angled.

The drill pattern is variable with a more sparsely spaced drill region defined at 100 m spacing and two distinct regions within this drilled at the denser 40 m spacing. The inclined shear zone is clearly resolved at the 40 m drill spacing and inference of mineralisation down-dip is possible.

Some drill holes were observed to terminate prematurely or within mineralisation.

**Figure 6-1: Drill pattern at Douze Match with granite/greenstone boundary**




Source: H&S (2018)

### 6.1.3 Geological logging

A basic logging schema consisting of the dominant lithology was employed. Lithology codes are sufficiently diverse to differentiate between the core modelled geological units of laterite, saprolite and the underlying host rock species.

The inclined, mineralised shear zone is not readily apparent in the geology, over the full deposit strike length. A movement sense can be discerned, but mineralisation appears largely defined by assays.

### 6.1.4 Exploration summary

- Drilling methods appear appropriate to the style of mineralisation.
- Surveys (both downhole and drill collars) are of mixed quality. The density of information lends credibility to the overall dataset.
- The drill pattern clearly defines a broad mineralised area, defined by sparse exploration lines.
- Drill orientation appears reasonable relative to the known strike of the mineralisation though holes terminate early, sometimes within mineralisation.

## 6.2 Sampling and assaying

### 6.2.1 Sample recovery

Samples with poor recoveries were excluded by H&S (2018); however, no specific sample recovery data was supplied in the database. H&S indicated that samples with poor recovery were flagged as '*no sample*', rather than relying on measured, proportional recovery data.

### 6.2.2 Sample preparation

A nominal 1 m sample length was employed throughout for DD drilling, while RC samples varied between 1 m and 3 m length. Sampling was adjusted to honour geological contacts.

NQ diameter (inside 47.6 mm) core samples were half-sawn longitudinally to form a primary sample weighing approximately 3–4 kg.

RC percussion chips were continuously sampled downhole at 1 m intervals from the cyclone. Samples were riffle-split three times into a 2 kg primary sample for analysis.

RC holes were cleaned out every 3 m and a booster was used to improve sample collection below the water table.

### 6.2.3 Sample QA/QC

H&S did not conduct a review of the sample QA/QC reporting as part of the Mineral Resource Estimate. No separate QA/QC document was supplied.

### 6.2.4 Laboratory assays

Samples are recorded as being analysed by an accredited laboratory using a standard 50 g fire assay method with AAS finish. No other details were available.

### 6.2.5 Sample density

In total, 1,166 bulk density measurements were obtained from diamond core using the Archimedes Principle. Density sampling procedures appear robust and appropriate.

The data gathered was sufficiently detailed to allow density assignment according to broad lithological class, as per Table 6-2.

**Table 6-2: Measured density statistics**

| Zone | Count | Mean | Minimum | Maximum | TD | CV |
|---|---|---|---|---|---|---|
| Laterite | 0 | | | | | |
| Saprolite | 101 | 1.58 | 1.29 | 2.05 | 0.14 | 0.09 |
| Fresh mineralised | 240 | 3.00 | 2.59 | 3.85 | 0.23 | 0.08 |
| Fresh unmineralised | 825 | 2.95 | 2.37 | 3.80 | 0.15 | 0.05 |

Source: H&S (2018)

### 6.2.6 Sampling summary

- Sample recoveries were not measured, so no baseline criteria for admissible samples can be established. Poor samples might be included in the current Mineral Resource Estimate.
- Site sample preparation procedures appear standard and acceptable.
- Sample QA/QC is not detailed and was not a reporting responsibility of the H&S Resource Estimate. SRK is unable to assess the typical measures of sample hygiene, analytical accuracy and precision.
- Density has been reasonably assessed in competent materials. Laterite material has not been appraised, although it accounts for a small proportion of the total Mineral Resource.

## 6.3 Resource estimation

### 6.3.1 Estimation domains

Wireframes of individual lenses of mineralisation were supplied by Amani without supporting documentation explaining the underlying principles of construction.

H&S drafted new, broader domains around the lenses to serve as the estimation domains. These seemingly assay-based domains incorporate offsetting lateral faults between lenses and accommodate local pinching and swelling of mineralisation. In the absence of downhole structural data, domains appear to rely on solely visual interpretation.

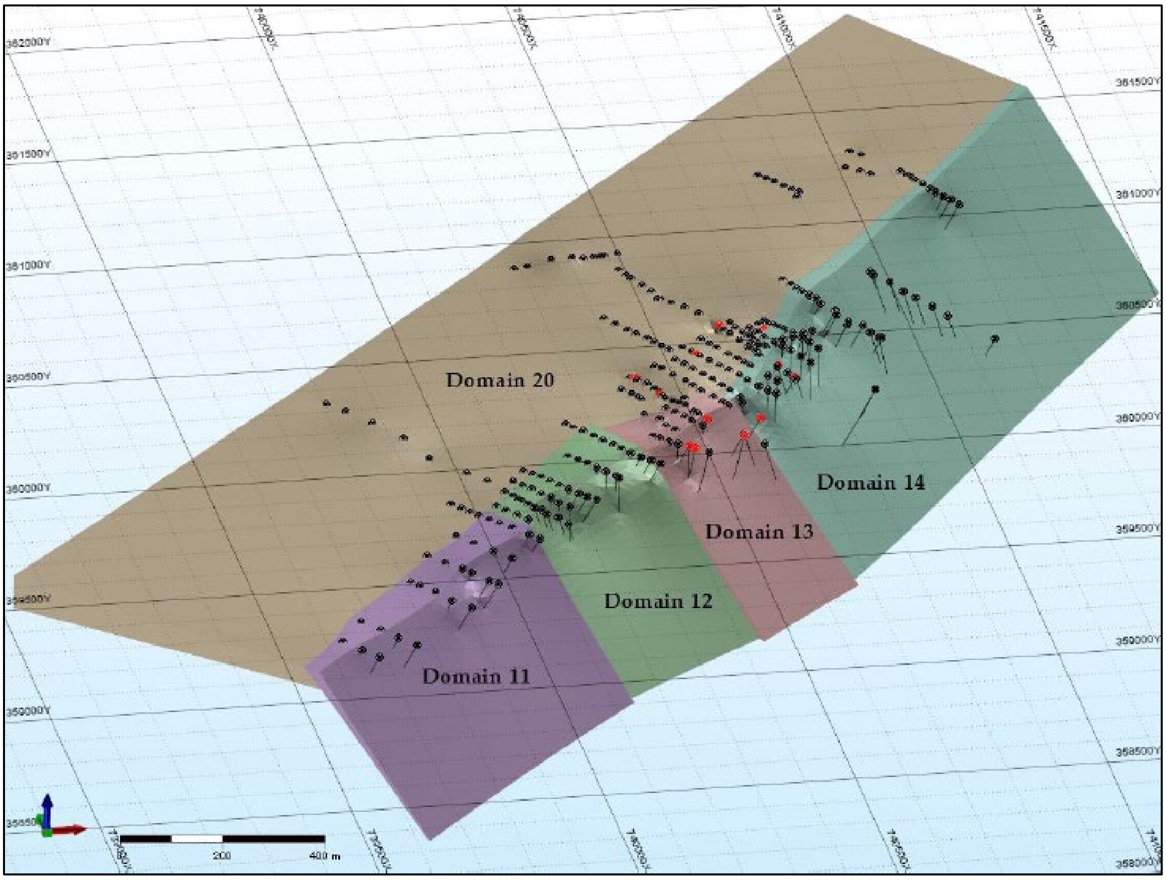
Domains 11–14 represent the inclined shear zone which dips approximately 44° to the southwest. An additional domain beyond the footwall (Domain 20) captured flat-lying mineralisation to the northwest (Figure 6-2).

SRK reviewed the domains on section and the inclined domains appear to reasonably honour the assay data.

The position of the footwall between the inclined domains and Domain 20 appears contingent upon the interpreted thickness of the inclined domains. Premature termination of drill holes across the inclined shear zone has the potential to pull the footwall to the southeast.

The change in modelled Au anisotropy, from inclined in Domains 11–14 to flat-lying in Domain 20, means potential exists for misdirection of search neighbourhoods during grade estimation.

**Figure 6-2: Model estimation domains**




Source: H&S (2018)

### 6.3.2 Sample compositing

Samples were composited to 1 m lengths, with length reduction up to 50% – this length was chosen to maximise compatibility with the dominant sample length and appears justified (Table 6-3).

**Table 6-3: Composited Au sample statistics by estimation domain**

| Domain | Count | Metres | Minimum | Maximum | Mean | SD | CV |
|---|---|---|---|---|---|---|---|
| 11 | 850 | 850 | 0.005 | 9.45 | 0.14 | 0.43 | 3.14 |
| 12 | 1,206 | 1,206 | 0.005 | 41.30 | 0.44 | 1.77 | 4.00 |
| 13 | 890 | 888 | 0.005 | 23.92 | 0.64 | 1.55 | 2.43 |
| 14 | 701 | 700 | 0.005 | 17.10 | 0.44 | 1.26 | 2.85 |
| 20 | 5,363 | 5,361 | 0.005 | 77.50 | 0.36 | 2.61 | 7.25 |
| **Total** | **9,010** | **9,006** | **0.005** | **77.50** | **0.38** | **2.20** | **5.75** |

Sources: H&S (2018)

Inclined Domains 12–14 appear statistically similar in mean grade, while Domain 11 is notably less intensely mineralised and may indicate mineralisation weakening to the southwest.

Horizontal Domain 20 shows high variance and contains the highest-grade sample at 77.5 ppm Au, while the mean grade remains quite low. Domain 20 is also the largest domain. It is possible that this domain currently contains mixed grade populations that might be separated for estimation with further sub-domaining.

### 6.3.3 Weathering

DTMs defining the base of laterite and saprolite were created from logged lithology data to differentiate oxide material from fresh. The DTMs were not available for review; however, the block model assignments made using the surfaces were reviewed and honour the source lithology data.

These surfaces were primarily used to assign density on a per-block basis.

### 6.3.4 Topography

Detailed topography was not sourced for the project area, so a topographic surface was produced from the surveyed collar elevations. While this type of topographic surface is basic and lacks detail, more detailed topography is unlikely to make a material difference to the Mineral Resource Estimate at this stage.

### 6.3.5 Variography

Fitted variogram models were only presented for Domain 20 in the H& S report (2020). These variograms indicate a nugget of approximately 20% and ranges of approximately 60 m, 30 m and 10 m.

Full variogram parameters are not documented for the inclined domains and it was noted a model was only fitted to Domain 12, then shared between the other domains. This approach limits the available data for geostatistical analysis and may mask grade trends that manifest in the other domains. An alternate approach may be to perform variography on Domains 12–14 (Domain 11 possesses weaker mineralisation as evinced in the lower composited sample mean grade and may impact domain stationarity).

The geostatistical analysis also assumes consistency though the entire weathering profile. Any horizontal supergene grade trends would be masked in the inclined domains.

### 6.3.6 Block model

A blank block model was created for block grade estimation. Parameters are detailed in Table 6-4. Block dimensions appear compatible with the drill spacing and estimation method.

**Table 6-4: Block model parameters**

| Parameter | East | North | RL |
|---|---|---|---|
| Minimum coordinate | 736,405 | 359,975 | 385 |
| Maximum coordinate | 737,715 | 362,675 | 895 |
| Panel size (m) | 10 | 50 | 10 |
| No. of panels | 132 | 55 | 52 |

Source: H&S (2018)

The model, composited samples and variogram models were rotated 50° anticlockwise to align the estimate on cardinal axes.

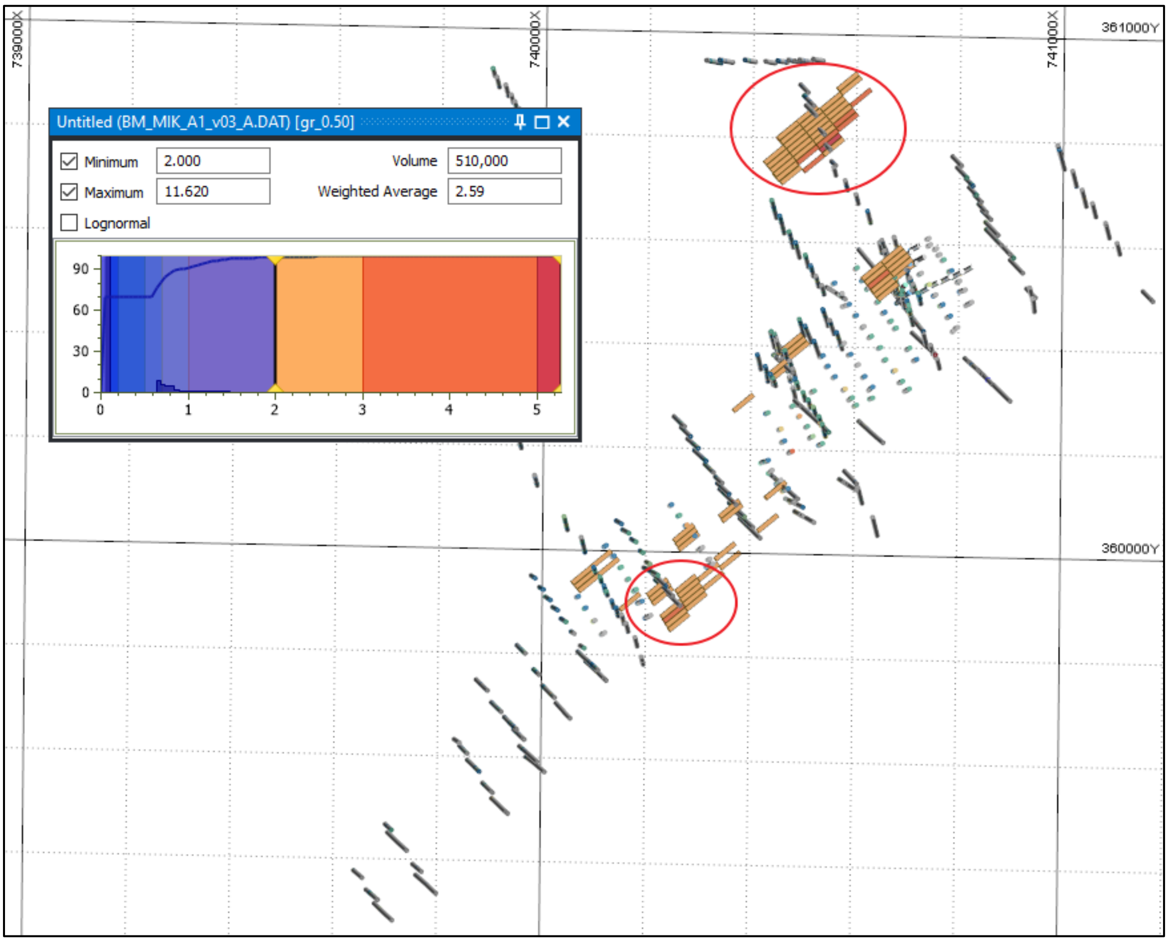
### 6.3.7 Grade estimation

H&S estimated grade using a recoverable MIK method supported in its in-house GS3 estimation software. The method was employed to minimise smoothing, deal with mixed ore/waste grade populations and to handle the skewed sample grade distribution.

SRK has reviewed the estimation strategy documented in the report and the parameter selection both appear justified.

In practice, visual validation revealed a tendency for some high-grade blocks to be distributed in areas removed from drilling, in unconstrained space. H&S reference the issue in the Inferred Mineral Resource to the north of the deposit; SRK noticed a similar, albeit smaller example in the south (Figure 6-3).

**Figure 6-3: Distribution of high-grade (>2 ppm Au) blocks**




This behaviour is not unexpected and does not reflect poorly on the estimation method; however, the blocks should have been appropriately downgraded during classification if a concern was present.

SRK considers the estimation method to be reasonable.

### 6.3.8 Resource classification

Mineral Resources are classified as Indicated and Inferred as per Table 6-5.

Indicated Resources were classified in the most densely explored regions of the deposit and form two centres. Inferred Mineral Resources have been classified over the remainder of the deposit out to 120 m distance from drill holes.

**Table 6-5: Classified Mineral Resources**

| Classification | Tonnes (Mt) | Density ($t/m^3$) | Au (ppm) | Au (Moz) |
|---|---|---|---|---|
| Indicated | 2.2 | 2.11 | 1.2 | 0.09 |
| Inferred | 5.8 | 2.54 | 1.2 | 0.23 |
| Total | 8.1 | 2.41 | 1.2 | 0.32 |

Source: H&S (2018)
Notes: 0.5 ppm Au reporting cut-off grade

Inferred Mineral Resources were classified along single, isolated lines of drilling with no adjacent points of observation along strike. SRK hesitates to classify these blocks as Mineral Resources unless the tenor of mineralisation was demonstrably continuous and stable, as the block grades are arguable extrapolated.

H&S reported that exclusion of the northern area of concern would create a decrease of 8% in global tonnes, 11% in gold grade and 15 % in contained metal. All blocks report to the Inferred classification. SRK supports using the discounted global total for contained gold ounces for valuation purposes.

Indicated Mineral Resources were classified on drill spacing only, with no consideration of the quality of the estimate locally or the consistency of mineralisation.

### 6.3.9 Estimation summary

- Estimation domains appear largely interpreted using grade trends from assays rather than geological logging:
  - Domains 12–14 are inclined, possess similar statistical characteristics and might be considered together.
  - Domain 11 contains weaker intensity mineralisation.
  - Domain 20 is flat-lying, encompasses a wide area and could contain mixed grade populations.
- Weathering has been accommodated as reporting domains to classify material as laterite, saprolite and fresh.
- Variogram models have been fitted for two domains only (12 and 20) and carried over the remainder.
- The estimation strategy appears reasonable; however, the classification of high-grade blocks in isolated locations is a minor concern.
- SRK agrees with the proposed H&S discount and recommends an adjustment for valuation purposes.

# 7 Metallurgy

## 7.1 Kebigada metallurgical testing

In October 2016, sighter metallurgical testwork was completed on material from the Kebigada prospect by SGS Mineral Services (SGS) using 76 RC drill hole samples, composited into three test samples of 25 kg each. The three composite samples represented the i) Oxide, ii) Sulphide East and Sulphide West deposits, with gold grades of 1.5 g/t, 1.7 g/t and 1.8 g/t Au respectively (Eckhof 2016). Silver grades were below 1 g/t for all composites. The sample grades were moderately above the resource grades, but SRK considers them to be adequate at this sighter level stage of testing.

The SGS program on these three composites was relatively comprehensive but involved RC drill core, so comminution (crushing and grinding) testing could not be undertaken. The work completed provides an insight into the head grades and impurities, quantitative and qualitative mineralogy including comprehensive mineral size, mineral associations, liberation and deportment characteristic assessment, diagnostic leaching, the gravity-recoverable gold component and cyanide-extractable gold. It provides a good initial insight into the likely metallurgical behaviours of the Kebigada prospect.

The testing demonstrates that Kebigada is a free-milling deposit (at least for the samples tested), is amenable to gravity gold recovery with 25% of the oxide and 50% of the sulfide samples reporting into 1% of the feed mass (although this is a marginally high mass pull for a testwork gravity concentrate, it is acceptable at sighter level) and carbon-in-leach (CIL) leaching, with high overall gold recoveries expected, above 90% Au. The oxide non-reconciled recovery was in the high nineties and the fresh sample recoveries were 91.8% and 94.5% for the Sulphide East and Sulphide West samples, respectively. Note that these values are indicative only, as the testing was undertaken under elevated cyanide concentrations, the feed grades were above the resource grades (but may represent future mined grades), and does not account for minor solution and attritioned carbon gold losses.

Nonetheless, the recoveries were high, there are no obvious concerns over elevated levels of deleterious elements in the feed (such as As, Te, Hg), although the sulfur grades were elevated in the fresh samples, and with the gold associations with gangue minerals, mineral liberation characteristics or occlusions. The diagnostic leach test results (presented in Table 7-1) support these findings. It indicates that the quantum of cyanide-recoverable gold is approximately 91% to 93%. At these levels it would be classified as a ‘free milling’ gold ore amenable to conventional gold processing flowsheets.

The majority of the remaining unrecovered gold is contained in refractory minerals, with a further 6–7% recovered through the use of hydrochloric acid digestion (indicative of carbonate and reactive sulfide-locked gold) and nitric acid (arsenopyrite-locked gold) digestion. These minerals would require a more elaborate processing flowsheet, which is likely not to be warranted given the high percentage of direct cyanide-recoverable gold.

The diagnostic leach tests also identified that approximately 1–2% of the contained gold in samples was encapsulated in silicates and hence will be difficult to recover. This is a small amount and is not unusual.

**Table 7-1: Kebigada gold samples – Diagnostic leach test results**

| Stage | Gold Association | Oxide | | Sulphide East | | Sulphide West | |
|---|---|---|---|---|---|---|---|
| | | Au g/t | Au % | Au g/t | Au % | Au g/t | Au % |
| 1 | Direct Cyanidation | 1.38 | 91.47 | 1.66 | 90.50 | 1.54 | 89.91 |
| 2 | HCl digestion – CIL | 0.09 | 6.21 | 0.04 | 2.34 | 0.04 | 2.44 |
| 3 | HNO3 digestion – CIL | 0.01 | 0.60 | 0.05 | 2.69 | 0.07 | 4.25 |
| 4 | Roast – CIL | 0.00 | 0.03 | 0.01 | 0.77 | 0.01 | 0.64 |
| 5 | Silica/Gangue | 0.02 | 1.03 | 0.03 | 1.85 | 0.03 | 1.98 |
| **Total** | | **1.51** | **100.00** | **1.83** | **100.00** | **1.71** | **100.00** |
| **Available via CIL recovery** | | | **91.47** | | **90.50** | | **89.91** |

Source: Eckhof, 2016.

While the testwork undertaken followed a relatively conventional sighter program, there are some opportunities. The 75 µm grind size is relatively fine for gravity recovery tests, and grind sensitivity and leach optimisation was not a focus of the work completed, so there will likely be further improvements with ongoing testing. SRK considers some of the original interpretation of the oxide sample performance could be misguided, specifically the conclusion of the samples tested having slow leach kinetics. This may have been a result of some of the coarser gold not being recovered through the gravity circuit and needing more leach time.

While the number of samples tested was limited to three RC composites, the extent of testing and quality of work was high and provides good insight into the likely metallurgical behaviours of the deposit. It was undertaken by an accredited and experienced laboratory. SRK has confidence in these results and considers them to support the likely amenability of processing through a conventional gravity gold recovery and cyanide leach circuit.

## 7.2 Douze Match metallurgical testing

In 2019, Yantai Xinhai Mining Research & Design Co., Ltd. completed a metallurgical testwork program on samples collected from the Douze Match deposit. The 186 samples were consolidated into a master composite sample used for testing. Photographs from the testing show the samples to be from RC drill chips, and the report translation describes them as ‘powdery minerals’. The ‘as received’, blended sample contained 18.7% of the mass above a 9 mesh screen, i.e. a $P_{80}$ size of approximately 2 mm. This is not suited to heap leach testing due to the fine size and is not ideal for agitated tank leaching or bond work indices testing. Whilst not ideal, this testing still provides valuable early insight into the likely metallurgical behaviours of this deposit.

Comprehensive head grade analysis was undertaken for gold and other elements including Ag, Cu, Pb, Zn, and S. Gold and the associated silver are considered to be the potential payable metals at 2.36 g/t Au and 2.81 g/t Ag respectively. Deleterious elements were not at concerning levels.

Six processing flowsheets were tested to allow for a comparison of performance. This assessment included a gravity gold recovery, agitated tank leach, bulk (dump) leaching, agglomerated heap leaching, flotations and a mixture of these tests were undertaken using both conventional sodium cyanide as the main gold leaching reagent, as well as an alternative, unconventional leaching reagent called 'Xinfurui', (i.e. was not sodium cyanide) the details of which, were not disclosed. Both resulted in effective leaching of gold from the samples tested, and the recoveries were similar.

From the testwork results, the gravity separation and flotation circuit were dismissed as being a viable option due to low overall gold and silver recovery. The 'bulk' (dump) leaching of the coarse fraction with either agitated tank leaching or agglomerated heap leaching of the fines was not recommended due to the elaborate resulting flowsheet and poor percolation performance if the fines were not agglomerated.

The study's recommended processing flowsheets were agitated tank leaching of crushed ore and agglomerated heap leaching (referred to in reporting as 'percolation heap leaching'). The use of the proprietary 'Xinfurui' leaching agent was recommended with justification that "it is more environmentally friendly than sodium cyanide". The performance was similar, but is indicative only given the sample particle size distribution (PSD) is not representative, particularly for the heap leach feed, and care should be taken when comparing the extraction rates directly as different reagent dose rates were applied. Ultimately, the cyanide extractions were marginally higher, a common finding in comparative tests between sodium cyanide and other cyanide reagents.

The tank leaching testwork achieved a gold leach extraction of 92.2% over 24 hours at a grind size $P_{85}$ of 74 µm using 4 kg/t of lime to control the pH, with the addition of 2.5 kg/t sodium cyanide, increasing to 93.6% over 48 hours with 3.0 kg/t of sodium cyanide addition. A summary table is presented in Table 7-2.

**Table 7-2: Douze Match gold samples – CIP leach test results**

| Leach reagent | Dosage (kg/t) | Leach time (h) | Feed grade (g/t Au) | Leach residue (g/t Au) | Leach extraction (%) |
|---|---|---|---|---|---|
| Sodium Cyanide | 2.5 | 24 | 2.36 | 0.16 | 93.22 |
| Sodium Cyanide | 3.0 | 48 | 2.36 | 0.15 | 93.64 |
| 'XinFurui' | 3.0 | 24 | 2.36 | 0.20 | 91.53 |
| 'XinFurui' | 4.0 | 48 | 2.36 | 0.16 | 93.22 |

Source: Xinhai, 2019.

Further leach optimisation testing was undertaken to determine the impact of grind size, reagent addition, slurry density and leach extraction time.

The heap leaching achieved a lower gold leach extraction of 76.7% over 504 hours (21 days) using 2.5 kg/t of cement for agglomeration purposes and a further 3.5 kg/t of lime to control the pH, with the addition of 2.0 kg/t of sodium cyanide to extract the gold.

Sighter level gravity testing indicated relatively low gravity gold recoveries of between 13.5% and 16.6%, however it is likely that with more extensive testing, on appropriately sized feed, a gravity circuit could still be warranted at these levels.

The active constituent of the Xinfurui leaching agent has not been provided. Xinhai EPC (Shandong Xinhai Mining Technology & Equipment Inc) markets this product. SRK suspects it may be a ferri-cyanide, or variation of this, and would not recommend pursuing this option until there is full transparency in relation to the proposed alternative reagent. SRK is currently dubious about the various 'non-cyanide' gold leaching reagent alternatives being promoted in the Chinese market by several different companies under different names as a '(sodium) cyanide alternative', particularly when its active constituent remains commercially sensitive and is kept opaque. In SRK's view, it is not 100% environmentally friendly, as:

- it still has a cyanide active component
- does not circumvent the dangerous goods requirements (at least in Australia and many other countries)
- tailings still require detoxification
- it is less robust in the leaching application
- has a small additional recovery loss compared to sodium cyanide
- requires a higher addition rate in many cases.

Until more is known about what the reagent really is, SRK recommends caution in selecting this as the base case, in preference to the industry standard sodium cyanide.

Given the performance of the cyanide leach tests, and the similarity between the two leach reagents (lixiviants), SRK still considers that it does support the free-milling nature of the Douze Match prospect and the amenability of the oxides to both agitated tank and heap cyanide leaching.

As per the Kebigada deposit, additional metallurgical testwork, on representative diamond drill core samples, particularly for the agglomerated heap leach option, is required under conventional sodium cyanide leaching conditions to verify the free-milling nature of the Douze Match prospect.

## 7.3 Metallurgical testwork summary

In SRK's opinion, based on the samples tested to date, there are no metallurgical testwork findings that highlight any potential fatal flaw or red flag processing behaviours nor identified any significant concerns, and certainly nothing that cannot be managed. The samples tested have been demonstrated to be free-milling, with moderate to high levels of gravity-recoverable gold and high overall gold extractions using a conventional cyanide leaching processing flowsheet.

At this stage of the Project's development, insufficient samples have been tested to provide the confidence required to advance the program to a prefeasibility level of study. More variability testing of representative diamond drill hole samples is required across a wider range of samples under the preferred flowsheet conditions. This includes physical (crushing and grinding) testing, together with further comprehensive head grade analysis, mineralogy, gravity recovery, bottle roll, diagnostic leach tests, detoxification tests, materials handling assessment, optimisation work (grind size, reagent addition, oxygen versus air addition, lead nitrate addition, etc.)

There is limited heap leaching test results. If heap leaching is to be considered as a viable alternative flowsheet option, more work is required on samples with a representative crush size, and not generated from RC samples as was the case in the Xinhai testwork program. If Amani wishes to pursue the heap leach option, it would be normal to undertake ‘simulated’ heap leach testwork (in bottles), agglomeration and percolation testing, compacted permeability testwork, heap leach column testing over an extended period including on variability samples across a range of oxidation, lithology and domain types and over a range of grades, and ultimately larger composite testing. There are other considerations that must also be considered if the option of heap leaching is pursued, including the complexities of heap leaching in a high rainfall environment and the potential for impacts on materials handling, agglomeration, curing time, reagent concentration control and water balance management and storage.

# 8 Exploration Potential

Amani's current exploration prospects are shown in Figure 3-1, and include:

- Giro Vein – adjacent to Kebigada
- Belgian Tree – adjacent to Kebigada
- Congo Ya Sika – adjacent to Kebigada
- Adoku
- Peteku
- Douze Match – includes Tango Shear and Siona anomalies
- Mangote
- Kolongoba.

These prospects represent areas of previous mining activity either by the colonial Belgian miners or by local artisanal miners. The exploration status of each prospect is discussed below.

## 8.1 Giro Vein

The Giro Vein prospect is located approximately 500 m west of the Kebigada Mineral Resource and consists of west-northwest-trending grey-white, banded quartz vein sets. Previous drilling by Amani has recorded mineralised intersections suggesting exploration potential in the area.

SRK was not provided with any drill sections to assess the continuity of the mineralisation at Giro Vein.

No further exploration drilling is currently planned at Giro Vein, with the focus being on larger scale targets.

## 8.2 Belgian Trench

The Belgian Trench target is located 1.5 km to the west of the Kebigada Mineral Resource. In total, 10 shallow RC holes were drilled along a single 200 m long line, with results including interesting low to moderate intensity mineralisation up to 3 m averaging 1.73 ppm Au from 6 m (GRRC297).

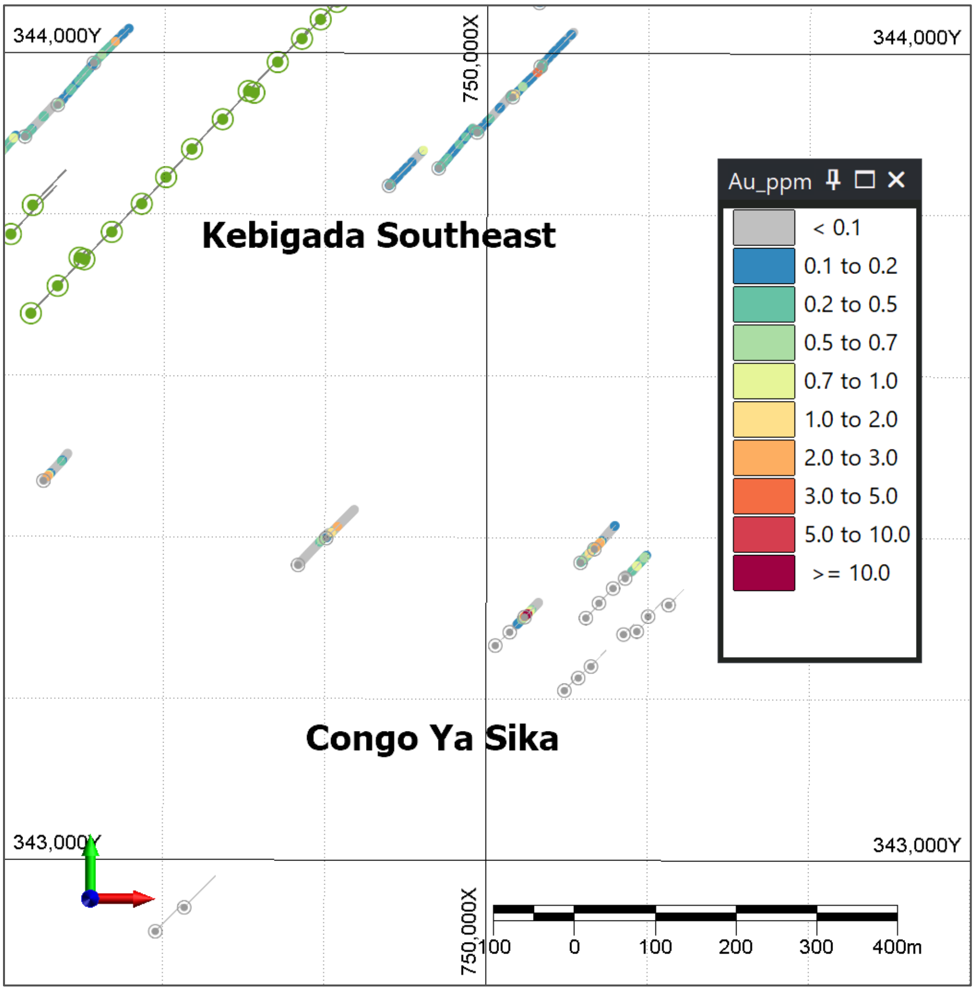
## 8.3 Congo Ya Sika

The Congo Ya Sika prospect is located 800 m to the south of the Kebigada Mineral Resource and appears to within the same northwest-southeast oriented trend as Kebigada.

In total, 16 RC holes were drilled to a depth of 90 m and with regular intersection of moderate to high grade mineralisation. The highest grade intercept is 1 m averaging 80.5 ppm Au from 10 m (GRRC297).

No drilling was conducted at Congo Ya Sika in 2022.

**Figure 8-1: Drilling at Congo Ya Sika**




Sources: SRK (2023)

## 8.4 Adoku

The Adoku prospect is located 5 km south of the Giro Vein prospect and comprises a small open pit that was historically focused on hard rock mining of sub-vertical, west-northwest-trending quartz veins. Jackson, Kwaku et al., (2016) observe that the prospect represents the intersection of this dextral shear with the regional east-northeast-trending mineralised corridor. Amani's geochemical sampling program defined a gold-in-soil anomaly extending over a 6 km strike length with an amplitude of between 20 ppb and 50 ppb Au (relative to a background soil between 0.07 ppm and 0.08 ppm in the Giro area).

Five diamond drill holes, including one deep hole drilled to 354.45 m failed to encounter any significant gold mineralisation. While no further diamond drilling has been planned, further RC drilling has been proposed.

Jackson, Kwaku et al., (2016) report that the anomaly appears to pinch out both along strike and at depth.

## 8.5 Petuku

The Petuku prospect is located 3 km southwest of the Kebigada Mineral Resource with artisanal workings located over a granite/BIF contact. Mineralisation is interpreted to be hosted in a quartz-pyrite vein stock work and altered mafic intrusive bodies measuring approximately 50 m long that strike east–west, parallel to the granite contact (Jackson, Kwaku et al., 2016).

One DD hole was initially completed to 100 m downhole depth at the Petuku prospect. This did not intersect any significant gold mineralisation.

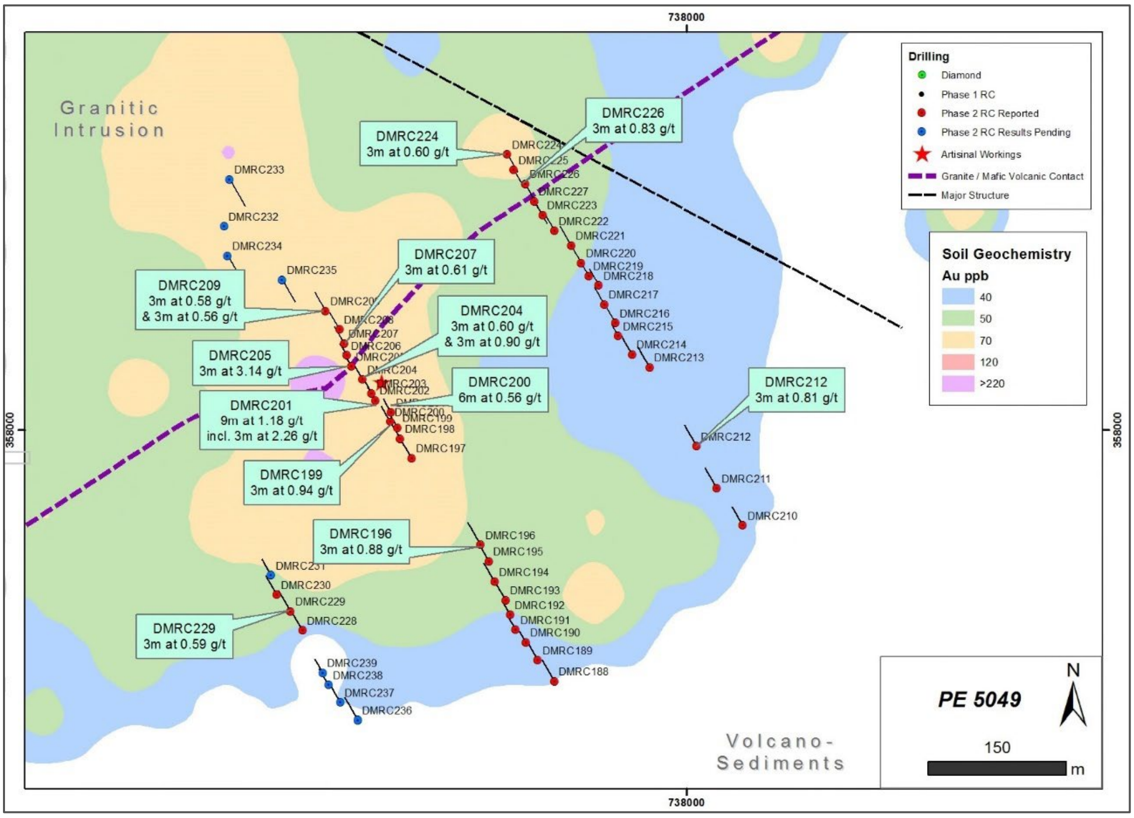
On 06 January 2020, Amani announced that RC drilling operations (holes PTRC001 - PTRC004) at Peteku prospect had returned the following significant high-grade gold assay results (refer ASX Announcements 04 November 2019 and 06 January 2020):

- PTRC004: 3 m @ 3.18 g/t Au from 36 m, 6 m @ 1.13 g/t Au from 62 m and 1 m @ 3.39 g/t Au from 102 m
- PTRC003: 2 m @ 1.53 g/t Au from 9 m and 1 m @ 1.59 g/t Au from 55 m
- PTRC002: 2 m @ 3.45 g/t Au from 46 m and 1 m @ 1.56 g/t Au from 80 m
- PTRC001: 8 m @ 1.24 g/t Au from 63 m.

## 8.6 Douze Match

The Douze Match prospect is located in PE5049 and currently hosts a defined Mineral Resource. The Douze Match prospect includes both the Siona geochemical (Figure 8.2) and the Tango Shear prospects, both of which represent historic Belgian colonial workings, with the remnants of the abandoned drive still present at Tango Shear.

**Figure 8.2: Siona geochemical soil sampling**




Sources: ASX Announcement, Further infill drilling results from Kedigada, 16 January 2017

The mineralisation at Siona is located in sheared volcanics/quartz veins approximately 150–200 m south of the granite contact. Mineralisation is being targeted within a soil geochemical anomaly over 1.5 km long and over 40 m wide with an amplitude reaching 100 ppb (relative to a background soil between 0.07 ppm and 0.08 ppm in the Giro area).

Exploration at the Douze Match prospect targets the sheared granite/volcanic contact, which is interpreted to represent a zone of narrow high-grade gold mineralisation located within a broader 30 m-wide northeast plunging shear zone (Eckhof 2016). Where drilling intersected previous workings, gold was visible in black quartz within a silica-pyrite-chlorite-rich volcanic rock (Jackson, Kwaku et al., 2016).

Exploration potential exists beyond the Douze Match Mineral Resource area and has been initially tested in the southwest and north with several widely-spaced drill lines:

- 65 RC holes at Siona, in the southwest, have confirmed existence of anomalous low intensity mineralisation over a strike length of 1.5 km. Current distance between drill lines is insufficient to estimate the local Exploration Potential.
- 25 RC holes to the north, distributed over 2 lines, intersected isolated, narrow and low intensity mineralisation.

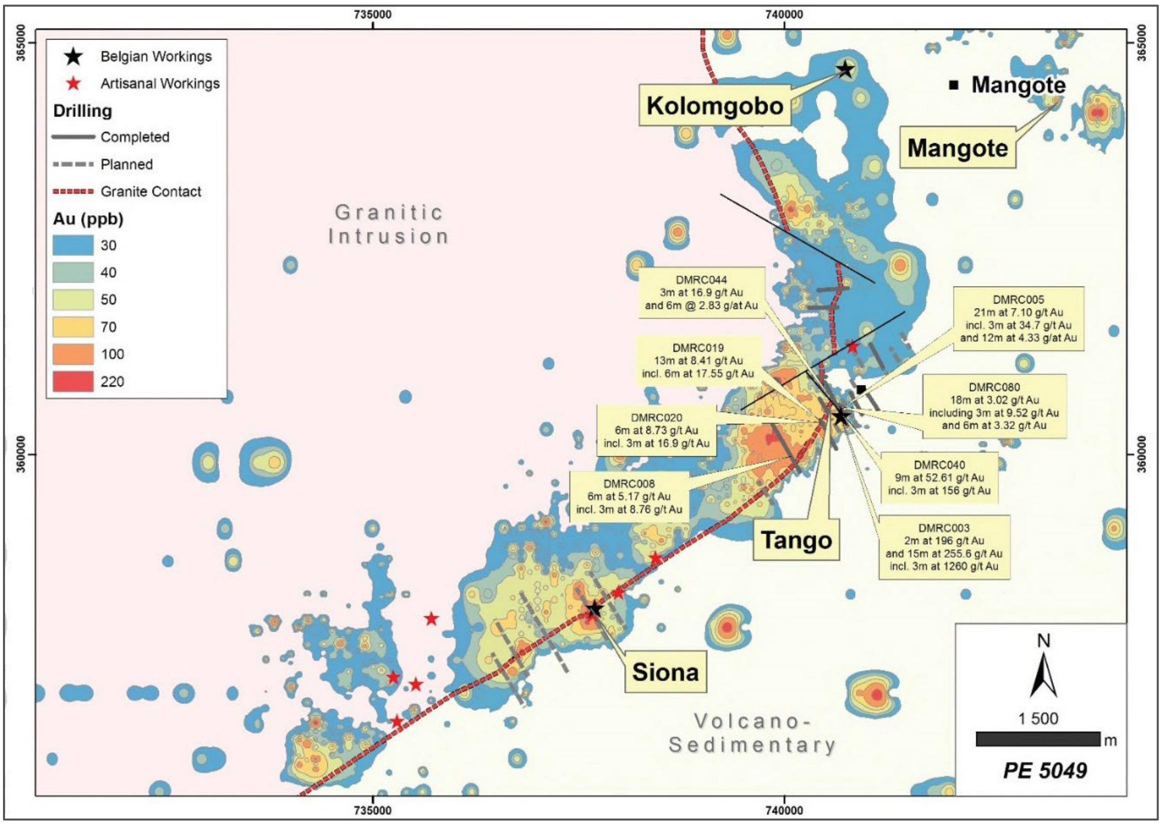
## 8.7 Mangote

The Mangote prospect, situated 6 km northeast of Douze Match, is defined by two soil geochemical anomalies extending over approximately 1 km strike length and trending in a north-easterly direction. The intensity of the gold anomaly determined via soil geochemistry is shown in Figure 8.3 (Eckhof 2017).

Four diamond holes have been drilled to approximately 200 m, three of which intersected narrow high-grade mineralisation. Intercepts in two holes appear to form a coherent mineralised zone up to 10 m thick. The best intercepts all occur within 100 m of surface. Drilling is currently insufficient to establish Exploration Potential.

Jackson, Kwaku et al., (2016) propose that the irregular results from initial drilling may suggest that the veins pinch and swell, and that there may be up to three or four east–west vein sets up to 100 m apart, potentially lying between two bounding fault structures, similar to Kebigada.

**Figure 8.3: Soil anomaly and drilling at Mangote prospect, Douze Match**




Sources: ASX Announcement, Further infill drilling results from Kedigada, 16 January 2017

## 8.8 Kolongoba

The Kolongo prospect is situated approximately 4 km north of Douze Match. The focus to date has focussed on soil geochemical sampling and geological mapping to define drill targets (Eckhof 2017).

# 9 Conceptual mining study

In May 2021, the BGRIMM completed a techno-economic study relating to the Kebigada deposit for the purpose of regulatory compliance as required by the relevant mineral legislation and mining agencies in the DRC. Although nominally called a 'DRC Feasibility Study', Amani considers the BGRIMM study report to be the equivalent of a "Scoping Study" as defined in paragraph 38 of the JORC Code (2012). It shows the potential viability of the Kebigada deposit located within the Project.

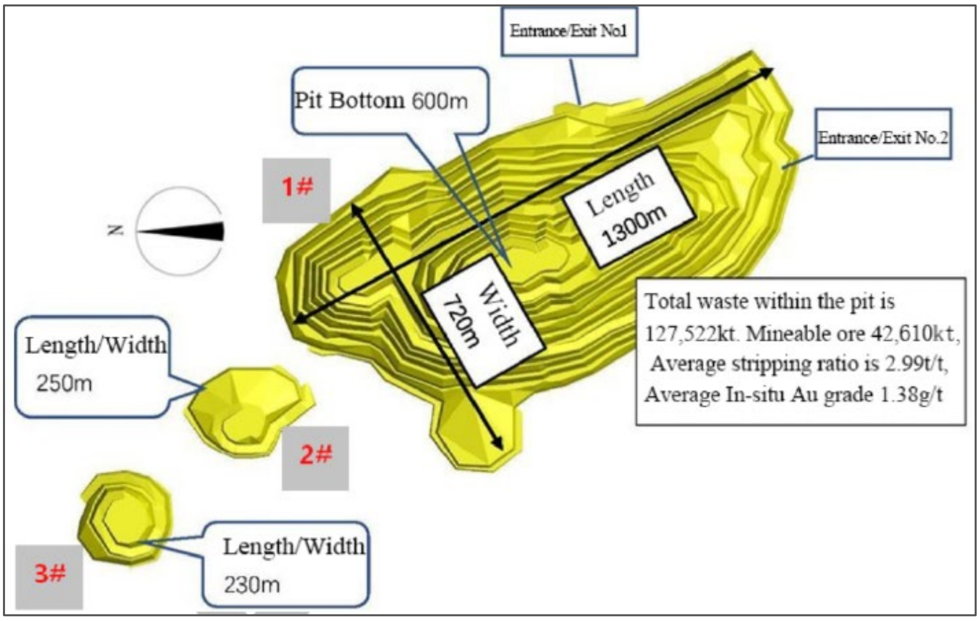
The outcomes, production target and forecast financial information referred to are based on low accuracy level technical and economic assessments that are insufficient to support the estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the BGRIMM Scoping Study will be realised.

While each of the modifying factors was considered and applied, there is no certainty of eventual conversion of the defined Mineral Resources to Ore Reserves or that a production target will be realised. Further exploration, evaluation work and appropriate studies are required before Amani will be in a position to estimate any Ore Reserves or to provide any assurance of an economic development case.

## 9.1 Mine

The conceptual techno-economic study envisaged an open pit mining operation producing 3 Mt/a of run-of-mine (RoM) ore over a life-of-mine (LoM) of 16 years, including an infrastructure construction period of 1.5 years (Figure 9-1). The conceptual mine comprises a single main open pit and two satellite pits. The total open pit mining volume was estimated at 42,610 kt with an average grade of 1.31 g/t, for 55,689 kg of contained gold, 127,522 kt of stripped waste rock, and an average strip ratio of 2.99 waste t/ore t.

**Figure 9-1: Conceptual Kebigada open pits design**




Source: BGRIMM

Parameters used to develop the pit shapes were derived from benchmarking of similar operations as local geotechnical work had not been completed. Overall pit slope angles between 40-43° with the upper soils and the weathered rock zones being 40-50° and the slope angles in the deeper portions of the mine ranging from 60-65°. SRK deem these high-level parameters to be suitable, given the level of study.

NPV scheduler® software was used to establish an optimal pit, with economic parameters used in the scheduler shown in Table 9-1. SRK note that there should be a different (higher) value for the ore tonne density when compared to the waste tonne density based on the understanding that gold has a density of 19.9 t/m³, however the same density values were used in the study to determine mining fleet requirements. Further development of the Mineral Resource and metallurgical testing may assist in refining these values during the next level of technical study.

**Table 9-1: NPV Scheduler Economic Model Input Parameters**

| Item | Unit | Value |
|---|---|---|
| Selling Price | $/g ($/oz) | 45 (1,400) |
| Recovered Ore | % | 95 |
| Dilution | % | 5 |
| Ore Mining Cost | $/t | 3 |
| Stripping Cost | $/t | 3 |
| Increase in Mining Depth – Ore | $/t | 0.02 |
| Processing Recovery | % | 90 |
| Processing Cost | $ | 16 |
| Selling and Administration Cost | $/t | 1.8 |
| Specific Gravity – Ore | t/m³ | 2.64 |
| Specific Gravity – Waste | t/m³ | 2.64 |
| Final Slope Angle | ° | 40-45 |
| Production Grade | g/t | 0.90 |

Sources: Congo (DRC) GIRO GOLD Mining and Processing Project, Feasibility Study, Chapter 5

Criteria used to design roadways in the three open pits adopted accepted standards for width and gradient, both in pit and out of pit and the mining fleet associated with overall production was based on the equipment's ability to achieve the required production rates. SRK consider the mine planning has been completed to an acceptable standard and cost modelling from the outputs of the equipment selection phase is reasonable.

While the overall principles of mine planning were applied, the initial geotechnical information required to determine the slope angles and pit shape has not been completed. As this will have a significant impact on the overall cost to mine, and potential revenue, SRK considers the mine plan as it has been presented in Chapter 5 of the supplied study report cannot be relied upon for valuation purposes under a discounted cashflow approach, and that an alternative evaluation method should be considered.

## 9.2 Processing

The metallurgical testwork program undertaken at SGS South Africa in 2016 based on three composite samples demonstrated the Giro deposit to be free-milling and amenable to processing through a conventional gold processing flowsheet. Similarly, testing of the Douze Match deposit undertaken by Yantai Xinhai Mining Research & Design Co. Ltd. in 2019 showed the deposit to also be free-milling and amenable to standard gold processing techniques.

It is envisaged that both deposits would be processed through a single plant. The flowsheet proposed by SGS South Africa (2016) and the BGRIMM Group (2018), and that used in the concept study, incorporates primary jaw crushing, semi-autogenous grinding with pebble screening of the discharge, secondary ball milling in closed circuit with hydrocyclones to classify the product at a target grind size of nominally $P_{80}$ 75 µm. A portion of the cyclone underflow would be fed through a centrifugal style gravity concentrator. The concentrate would be intensively leached and separately electrowon and smelted into a final gold doré product.

Cyclone overflow is processed through a conventional CIL agitated tank cyanide leach circuit. Activated carbon loaded with gold is acid washed, eluted and electrowon, with the electrowon product filtered, dried and calcined, then smelted with fluxes to produce a final gold doré product. The gold doré product is transported for final refining by a third party. Barren carbon is reactivated in a kiln. It is supported by typical infrastructure including electrical power, water and air services. A high-level processing flowsheet for the proposed gravity-cyanidation process is presented in Figure 9-2.

The testwork undertaken by Yantai Xinhai Mining Research & Design Co. in 2019 investigated other conventional gold processing flowsheets including bulk/coarse/dump leaching, agglomerated heap leaching as well as gravity recovery and agitated tank leaching. This testing assessed the use of sodium cyanide as the main gold leaching reagent, as well as an alternative, unconventional leaching reagent (i.e. not sodium cyanide) the details of which, were not disclosed. Both resulted in effective in leaching gold from the samples tested, and the recoveries were similar.

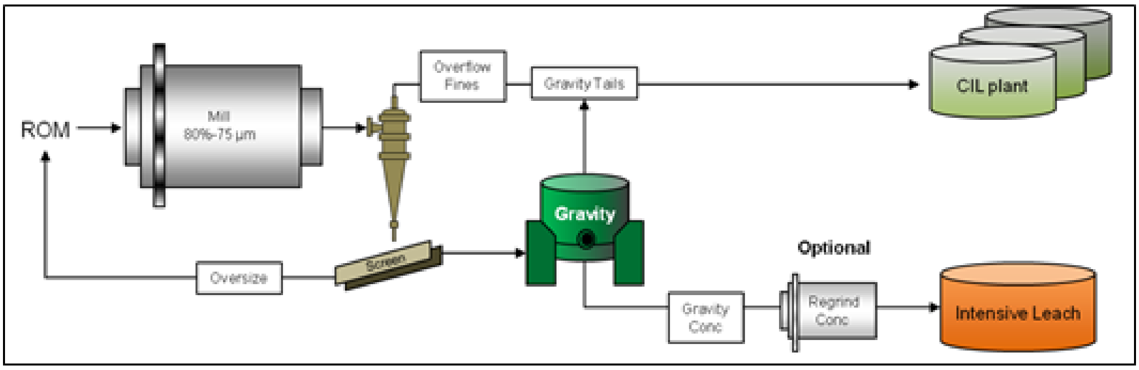
The Xinhai testwork demonstrated that agglomerated (with cement) heap leaching is a potential alternative processing option. In SRK's opinion, this should not be considered as the base case processing option. Given the likely LoM tonnage and gold grade of 42.6 Mt and 1.31 g/t respectively, the Project likely supports a higher capital cost CIL/CIP plant design. This circuit will increase the gold recovery and be more robust to a wider range of feed types, particularly the fresh sulfide ores, which will be less amenable to heap leaching.

Under the proposed design, tailings are to be pumped to a valley-style TSF with one main dam wall but dammed on all sides. The proposed ultimate dam height is approximately 27 m over four lifts. This is estimated to provide a total storage capacity of 38,910,300 $m^3$, which is sufficient for the proposed LoM service life of 14 years. Filtered tailings were also considered and remains a storage option. It is proposed that cyanide detoxification of the tailings be undertaken.

SRK considers that the proposed flowsheet to be supported by the testwork completed. It is a conventional gold processing circuit suited to free-milling ores and, in SRK's opinion, is an appropriate selection at this stage of development. It is ubiquitous to processing free-milling gold ores around the world and does not present technical risk.

Given the amount of metallurgical testwork undertaken is not extensive and is nominally at a scoping level, there is an expectation that some changes may be required to the flowsheet as the project advances. This testwork needs to be completed before more detailed process design and engineering can be completed and more accurate capital and operating costs can be estimated.

**Figure 9-2: Proposed gravity-cyanidation processing flowsheet**




Source: Guy, Mogalanyane et al., 2016

## 9.3 Infrastructure

Currently, the proposed mining area at Giro is connected via an unsealed road to the nearest village of Goria (20 km northeast) and Watsa township (35 km east). There is an airport in Watsa and a highway that connects Watsa to Arua in the east, a city of DRC near the Ugandan border. From Arua City airport, there are five round-trip flights between Arua and Entebbe, the capital of Uganda, every week.

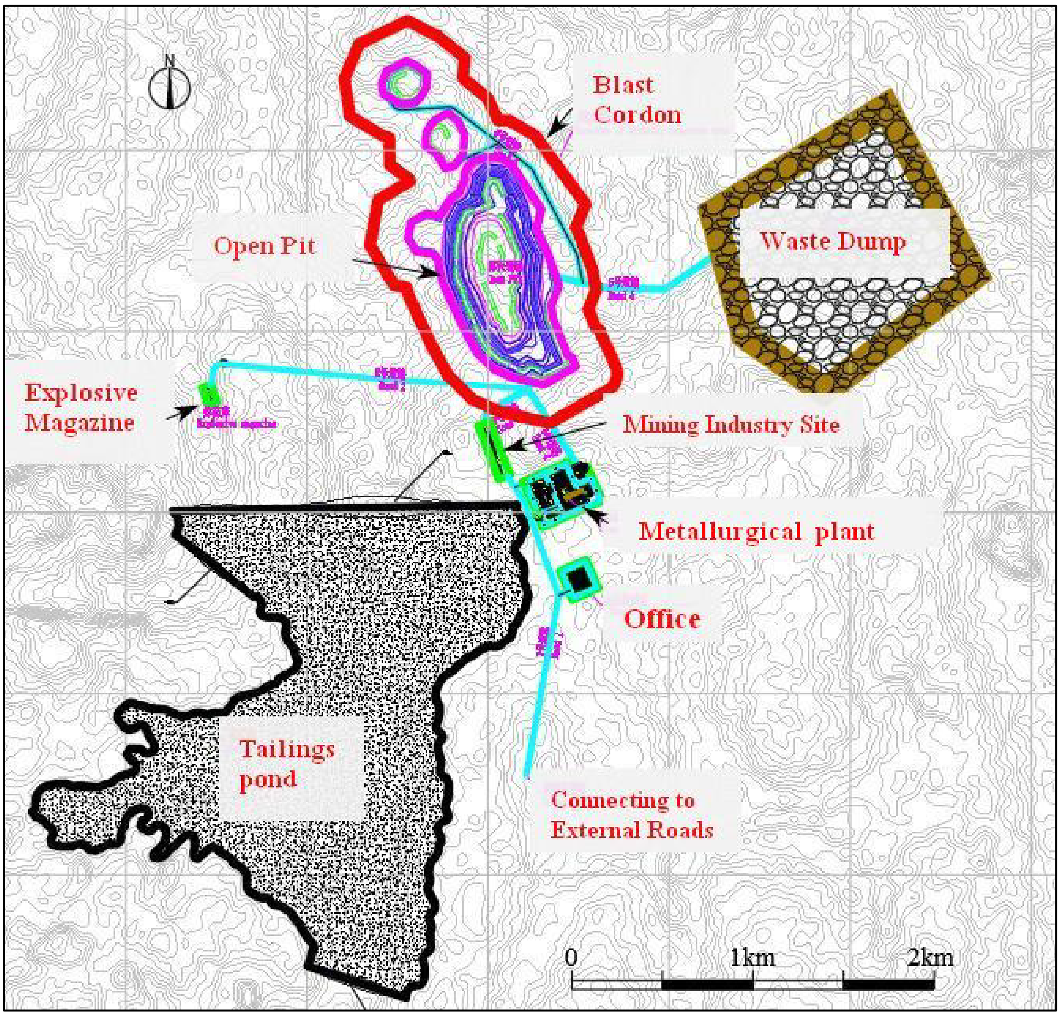
Water can be harvested from local rainfall catchment and could be supplemented from the Ibu River located 21 km away if necessary.

The Giro Gold Project is located less than 30 km from the third-party held Kibali Gold Mine, one of the largest of its kind in Africa, producing in the order of 800,000 oz of gold per year through a flotation and CIL circuit plant.

Future development of the Giro Gold Project requires the establishment of the associated infrastructure typically required to support a mining operation including internal roads, administration buildings, maintenance and mining workshops, warehousing, explosives magazine, a valley-style TSF, diesel-fired power station, fencing and security, water storage and reticulation and other similar facilities, IT and communications, laboratory, accommodation village and kitchen and dining facilities, medical station and sewage. These have been considered in the project studies completed to date. There may be future opportunities to access hydroelectric power, but it has not been incorporated into the base case.

The proposed site layout including the mine, waste stockpile, processing facility, TSF and other infrastructure is presented in Figure 9-3.

**Figure 9-3: Proposed layout**




Source: BGRIMM (2020)

# 10 Other considerations

## 10.1 Country risk

While the DRC has a well-established mining sector, social, political, security, and health instability contribute to a very challenging business climate. SRK has noted the risk rating and comments assigned to the DRC by Global Edge and S&P Capital IQ Pro.

S&P Capital IQ Pro rate DRC 4.1 as very high (Table 10-1).

**Table 10-1: DRC country risk score**

Dem. Rep. Congo
4.1 Very High → 7/02/2023

Prior Score
4.2 Very High 31/01/2023

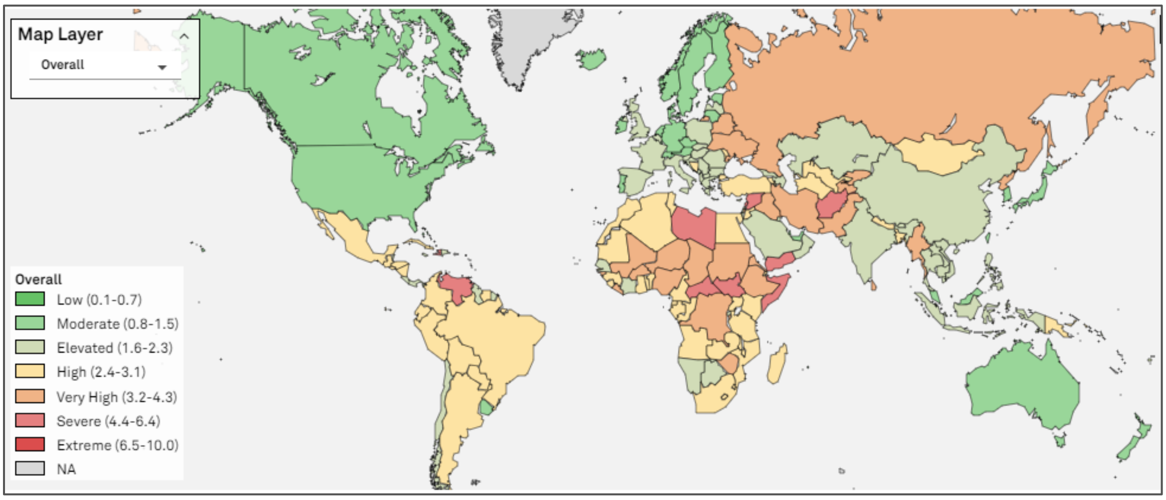
| SCORE BREAKDOWN | SCORE/OUTLOOK | SCORE CHANGE DATE | PRIOR SCORE |
|---|---|---|---|
| Political | 3.4 Very High ↗ | 6/12/2022 | 3.2 Very High |
| Economic | 3.9 Very High ↘ | 7/02/2023 | 4.1 Very High |
| Legal | 4.2 Very High → | 18/01/2021 | 4.1 Very High |
| Tax | 4.3 Very High → | 30/09/2021 | 4.2 Very High |
| Operational | 5.1 Severe ↗ | 6/12/2022 | 5.0 Severe |
| Security | 3.8 Very High ↗ | 31/01/2023 | 3.7 Very High |

Outlook: ↗ Increase Risk ↘ Decrease Risk → No Changes

Sources: S&P Capital IQ Pro

As world benchmarks (Figure 10-1), the neighbouring country of Zambia scores 2.7 (designated as high), Mongolia 2.3 as high and Australia scores 1.2 as moderate.

**Figure 10-1: Overall country risk profile**




Sources: S&P Capital IQ Pr0

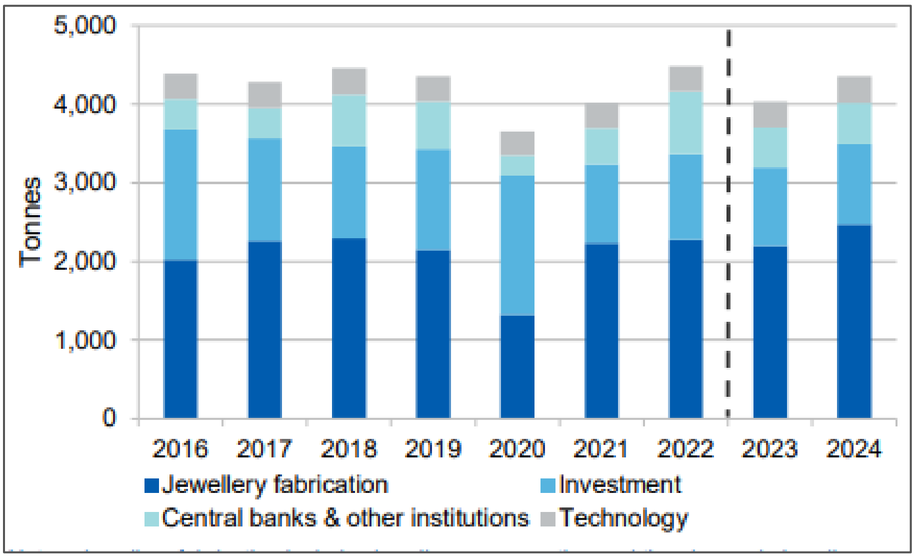
## 10.2 Gold market

### 10.2.1 Gold fundamentals

Like most commodities, the key factors that drive the gold price include supply and demand, but in addition to its potential commercial applications, gold is also commonly perceived to be a store of value. During times of economic or political uncertainty, (e.g. economic recession or coups), when the expected or actual returns on bonds, equities, and real estate fall, interest in gold investing tends to increase, driving up its price. Gold can be used as a hedge to protect against economic events like currency devaluation or inflation.

The gold 'above ground' is still fairly liquid. Figure 10-2 shows total annual demand for gold is around 4,000 to 4,500 t, approximately two-thirds of yearly gold demand goes into jewellery. Jewellery in many countries represents liquid wealth. Gold used for personal adornment often makes its way back into circulation after a few years or a few generations. A small amount of gold (approximately 330 t) each year goes into medical and industrial applications and the rest goes into investments and exchange-traded gold funds.

**Figure 10-2: World Gold Demand by sector**




Sources: Resource and energy Quarterly December 2022, World Gold Council

A recent study by the World Gold Council of the short-term drivers of the gold price with regard to investments and exchange-traded gold funds can be broadly grouped into the following four categories:

- economic expansion
- risk and uncertainty
- opportunity cost
- momentum of return of gold, exchange traded fund (ETF) flows and COMEX futures positioning.

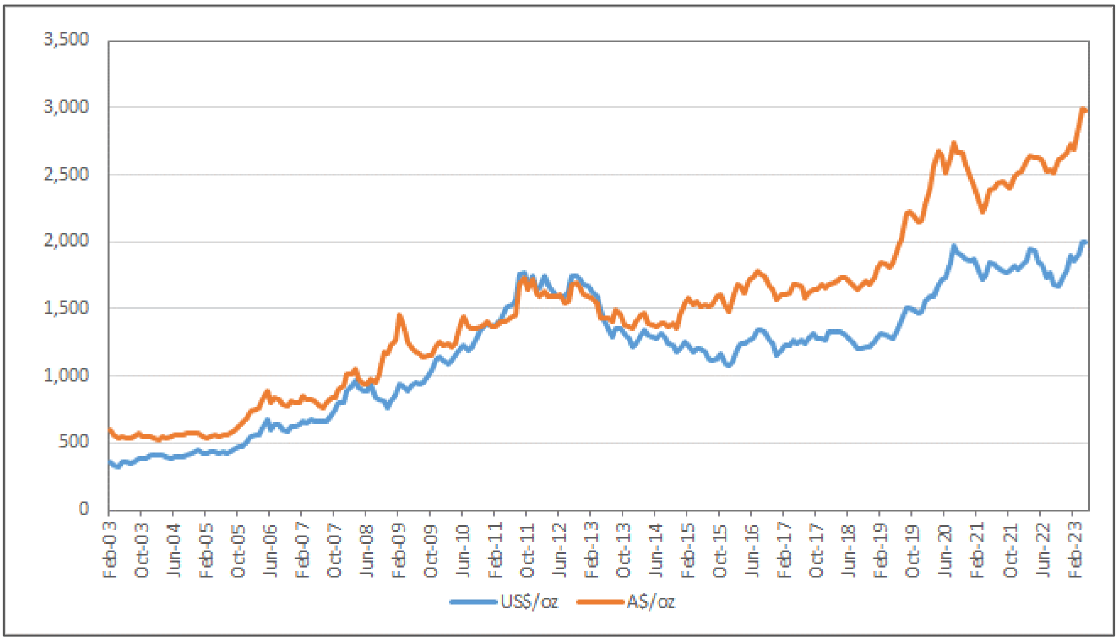
Currently, risk and uncertainty are driving the gold price, with the conflict in Europe and the COVID-19 pandemic having a residual impact on economic recovery. The Australian Government's Department of Industry, Science, Energy and Resources (DISER) most recent Quarterly report (December 2022) noted that official sector buying (central banks and other government financial institutions) increased by 341% year-on-year to a quarterly record of 399 t in the September quarter 2022. According to the World Gold Council, Türkiye and Uzbekistan were the largest purchasers, collectively buying 57 t of gold during the quarter.

World gold consumption is forecast by DISER to decrease by 10% to 4,032 t in 2023, as official sector buying and investment demand ease from relatively strong levels in 2022. While safe-haven demand will tend to support gold investment (as long as geopolitical and economic uncertainty persists), real bond yields are unlikely to decline to the negative levels seen throughout 2021 and 2022. Therefore investors are more likely to seek alternative safe-haven assets, such as interest-bearing bonds.

DISER suggests that persistent global inflation may result in a higher-than-expected rise in official interest rates, leading to a steeper than forecast decline in gold prices, as the opportunity cost of holding gold increases. Should global inflation decline more rapidly than expected, a less aggressive tightening of monetary policy would likely occur, leading to a slower than forecast decline in gold prices. In summary, market commentators suggest the gold price currently faces downside risk.

Given the gold price volatility and future price uncertainty, SRK elected to use the average gold price of US$1,992/oz over the month of May 2023 to inform its market analysis as presented in the valuation section of the Report.

**Figure 10-3: Gold Price**




Sources: World Bank (2023)

# 11 Valuation

The purpose of this Report is to provide BDO with an ISR incorporating a Technical Assessment and Valuation of the mineral assets of Amani. The SRK Report is to consider Amani's 55.25% interest in the Giro Gold Project, incorporating the Kebigada and Douze Match gold deposits.

SRK understands that this ISR is to be included in a Notice of Meeting to be provided to the shareholders of Amani in relation to a proposed transaction. To this end, SRK has been requested to consider the Market Value of Amani's mineral assets (as required by the VALMIN Code 2015).

## 11.1 Previous valuations

The VALMIN Code (2015) requires that an Independent Valuation report should refer to other recent public valuations or Expert Reports undertaken on the mineral assets being assessed.

In October 2017, BDO Corporate Finance (WA) Pty Ltd (BDO) engaged SRK to prepare an Independent Expert's Report (IER) to support a proposed capital raising transaction by Amani. At that time, SRK estimated a market value range for Amani's mineral assets of between US$23 M and US$38 M, with a preferred value of US$31 M, on a 100% ownership basis.

Since the date of SRK's 2017 valuation, the gold price has increased from around US$1,280/oz to US$1,913/oz, representing an increase of approximately 49%. SRK also notes that Amani has undertaken additional exploration resulting in definition of higher confidence and larger tonnages in the defined Mineral Resource inventory at Kebigada and announced a maiden resource at Douze Match, as well as completing conceptual techno-economic modelling and processing testwork. Further to this, an update to the Kebigada resource was announced in March 2023.

## 11.2 Previous transactions

The VALMIN Code (2015) requires that an Independent Valuation report should refer to any instances where the project has previously transacted.

In 2013, 2014 and 2015, the Giro Project was linked to various transactions (some incomplete) involving various minority interests in the Giro Project. These previous transactions involved Amani, Panex and Burey Gold, which resulted in Amani's current 55.25% ownership in the Giro Project. In 2013, Panex Resources Incorporated entered into an agreement with Amani shareholders to acquire an 85% interest in Amani. The Panex agreement was not settled and Panex assigned its rights under that agreement to Burey Gold Limited. In May 2014, Burey entered into an agreement to acquire 85% interest in Amani giving it an effective 55.25% interest in the Giro Project. The consideration comprised of both shares (11.8 million) and cash (A$300,000) is estimated at A$1.8 M.

Since the date of these transactions, SRK notes that material changes in the exploration status at the project have occurred, culminating in the definition of Mineral Resources at both Kebigada and Douze Match.

Based on these factors, SRK does not consider these transactions to be instructive or indicative of the current value that would be attributed by the market to Amani's interest in the Giro Project, other than set a minimum value.

## 11.3 Valuation approach

While the VALMIN Code (2015) states that the selection of the valuation approach and methodology is the responsibility of the practitioner, where possible, SRK considers several methods.

The aim of this approach is to compare the results achieved using different methods to select a preferred value within a valuation range. This reflects the uncertainty in the data and interaction of the various assumptions inherent in the valuation.

The VALMIN Code (2015) outlines three generally accepted valuation approaches:

1. Market Approach
2. Income Approach
3. Cost Approach.

The Market Approach is based primarily on the principle of substitution and is also called the comparable transactions approach. The mineral asset being valued is compared with the transaction value of similar mineral assets transacted in an open market (VALMIN, 2015). Methods include comparable market transactions ratio (MTR), market listed peer group metal ratio and option or farm-in agreement terms analysis.

The Income Approach is based on the principle of anticipation of economic benefits and includes all methods that are based on the income or cash flow generation potential of the mineral asset (VALMIN, 2015). Valuation methods that follow this approach include Discounted Cash Flow (DCF) modelling, Capitalised Margins, Real Option and Earnings Multiples.

The Cost Approach is based on the principle of contribution to value (VALMIN, 2015). Methods include the appraised value method and multiples of exploration expenditure (MEE), where expenditures are analysed for their contribution to the exploration tenure of the mineral asset.

The applicability of the various valuation approaches and methods vary depending on the stage of exploration or development of the mineral asset, and hence the amount and quality of the information available on the mineral potential of the assets. Table 11-1 presents the various valuation approaches for the valuation of mineral assets at the various stages of exploration and development.

**Table 11-1: VALMIN – valuation approaches according to development status**

| Valuation Approach | Exploration Projects | Pre-development Projects | Development Projects | Production Projects |
|---|---|---|---|---|
| Market | Yes | Yes | Yes | Yes |
| Income | No | In some cases | Yes | Yes |
| Cost | Yes | In some cases | No | No |

Source: VALMIN Code (2015)

The market-based approach to valuation is generally accepted as the most suitable approach for the valuation of projects at all stages of development.

An income-based method such as a DCF model is commonly adopted for assessing the value of a tenure containing a deposit where an Ore Reserve has been reported following an appropriate level of technical studies and to accepted technical guidelines such as the JORC Code (2012). However, an income-based method is not considered an appropriate method for deposits or mineral tenure that are less advanced, i.e. where there is no declared Ore Reserve or supporting mining and related technical studies.

The use of cost-based methods, such as considering suitable MEE, is best suited to exploration properties, i.e. prior to the estimation of Mineral Resources. Within the valuation hierarchy, cost-based methods of valuation are considered less suitable than market-based methods of valuation.

In general, these methods are accepted analytical valuation approaches that are in common use for determining Market Value (defined below) of mineral assets, using market-derived data.

The 'Market Value' is defined in the VALMIN Code (2015) as, in respect of a mineral asset, the '*estimated amount of money (or the cash equivalent of some other consideration) for which the Mineral Asset should exchange on the date of Valuation between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing wherein the parties each acted knowledgeably, prudently and without compulsion*'. The term Market Value has the same intended meaning and context as the International Valuation Standards Council (IVSC) term of the same name. This has the same meaning as Fair Value in Regulatory Guide 111. In the 2005 edition of the VALMIN Code this was known as Fair Market Value.

The 'Technical Value' is defined in the VALMIN Code (2015) as 'an assessment of a Mineral Asset's future net economic benefit at the Valuation Date under a set of assumptions deemed most appropriate by a Practitioner, excluding any premium or discount to account for market considerations'. The term 'Technical Value' has an intended meaning that is similar to the IVSC term 'Investment Value'.

## 11.4 Valuation basis

In estimating the value of the Project as at the Valuation Date, SRK has considered various valuation methods within the context of the VALMIN Code (2015).

The valuation method applied depends on the relative maturity of assessment for each asset, as well as the amount of available data supporting the project. For this valuation, the Project's assets were classified according to the development stage categories as per the VALMIN Code (2015):

- Early Stage Exploration Projects – Tenure holdings where mineralisation may or may not have been identified, but where Mineral Resources have not been identified.
- Advanced Exploration Projects – Tenure holdings where considerable exploration has been undertaken and specific targets have been identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A Mineral Resource estimate may or may not have been made, but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralisation present and encouragement that further work will elevate one or more of the prospects to the Mineral Resources category.
- Pre-Development Projects – Tenure holdings where Mineral Resources have been identified and their extent estimated (possibly incompletely) but where a decision to proceed with

development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Mineral Resources have been identified, even if no further work is being undertaken.

- Development Projects – Tenure holdings for which a decision has been made to proceed with construction or production or both, but which are not yet commissioned or operating at design levels. Economic viability of Development Projects will be proven by at least a Pre-Feasibility Study.
- Production Projects – Tenure holdings, particularly mines, wellfields and processing plants that have been commissioned and are in production.

In preparing its valuation of the Project, SRK has considered the three main approaches (income, market, and cost), as well as the available methodologies under each approach.

As discussed previously, the Project is supported by declared Mineral Resource Estimates pertaining to the Kebigada and Douze Match gold deposits on PE5046 and PE5049, respectively. The Kebigada Mineral Resource has been the subject of a conceptual level techno-economic study, broadly considered equivalent to a scoping study under JORC Code (2012) terminology. On this basis, SRK considers the Project to be at the advanced exploration to pre-development stage for Douze Match and Kebigada gold deposits, respectively.

Furthermore, SRK considers a market-based valuation method to be the most appropriate technique for establishing the value of Amani's interests in the Kebigada and Douze Match Mineral Resources. In line with this approach, SRK has used Comparable Transaction analysis as its primary valuation method, while the Yardstick method was used as a cross check.

For the exploration potential of the broader mineral tenure area outside the defined Mineral Resource area, SRK also used Comparative Transaction multiples (on a US\$/km$^2$ basis) as its primary valuation method, supported by the geoscientific rating (Kilburn) method as a cross check.

## 11.5 Valuation of Mineral Resource

### 11.5.1 Comparable Transactions Valuation Method

SRK has compiled a list of recent African transactions (Appendix B) involving broadly similar gold exploration projects using its internal databases, as well as the S&P Capital IQ Pro subscription database to support its assessment of the Market Value of the defined Mineral Resources at Kebigada and Douze Match.

The implied transaction multiples for Mineral Resources are expressed in US\$/oz troy terms. The implied multiples are calculated using the transaction value (at the implied 100% acquisition cost) and the total contained gold ounces in the reported Mineral Resource supporting the transaction. The implied transaction multiple was then normalised to the average gold price of May 2023 (US\$1,992/oz as noted in Section 10.2.1).

Importantly, while transaction multiples are widely used in valuation, they rely on the assumption that the defined Mineral Resources have been appropriately reported and can be taken at face value. The method assumes that differences in reporting regimes, between different Competent Persons, resource classification, metal recovery and adopted cut-off grades (which may change between assets and/or companies) do not materially influence the implied multiple. The method implicitly assumes total recoverability of all metal tonnes/ounces, as reliable and accurate data is generally not disclosed or available around the time of most transactions or for all companies. In addition, SRK's implied value calculations are for the purposes of its valuation and do not attempt to estimate or reflect the metal likely to be recovered as required under the JORC Code (2012).

SRK identified 87 transactions relating to broadly similar gold projects in Africa which were announced between 2016 and 2023 involving African countries with similar risk ratings to the DRC. Of those transactions, 70 had sufficient information to derive relevant transaction multiples.

### 11.5.2 Resource-based multiples

Of the 70 transactions, SRK identified 28 transactions that occurred between February 2016 and March 2023 that it considered sufficiently relevant and for which sufficient information was available to calculate a resource multiple. Of those transactions involving defined Mineral Resources, only four were located in the DRC (with all four transacting in 2016 and 2017). Analysis of the African Resource transaction data is provided in Table 11-2.

**Table 11-2: Resource-based transaction multiple analysis**

| | Resource Multiple – Raw (US$/oz Au) | Resource Multiple – Normalised (US$/oz Au) |
|---|---|---|
| **All** | | |
| Minimum | 0.08 | 0.12 |
| Median | 11.76 | 17.16 |
| Average | 17.48 | 26.60 |
| Maximum | 66.19 | 109.73 |
| Weighted average | 24.71 | 37.68 |
| **DRC transactions only** | | |
| Minimum | 7.36 | 11.05 |
| Median | 15.94 | 26.19 |
| Average | 17.67 | 28.06 |
| Maximum | 39.17 | 61.91 |
| Weighted average | 19.64 | 30.97 |
| **Excluding operating/in construction** | | |
| Minimum | 0.08 | 0.12 |
| Median | 8.55 | 11.13 |
| Average | 11.35 | 16.10 |
| Maximum | 42.77 | 68.85 |
| Weighted average | 13.58 | 18.03 |
| **Feasibility/Scoping only** | | |
| Minimum | 5.72 | 7.30 |
| Median | 17.65 | 26.19 |
| Average | 21.31 | 29.97 |
| Maximum | 42.77 | 68.85 |
| Weighted average | 17.92 | 23.45 |
| **Advanced Stage only** | | |
| Minimum | 0.08 | 0.12 |
| Median | 6.51 | 8.28 |
| Average | 7.52 | 10.76 |
| Maximum | 16.27 | 27.44 |
| Weighted average | 6.87 | 9.65 |

Source: SRK Analysis, 2023

Figure 11-1 illustrates the normalised transaction multiples of SRK's adopted transaction data set. From this dataset, there are 6 of the 28 resource transactions with multiples in excess of US$40/oz troy and all involved assets either in development or producing gold mines. Advanced exploration projects returned implied multiples mostly between US$20/oz troy and US$40/oz troy.

In the transaction dataset, SRK considered the Matala project as broadly similar to the Giro Project, which is situated within the Kibaran gold belt in the South Kivu Province, northeast DRC.

In August 2016, Panex Resource Ltd (Panex) entered into a Farm-In agreement with Afrimines SARL, a company registered under the laws of the Democratic Republic of Congo (DRC), to acquire up to 90% direct interest in the Matala Gold Project. To earn an initial 51% interest in the project Panex was required to spend US$1 M in exploration expenditure. The project had a reported Inferred Resource estimate of 2 Mt at 3.3g/t Au for 213,400 oz troy of gold using a 0.5g/t Au cut-off grade from the Kadutu and Nyamikundu deposits. On a normalised basis the implied transaction multiple was US$13.74/oz troy (raw basis US$9.24/oz troy).

In December 2016, Monument Mining Limited (Monument) announces that it had agreed to enter into an Exclusive Option Agreement to acquire a 51% Matala project interest from Panex Resources Inc. (Panex), a public listed company that acquired control of the project under a farm-in agreement with Afrimines SARL, the owner of Matala. Monument would pay a one-time option fee of US$250,000 to Panex upon certain conditions to acquire a 51% project interest in Matala from Panex. Upon exercise of the option, Monument would acquire a 51% interest in the Matala gold project by issuing 20,000,000 fully paid Monument shares. On a normalised basis the implied transaction multiple was US$27.44/oz troy (raw basis US$15.94/oz troy).

Following a detailed review of the transactions and analysis (as outlined in Table 11-2), SRK considers the Kebigada Mineral Resources would likely attract a resource multiple of between US$16/oz troy and US$24/oz troy with a midpoint of US$20/oz troy.

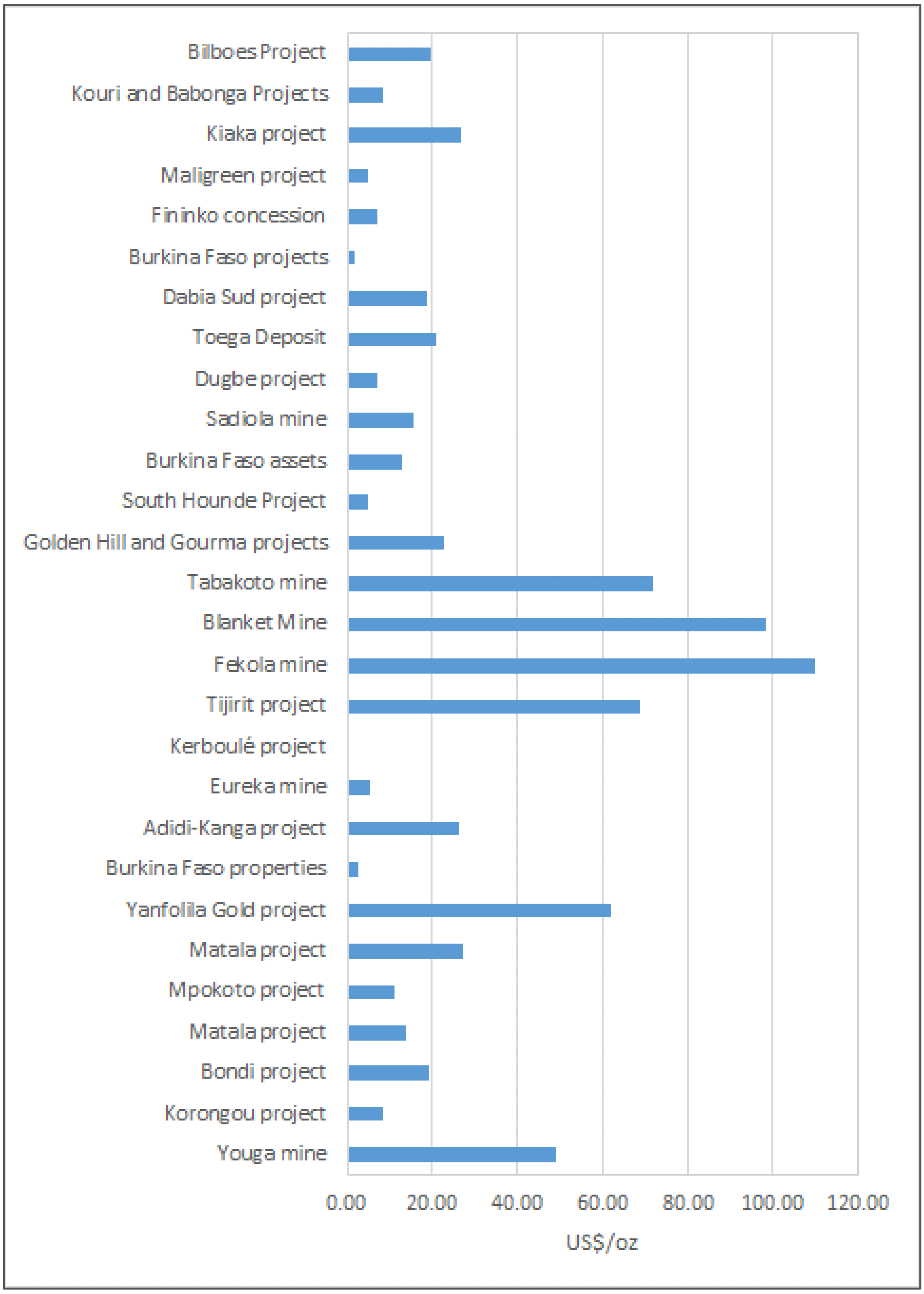
Based on the H&S report that exclusion of the northern area of concern is recommended (see section 6.3.9), SRK has not excluded but rather discounted Douze Match relative to that adopted for Kebigada. SRK considers the Douze Match Mineral Resource would attract a multiple of between US$8/oz troy and US$15/oz troy, with a midpoint of US$11/oz troy (Table 11-3).

**Table 11-3: Valuation of the defined Mineral Resources – comparable transactions**

| Deposit | Troy Ounces (Moz ) | Selected Multiples (US$/oz) | | | Market Value (US$ M) | | |
|---|---|---|---|---|---|---|---|
| | | Lower | Upper | Mid Point | Lower | Upper | Mid Point |
| Kebigada | 4.40 | 16.0 | 24.0 | 20.0 | 70.4 | 105.6 | 88.0 |
| Douze Match | 0.32 | 7.5 | 15.0 | 11.3 | 2.4 | 4.8 | 3.6 |
| **Totals** | **4.72** | | | | **72.8** | **110.4** | **91.6** |

Source: SRK Analysis, 2023

**Figure 11-1: Normalised Resource Transaction Multiples**




Sources: S&P Capital IQ Pro, SRK analysis

### 11.5.3 Yardstick valuation method

As a cross check on its implied value using comparable transactions, SRK has also considered a yardstick value per ounce of contained gold in defined Mineral Resource for its valuation of the Kebigada and Douze Match deposits. Under the yardstick method of valuation, specified percentages of the gold spot price are used to assess the likely value. Commonly used yardstick factors are between 0.5% and 5% of the spot price:

- Measured Resources 2% to 5% of the spot price
- Indicated Resources 1% to 2% of the spot price
- Inferred Resources 0.5% to 1% of the spot price.

Based on the average spot price for gold for May 2023 at US$1,992/oz the adopted yardstick multiples are presented in Table 11-4.

**Table 11-4: Yardstick multiples**

| Resource | % of the spot gold price | Value Range | |
|---|---|---|---|
| | | Low US$/t oz | High US$/t oz |
| Measured | 2% to 5% | 39.84 | 99.61 |
| Indicated | 1% to 2% | 19.92 | 39.84 |
| Inferred | 0.5% to 1% | 9.96 | 19.92 |

Using a yardstick approach, SRK considers the value of a 100% interest in the Kebigada and Douze Match Mineral Resources (Measured, Indicated and Inferred Resource totalling 4.7 Moz – Table 11-5) resides within a range of US$97 M to US$218 M.

**Table 11-5: Yardstick valuation on a 100% basis**

| Project | Category | Implied value outcome | | | |
|---|---|---|---|---|---|
| | | Au Moz | Low (US$ M) | Mid-point (US$ M) | High (US$ M) |
| Kebigada | Measured | 1.14 | 45.5 | 79.7 | 113.8 |
| | Indicated | 1.54 | 30.6 | 45.9 | 61.2 |
| | Inferred | 1.73 | 17.2 | 25.9 | 34.5 |
| | **Total** | **4.40** | **93.4** | **151.4** | **209.5** |
| Douze Match | Measured | | | | |
| | Indicated | 0.09 | 1.7 | 2.6 | 3.4 |
| | Inferred | 0.23 | 2.3 | 3.4 | 4.6 |
| | **Total** | **0.32** | **4.0** | **6.0** | **8.0** |
| **Total** | | **4.72** | **97.4** | **157.5** | **217.6** |

Source: SRK analysis

## 11.6 Valuation of Exploration Potential

### 11.6.1 Area-based transaction multiples

In addition to its derived Mineral Resource transaction multiples, SRK has also compiled a list of transactions (82) involving broadly similar early to advanced exploration projects without defined Mineral Resources.

The implied transaction multiples for exploration potential are expressed in US$/km² terms. The implied multiples are calculated using the transaction value (at the implied 100% acquisition cost) and the area of all tenure (not including projects with defined Mineral Resources). To avoid double counting, SRK has excluded the area containing the defined Mineral Resources. For Kebigada, SRK has excluded an area of 1.5 km² and for Douze Match, SRK has excluded an area of 1.0 km². The implied transaction multiple was then normalised to the average May 2023 gold price.

Of the transactions identified, only 3 are located in the DRC, while 35 are located in comparable African countries with similar risk ratings that include Burkina Faso, Mali, Zimbabwe, Liberia and Mauritania. Analysis of the 38 appropriate area-based transaction data is provided in Table 11-6.

**Table 11-6: Area-based transaction multiple analysis**

| | Area Multiple – Raw (US$/km²) | Area Multiple – Normalised (US$/km²) |
|---|---|---|
| **All** | | |
| Minimum | 70 | 92 |
| Median | 5,553 | 8,112 |
| Average | 8,489 | 11,312 |
| Maximum | 47,917 | 48,489 |
| Weighted average | 2,933 | 3,888 |
| **Projects in the DRC** | | |
| Minimum | 70 | 92 |
| Median | 870 | 1,299 |
| Average | 7,404 | 10,006 |
| Maximum | 21,272 | 28,627 |
| Weighted average | 1,583 | 2,142 |
| **Projects excluding DRC** | | |
| Minimum | 264 | 278 |
| Median | 5,773 | 8,273 |
| Average | 8,582 | 11,079 |
| Maximum | 47,917 | 46,556 |
| Weighted average | 4,685 | 5,973 |
| **Transactions with large tenure >200 km²** | | |
| Minimum | 70 | 92 |
| Median | 991 | 1,245 |
| Average | 4,243 | 5,659 |
| Maximum | 21,272 | 28,627 |
| Weighted average | 1,774 | 2,377 |

Source: SRK Analysis, 2023 / Note: Weighted average calculated using total area.

The 3 transactions in the DRC range from US$92 and US$28,627/km$^2$. Of the total 38 transactions, 10 are tenure larger than 200 km$^2$ that have implied multiples with a median and average of US$1,245 and US$5,659/km$^2$, respectively. Given that Amani's two tenements are 182 km$^2$ and 315 km$^2$, SRK has elected to assign a multiple range from US$2,000 to US$5,000/km$^2$ for the exploration potential associated with the broader tenures outside the defined Mineral Resource areas. On this basis, the value of the remaining tenures is estimated at between US$1.0 million and US$2.5 million, as outlined in Table 11-7.

**Table 11-7: Valuation of the remaining Exploration Potential – comparable transactions**

| Deposit | Area Valued (km²) | Selected Multiples (US$/km²) | | | Market Value (US$ M) | | |
|---|---|---|---|---|---|---|---|
| | | Lower | Upper | Mid-Point | Lower | Upper | Mid-Point |
| Kebigada | 180.45 | 2,000 | 5,000 | 3,500 | 0.4 | 0.9 | 0.6 |
| Douze Match | 314.11 | 2,000 | 5,000 | 3,500 | 0.6 | 1.6 | 1.1 |
| **Totals** | **494.56** | | | | **1.0** | **2.5** | **1.7** |

Source: SRK Analysis, 2023

Note: Areas occupied by Mineral Resources have been excluded; 1.5 km² for Kebigada and 1km² from Douze Match.

### 11.6.2 Geoscientific approach

In addition, SRK has also used the geoscientific rating method as a cross-check for its estimated value using comparable transaction data. The geoscientific rating or modified Kilburn method of valuation attempts to quantify the relevant technical aspects of a property through appropriate multipliers (factors) applied to an appropriate base (or intrinsic) value. The intrinsic value is referred to as the base acquisition cost (BAC) and is critical because it forms the standard base from which to commence a valuation. It represents the 'average cost to identify, apply for and retain a base unit of area of title'.

SRK notes that the BAC for an average exploitation permit in DRC has been estimated using information provided by Amani relating to actual costs incurred which include concession fees (annual fees relating to mineral and surface rights) plus reasonable administration costs. No mandatory minimum expenditure is requirements. Table 11-8 summarises the assumptions for a BAC of US$1,300/km$^2$.

SRK considers that a BAC of US$1,300/km$^2$ is relatively high, but reasonable, only as a supporting method for the values implied by comparative transactions.

Multipliers are considered for off-property aspects, on-property aspects, anomaly aspects and geology aspects (Table 11-9). These multipliers are applied sequentially to the BAC to estimate the technical value for each tenement. A further market factor is then considered to derive a market value. In this case, SRK has not applied a market factor premium or discount.

On this basis analysis, SRK considered the market is likely to value the exploration potential outside the defined Mineral Resources in the range of US$4.3 M and US$12.9 M, on a 100% basis (Table 11-11).

### Table 11-8: BAC cost calculation

| Base Area Cost input data – Exploitation Permit – Democratic Republic of Congo | | |
|---|---|---|
| **Metric** | **Unit** | **Unit Value** |
| Average licence size[1] | $km^2$ | 200 |
| Average licence age[2] | Years | 25 |
| Application fee[3] | US$ per licence | - |
| Annual Administration fee[4] | US$ per licence | 60,000 |
| Annual concession[5] | US$ per licence | 200,000 |
| Minimal annual expenditure[6] | US$ per licence | - |
| BAC of average licence | US$ per $km^2$ | 1,300 |
| BAC of average licence | US$ per ha | 13 |

Source: SRK Analysis 2023, Amani Gold Ltd

Notes:

[1] The average licence size calculated based on Amani tenure
[2] The Minister of Mines may grant an exploitation permit for a duration of 25 years, renewable for successive periods of 15 years
[3] No application fees
[4] Administration cost related to social licence expenditure such as school and other which is mandatory
[5] This is a fixed fee per year for mineral and surface rights, approximately US1,000/$km^2$
[6] No mandatory exploration expenditure

**Table 11-9:** SRK's m**odified property rating criteria**

| Rating | Off-property factor | On-property factor | Anomaly factor | Geological factor |
|---|---|---|---|---|
| 0.1 | | | No mineralisation identified – area sterilised | Unfavourable geological setting |
| 0.5 | Unfavourable district/basin | Unfavourable area | Extensive previous exploration provided poor results | Poor geological setting |
| 0.9 | | | Poor results to date | Generally favourable geological setting, under cover or complexly deformed or metamorphosed |
| 1.0 | No known mineralisation in district | No known mineralisation on lease | No targets outlined | Generally favourable geological setting |
| 1.5 | Minor workings | Minor workings or mineralised zones exposed | Target identified, initial indications positive | |
| 2.0 | Several old workings in district | Several old workings or exploration targets identified | | Multiple exploration models being applied simultaneously |
| 2.5 | | | Significant grade intercepts evident but not linked on cross sections or long sections | Well-defined exploration model applied to new areas |
| 3.0 | Mine or abundant workings with significant previous production | Mine or abundant workings with significant previous production | | Significant mineralised zones exposed in prospective host rock |
| 3.5 | | | Several economic grade intercepts on adjacent sections | |
| 4.0 | Along strike from a major deposit | Major mine with significant historical production | | Well-understood exploration model, with valid targets in structurally complex area, or under cover |
| 5.0 | Along strike for a world class deposit | | | Well-understood exploration model, with valid targets in well understood stratigraphy |
| 6.0 | | | | Advanced exploration model constrained by known and well-understood mineralisation |
| 10.0 | | World class mine | | |

Source: Modified after Xstract (2009) and Agricola Mining Consultants (2011)

**Table 11-10: Exploration potential geoscientific rating valuation**

| Tenement | Area Valued ($km^2$) | BAC ($US\$/km^2$) | Equity | Off property | | On property | | Geology | | Anomaly | | Market Factor | Application Factor | Market Value (A$) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Low | High | Low | High | Low | High | Low | High | | | Lower | Upper | Mid Point |
| Kebigada (PE5046) | 180.45 | 234,585 | 100% | 2.0 | 2.5 | 1.5 | 2.0 | 1.5 | 2.0 | 1.5 | 2.0 | 1.0 | 1.0 | 1.58 | 4.69 | 3.14 |
| Douze Match (PE5049) | 314.11 | 408,343 | 100% | 2.0 | 2.5 | 1.5 | 2.0 | 1.5 | 2.0 | 1.5 | 2.0 | 1.0 | 1.0 | 2.76 | 8.17 | 5.46 |
| **Grand Total** | | | | | | | | | | | | | | **4.34** | **12.86** | **8.60** |

Source: SRK Analysis, 2023

Notes: Areas occupied by defined Mineral Resources have been excluded; 1.5 km² for Kebigada and 1 km² from Douze Match

## 11.7 Valuation summary

In forming its opinion regarding the Market Value of a 100% interest in the Project, SRK has considered both comparable transactions and yardstick valuation methods for the defined Mineral Resources. The values implied by the comparable transaction analysis are preferred by SRK as the yardstick method is generic and does not take into account differences between projects that may include geology, mineralisation, infrastructure, geopolitical, corporate structure and other. This is demonstrated by the value derived from the yardstick methods being more than 50% higher than the comparable market transaction method. Therefore, SRK considers the comparable transactions method provides the best indication of the likely value that would be paid in the prevailing market.

Based on the results of its analysis, SRK estimates the value of a 100% interest in the in situ Mineral Resources at Kebigada and Douze Match resides between US$73 M to US$110 M. In selecting a preferred value, SRK has considered Amani's market capitalisation, corporate structure, country risk profile and junior exploration status regarding raising capital before adopting a value at the low end of this range, at US$73 M.

Furthermore, SRK has considered the values implied by both comparable transactions and geoscientific rating (Kilburn) valuation methods in establishing the value of the remaining exploration potential associated with the tenure area outside of the defined Mineral Resource area. While producing a wider range of values in general, the geoscientific rating (Kilburn) method provides much higher values as the comparable transaction method for the exploration potential. However, SRK considers that the comparable transaction method provides the best indication of the likely market value that is based on actual transactions.

Based on the results of its analysis, SRK estimates the value of a 100% interest in the exploration potential of the mineral tenures outside of the Kebigada and Douze Match Mineral Resource areas resides in the range US$1.0 M to US$2.5 M, with a preferred value of US$1.0 M. SRK's preferred value for the exploration potential has been positioned at the low end of the range based on the same considerations for the valuation of the Resource.

In total, SRK estimates the value of a 100% interest in the Project resides in the range US$74 M to US$113 M, with a preferred value of US$74 M.

**Table 11-11: Summary valuation (100% equity) – Giro Project Mineral Resource and Exploration Potential**

| Project | Category | Valuation Method | Low (US$ M) | High (US$ M) | Preferred (US$ M) |
|---|---|---|---|---|---|
| Giro Project | Resources | Comparable Transactions | 72.8 | 110.4 | |
| | | Yardstick | 97.4 | 217.5 | |
| | | **Selected** | **72.8** | **110.4** | **72.8** |
| | Exploration Potential | Comparable Transactions | 1.0 | 2.5 | |
| | | Kilburn | 4.3 | 12.9 | |
| | | **Selected** | **1.0** | **2.5** | **1.0** |
| | **Total** | | **73.8** | **112.9** | **73.8** |

Source: SRK analysis, 2023

On a pro-rata basis, SRK estimates the value of Amani's 55.25% interest in the Giro Project resides in the range US$41 M to US$62 M, with a preferred value of US$41 M (Table 11-12).

**Table 11-12: Summary valuation of Amani's 55.25% equity interest in the Giro Project**

| Project | Category | Valuation Method | Low (US$ M) | High (US$ M) | Preferred (US$ M) |
|---|---|---|---|---|---|
| Giro Project | Resources | Comparable Transactions | 40.2 | 61.0 | |
| | | Yardstick (%) | 53.8 | 120.2 | |
| | | **Selected** | **40.2** | **61.0** | **40.2** |
| | Exploration Potential | Comparable Transactions US$/ km$^2$) | 0.5 | 1.4 | |
| | | Kilburn | 2.4 | 7.1 | |
| | | **Selected** | **0.5** | **1.4** | **0.5** |
| | **Total** | | **40.8** | **62.4** | **40.8** |

Source: SRK analysis 2023

## 11.8 Discussion on SRK's valuation range

In assigning its valuation range and preferred value, SRK is mindful that the valuation range is also indicative of the uncertainty associated with advanced stage exploration to pre-development assets.

The range in value is driven by the confidence limits placed around the size and grade of mineralised occurrences assumed to occur within each prospect area. Typically, this means that, as exploration progresses, and a prospect moves from an early to advanced stage prospect, through Inferred, Indicated or Measured Mineral Resource categories to Ore Reserve status, there is greater confidence around the likely size and quality of the contained mineral and its potential to be extracted profitably.

Table 11-13 presents a general guide of the confidence in targets, resource and reserve estimates, and hence value, referred to in the mining industry.

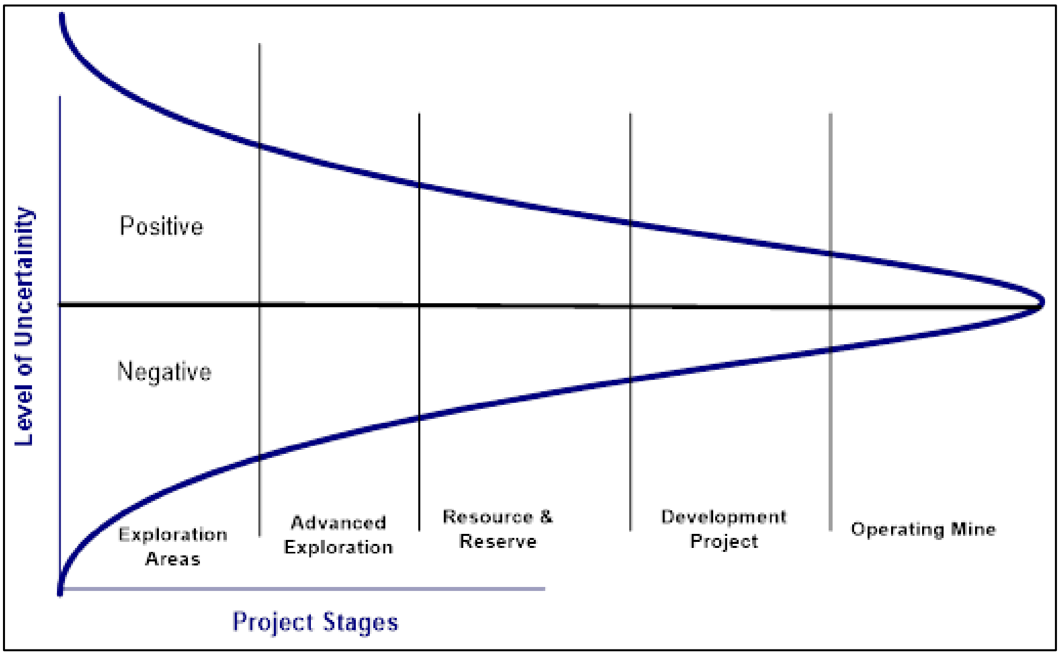
**Table 11-13: General guide regarding confidence for target and Mineral Resource/Ore Reserve estimates**

| Classification | Estimate range (90% confidence limit) |
|---|---|
| Proven/Probable Ore Reserves | ±5 to 10% |
| Measured Mineral Resources | ±10 to 20% |
| Indicated Mineral Resources | ±30 to 50% |
| Inferred Mineral Resources | ±50 to 100% |
| Exploration Target | +100% |

This level of uncertainty with advancing project stages can be seen in Figure 11-1.

Estimated confidence of ±60% to 100% or more, are not uncommon for exploration areas and are within acceptable bounds, given the level of uncertainty associated with early-stage exploration assets. By applying narrower confidence ranges, one is implying a greater degree of certainty regarding these assets than may be the case. Where possible, SRK has endeavoured to narrow its valuation range.

**Figure 11-2: Uncertainty by advancing exploration stage**




## Valuation risks

SRK is conscious of the risks associated with valuing advanced stage exploration assets that can impact the valuation range. In defining its valuation range, SRK notes that there are always inherent risks involved when deriving any arm's length valuation. These factors can ultimately result in significant differences in valuations over time. The key risks include but are not limited to risks outlined in the following subsections:

- Geological risk – The gold mineralisation is inconsistent. While there is significant gold, it is defined in terms of the JORC Code (2012) as mostly Inferred and Indicated Mineral Resources. SRK therefore considers the geological risk is moderate.
- Gold price – The gold price is subject to economic market factors, in particular as a safe haven during times of economic turmoil, which can result in large swings in price with corrections thereafter, presenting a low to moderate risk.
- Market risk:
  - Financing is difficult for junior exploration/development companies
  - 35% free carried interest (no contribution to capital) also makes it difficult in making decisions.
- Technical issues:
  - Potential development has only been tested to a conceptual level and remains subject to ongoing technical studies. Untested metallurgical difficulties could impact the project's economic viability.

    - Deferral of feasibility study does not provide confidence for potential investors
- Environmental risk – SRK considers the environmental risk at the subject exploration tenements to be moderate, given appropriate approvals and permits are in place.
- Land access – SRK considers the land access risk to be high due to potential socio-economic issues in DRC despite the tenure status at the Valuation Date.
- Geopolitical risk – Global Edge (https://globaledge.msu.edu/countries/democratic-republic-of-the-congo/risk) reports that armed militias continue to clash in the east of the country, particularly over control of natural resources, despite the imposition of martial law in May 2021 in Ituri and North Kivu provinces. In North Kivu, the government announced an outbreak of Ebola in October 2021, five months after the end of the twelfth epidemic. As such, social, political, security, and health instability contribute to a very challenging business climate.

# Closure

This report, Independent Specialist Report – Technical Assessment and Valuation, was prepared by

Shaun Barry
Principal Consultant

and reviewed by

This signature has been scanned. The author has given permission to its use for this document. The original signature is held on file

Jeames McKibben
Principal Consultant

All data used as source material plus the text, tables, figures, and attachments of this document have been reviewed and prepared in accordance with generally accepted professional engineering and environmental practices.

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# Appendix A Letter of Instruction

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Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000
PO Box 700 West Perth WA 6872
Australia

Our ref: Sherif Andrawes

20 February 2023

Jeames McKibben

SRK Consulting (Australasia) Pty Ltd

Level 5, 200 Mary Street

Brisbane, Queensland 4000

Dear Jeames,

**Engagement Agreement - Valuation of the Giro Gold Project**

This letter is to confirm our instructions to you on the services we are requesting you to provide.

We have been engaged by Amani Gold Limited ("**Amani**" or "**the Company**") to prepare an Independent Expert's Report ("**Our Report**") for inclusion within a Notice of Meeting to be provided to the shareholders of the Company. The Notice of Meeting is to provide shareholders with the information they require to make an informed decision on a proposed transaction. This transaction is the sale of Amani's 85% shareholding in Amani Consulting SARL, the Democratic Republic of Congo ("**DRC**")-based entity that holds a 65% interest in the Giro Gold Project, for the cash payment of US$30 million ("**Proposed Transaction**"). The purchaser is Mabanga Mining SARL ("**Mabanga**"), another DRC registered entity.

Our Report is required to provide an opinion on whether the offer associated with the Proposed Transaction is fair and reasonable to Amani's non-associated shareholders and, given the nature of the assets of Amani we require a Specialist to assist us with our opinion.

We advise that we will rely on and refer to your statements and conclusions in Our Report, and we will append a copy of Your Report or a summary of Your Report to Our Report. As our reports will be public documents you will be required to provide your consent to the use of Your Report in the form and context in which it will be published.

We may also provide you with a copy of our draft report and ask that you confirm that we have accurately referred to your report and reflected any statements you have made.

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Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international
network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

## ENGAGEMENT SCOPE

We request that you provide us with an *independent* opinion on the market valuation of the Giro Gold Project in the DRC and any other mineral assets held by Amani Consulting SARL which you consider to be material.

## TERMS OF YOUR ENGAGEMENT

### *The VALMIN & JORC Codes*

Your Report must be prepared in compliance with the 'Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets, 2015 Edition' (**"VALMIN"**), the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 ("**JORC**") and ASIC Regulatory Guide 111 *Content of expert reports* ("**RG 111**"). Your observance of these Codes and RG must extend beyond the disclosure in Your Report and include, the use of disclaimers, your fee agreement with Amani, and the preparatory work you conduct.

We have engaged you because you have assured us that you meet the requirements of a Specialist under Section 2 of VALMIN and have the required competency to report on the assets that are the subject of this engagement.

Please advise us immediately if during the engagement you find you are unable to meet the VALMIN competency requirements or there will be additional signatories or contributors to Your Report because we are required to ensure that the competency requirements for all contributors are met.

Your Report should specifically include and/or address the following VALMIN principles or recommendations:

1. A competent person statement for the author and all contributors that demonstrates your claims against the requirements of a Specialist and the competency to conduct the work you have been engaged to do (sections 2.2 and 3.1);
2. The sources of any material information or data used and whether Consent has been required (sections 5.2(c) and (d));
3. Your fee and whether it is dependent on your conclusions, success or failure of the Proposed Transaction, or time and cost restrictions that negatively affect the depth of analysis or extent of detail required to provide shareholders with the information they require to make an informed decision (section 6.3);
4. The provision of any previous reports (section 6.4);
5. If commercially sensitive information has been excluded (section 6.5);
6. A tenure list appropriately prepared (section 7.2);
7. Quality and reasonableness statements for any mineralisation, Mineral Resources, or Ore Reserves (section 7.3), and
8. An evaluation of risks (section 10).

Where inspection of a mineral asset or tenure is likely to reveal information or data that is material, we ask you to inspect it (VALMIN 11.1). If an inspection is not made, the reasons must be disclosed within

Your Report and you must be satisfied that there is sufficient current information available to allow an informed evaluation to be made without an inspection. In any event, please advise us immediately if you are unable to obtain sufficient information to form an independent and thorough opinion (VALMIN 3.2(b)).

Your Report must include at least two valuation approaches, explain why they are appropriate, and comment on how they have been prepared. If only one approach can be used you must explain why (section 8.3 VALMIN, and RG 111.64 -68). A range of values must be given and they must be as narrow as possible. If a narrow range cannot be given because of the level of uncertainty you must explain what factor/s create this uncertainty and how you can justify your findings despite this uncertainty (section 8.6 VALMIN, and RG 111.78-79).

## Independence

Your services are required to be carried out in compliance with ASIC Regulatory Guide 112 *Independence of experts* (RG 112), and as this engagement requires you to be independent of Amani and Mabanga and their subsidiaries and associates, you must advise us immediately if, within at least the last two years you have had a professional relationship or provided services to these parties or any other interested party.

Your Report must include statements on your independence including whether there are any:

1. Financial or other interest that could reasonably be regarded as affecting your ability to give an unbiased opinion on your services to us;
2. Fees or benefits (direct or indirect) you will receive in connection with your report, and
3. Discussions or agreements with Amani, Mabanga and/or their associates on future work.

By accepting this engagement you also agree not to take instructions from Amani or other interested parties on your analysis or use of methodologies as this may compromise your independence and therefore the Proposed Transaction (RG 112.47).

If at any time you believe your independence has been compromised, including when obtaining the information required to prepare Your Report, please advise us immediately. If a compromise has occurred we will discuss this with you and we reserve the right to terminate this engagement. You also agree to indemnify BDO for any loss arising out of your loss of independence.

## Required Information

As a Public Report under RG 111 and VALMIN, Your Report must contain all the information that investors and their professional advisors would reasonably require and expect to find to make an informed decision on the subject of the report. In this regard, ASIC has publically raised its concerns with the adequacy of disclosure by Specialists on assumptions, compliance with relevant industry codes, and the demonstration of a reasonable basis for assumptions and conclusions drawn. It is important that as a Specialist, you obtain sufficient information and provide a level of disclosure that supports your assumptions and conclusions and we may ask you to provide further information on the basis of your statements.

You are to liaise with Amani to obtain the necessary information and this engagement and all of the information you receive from Amani or us is to be treated as strictly confidential unless it is already in the public domain. We request that you ensure we are copied in on all correspondence.

In gathering the required information we ask that you not discuss your preliminary views, future business, or cross-selling opportunities with Amani, Mabanga or other interested parties (RG 112.47). To do so may compromise your independence.

## Deliverables

We require from you the following:

1. Draft Report, excluding valuation analysis and conclusions by mid-March 2023;
2. Draft Report, including valuation analysis and conclusions by late March 2023;
3. Your Final signed report by late March 2023, and
4. Any Supplementary report required to be issued under RG 111.102-103.

We will let you know if these dates vary and ask you to notify us immediately if you are unable to meet them.

Each of your draft reports is to be provided to us for review and distribution to the relevant Client parties for factual accuracy. We will provide you with any BDO or Amani comments for your consideration and ask that you only alter Your Report if you are persuaded that there has been an error of fact (RG 112.56).

We will rely on Your Report and any information you provide as being complete and accurate and you agree not to make any claim against us for any loss, damages, costs or expenses you may suffer or incur as a result of the information you obtained or relied upon to prepare Your Report. We will not conduct verification procedures or audit Your Report however, we will bring to your attention any information or statements that we have assessed as unreliable.

## Termination

Your engagement starts on the date the below Acceptance is signed and returned to us with this engagement agreement.

Our engagement will end on the provision of all Deliverables or the day following Amani's meeting seeking approval for the transaction.

We may also terminate this engagement agreement if you breach any of the requirements within, or we form the view that you are no longer independent or competent.

If our engagement is terminated you:

1. Agree to provide any transition assistance that may be reasonably requested;
2. Will continue to maintain your obligations of confidentiality and indemnity as set out within this engagement agreement, and
3. Will return all information obtained from Amani or us to the relevant party.

## Fees

BDO Corporate Finance (WA) Pty Ltd is responsible for selecting the Specialist and negotiating the scope of the services you are to provide. This scope is contained within this engagement letter. The fees for your work will be agreed with Amani and payable by Amani to you. We request that you contact Amani directly to settle the terms under which you have been engaged including, access to the required information, indemnities, and fees. BDO Corporate Finance Ltd is not responsible for your fees.

## YOUR ACCEPTANCE

By your acceptance, you agree to indemnify us against any loss we may suffer as a result of reliance on your report or as a result of a breach of this agreement. This indemnity will not apply to any loss that results from any willful misconduct or fraudulent act or omission by us.

Please agree to the terms of our instructions by signing the below acceptance and returning a copy of this engagement agreement and acceptance to us at your earliest convenience.

Yours sincerely

**BDO Corporate Finance (WA) Pty Ltd**

**Sherif Andrawes**
Director

## ACCEPTANCE

I have read the above engagement agreement from BDO Corporate Finance (WA) Pty Ltd, and accept the scope and terms of this engagement.

I warrant that I am properly authorised to sign the acknowledgment on behalf of SRK Consulting (Australasia) Pty Ltd.

srk consulting

This signature has been scanned. The author has given permission to its use for this document. The original signature is held on file

| | | |
|---|---|---|
| **Signed** | | srk consulting |
| **Full name:** | Jeames McKibben | Shaun Barry |
| **Position** | Principal Consultant | Principal Consultant |
| **Dated:** | 22 February 2023 | 22 February 2023 |

# Appendix B Legal Tenure Opinion

LIEDEKERKE

AVOCATS - ADVOCATEN - ATTORNEYS

| | | | |
|---|---|---|---|
| From: | Liedekerke DRC SASU<br>Immeuble Tilapia – 3rd floor<br>Avenue Batetela 70<br>Kinshasa – Gombe<br>Democratic Republic of Congo | To: | Amani Gold Limited<br>Suite 1, 295 Rokeby Road<br>Subiaco, WA 6108<br>Australia |
| Ref.: | Amani Gold – DRC10287 | Date: | 14 June 2023 |

## 1. INTRODUCTION

We are informed by Amani Gold Limited, a company existing under the laws of Australia, having its registered address at Suite 1, 295 Rokeby Road, Subiaco, WA, Australia 6108 (Amani Gold) that it plans to sell its majority in Amani Consulting SARL, a company existing under the laws of the DRC, having its registered address at 258, Avenue Kalembe Lembe, Kinshasa/Gombe (Amani DRC), consisting of 850 out of 1,000 shares, to Mabanga Mining SARL, a company existing under the laws of the DRC, having its registered address at 82 Boulevard du 30 juin, Immeuble Nathalie, Kinshasa/Gombe (Mabanga DRC).

Amani DRC holds a 65% shareholding (650 of 1,000 shares) in Giro Goldfields SARL, a company existing under the laws of the DRC, having its registered address at 119, Boulevard Colonel Tshatshi, Kinshasa/Gombe (Giro Goldfields) holding exploitation permits PE5046 and PE5049 (the Exploitation Permits).

In connection to the sale, we are requested by Amani Gold to provide this legal opinion on (i) the situation of Mabanga DRC, (ii) the situation of Amani DRC, (iii) the situation of Giro Goldfields, (iv) the tenure of the Exploitation Permits and related authorizations, and (v) the transaction structure and required DRC approvals.

## 2. OPINION

Based on our review of relevant documents and our interpretation of the applicable laws and regulations of the DRC, and subject to the limitation, assumption, qualifications described in Annex 1, Annex 2 and Annex 3 of this Opinion; we are of the opinion (the Opinion) that:

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### 2.1. MABANGA DRC

#### 2.1.1. Identification of the correct company

Amani Gold referred to the buyer as "Mabanga Mining SARL" and identified Simon Cong as the main shareholder.[1]

However, based on our Searches, there exists no DRC company with that name, nor does Mr. Cong hold a participation in a DRC company with that name.

Instead, the Searches revealed Mabanga Shining SARLU with sole shareholder Patrick Muyembe under the RCCM number and registered address provided by Amani Gold.

As such, Mabanga DRC will refer to Mabanga Shining SARLU in this Opinion.

#### 2.1.2. General company information

Mabanga DRC has been duly incorporated, is validly existing and in good standing as a limited liability company under the laws of the DRC, registered with the RCCM of Kinshasa under number CD/KNG/RCCM/22-B-01085 and possesses the capacity to sue and be sued in its own name.

The registered office of Mabanga DRC is currently located at 82 Boulevard du 30 juin, Immeuble Nathalie, Kinshasa/Gombe.

The corporate purpose includes all activities relating directly or indirectly to prospecting, research, exploitation, processing, extraction, transformation and marketing of various metals, resources and minerals as well as any other mining activities and industrial activities related thereto, as well as all ancillary operations directly or indirectly related to the corporate purpose or likely to promote the achievement thereof.

#### 2.1.3. Governance

The Articles of Association of Mabanga DRC are dated 6 April 2022.

The Manager of Mabanga DRC is Mr. Patrick Koyedyese Mbayo Muyembe for a four-year mandate.

The Documents did not contain any financial statements of Mabanga DRC. We could therefore not review whether Mabanga DRC's equity has been reduced to less than half of the share capital, which would require it to decide on the early dissolution or a restoration or reduction of the share capital, pursuant to Article 17 of the Articles of Association and Articles 371 et seq. of the OHADA Uniform Act on Commercial Companies and Economic Interest Groups (the UACCEIG).

---

[1] ASX Release of 7 February 2023 and Legal Brief of 3 April 2023.

### 2.1.4. Share capital and shareholding

The registered share capital of Mabanga DRC amounts to the equivalent in CDF of USD 10,000, divided into 100 shares with a par value of the equivalent in CDF of USD 100.

The shareholding structure of Mabanga DRC is as follows:

| SHAREHOLDER | Number of shares | share number | Percentage |
|---|---|---|---|
| MR. PATRICK KOYEDYESE MBAYO MUYEMBE | 100 | 1 to 100 | 100 |
| **TOTAL** | **10,000** | **1 to 100** | **100** |

All of the share capital of Mabanga DRC has been duly and validly authorized and issued and is fully paid up in accordance with its Articles of Association and in compliance with the laws of the DRC.

### 2.1.5. Pledges or other encumbrances

Under DRC law, when shares issued by a company or any assets of the company have been pledged or otherwise encumbered, such pledge or encumbrance must be registered with the GUCE in order for the pledge or the encumbrance to be opposable towards third parties. The registration of the pledge or encumbrance with the GUCE, or absence thereof, is without prejudice to the contractual relation between the parties (i.e. the registration formality has no bearing on the existence nor the validity of the agreement between the parties thereto).

In this context, we have obtained the certificate of honorability issued by the Kinshasa division of the GUCE on 5 June 2023 which states that none of Mabanga DRC's assets has been pledged or otherwise encumbered. However, we draw attention to the fact that the aforementioned certificate does not imply that Amani DRC or its shareholders have not pledged any of the assets or issued shares, respectively.

Therefore, to the extent that there are no share or equipment pledge agreements of any kind and that Mabanga DRC confirms that no pledge or encumbrance exists on its assets, we can determine that Mabanga DRC's issued shares or assets are free and clear of all liens, encumbrances, equities or claims or other third party right under the laws of the DRC.

### 2.1.6. Legal proceeding liabilities

Based on (i) the certificate of honorability issued by the Kinshasa division of the GUCE on 5 June 2023 and (ii) certificate No. 010/2023 issued by the Clerk of the Kinshasa/Gombe Tribunal of Commerce on 10 April 2023 resulting from our Searches, there are no pending actions, suits, proceedings, inquiries, investigations or administrative penalties before the Tribunal of Commerce of Kinshasa/Gombe against or affecting Mabanga DRC or any of its assets, and no such actions, suits or proceedings are threatened as of the date of this Opinion.

#### 2.1.7. Dissolution

Based on the Documents and the Searches, it appears that no order or resolution has been passed for the winding-up, dissolution or termination of Mabanga DRC. No declaration or order of insolvency has been or is threatened in writing to be, made against Mabanga DRC.

### 2.2. AMANI DRC

#### 2.2.1. General company information

Amani DRC has been duly incorporated, is validly existing and in good standing as a limited liability company under the laws of the DRC, registered with the RCCM of Kinshasa under number CD/KIN/RCCM/14-B-04611, with National Identification Number 01-450-N52502Q and possesses the capacity to sue and be sued in its own name.

The registered office of Amani DRC is currently located at 258, Avenue Kalembe Lembe, Kinshasa/Gombe.

The corporate purpose includes all activities relating directly or indirectly to geological studies, mining engineering, mining research and the exploitation of mineral substances as well as civil engineering and construction studies related to mining and studies, rehabilitation and conservation of the mining environment, as well as all ancillary operations directly or indirectly related to the corporate purpose or likely to promote the achievement thereof.

#### 2.2.2. Governance

The Articles of Association of Amani DRC are dated 28 November 2014 and its latest RCCM excerpt is dated 11 April 2023.

The Manager of Amani DRC is Mr. Cong Mao Huai. The mandate is for an indefinite period (i.e., a two-year mandate which is tacitly renewed every two years).

The Documents did not contain any financial statements of Amani DRC. We could therefore not review whether Amani's equity has been reduced to less than half of the share capital, which would require it to decide on the early dissolution or a restoration or reduction of the share capital, pursuant to Article 30 of the Articles of Association and Articles 371 et seq. of the UACCEIG.

#### 2.2.3. Share capital and shareholding

The registered share capital of Amani DRC amounts to CDF 20,000,000, divided into 1,000 shares with a par value of CDF 20,000.

The shareholding structure of Amani DRC is as follows:

| SHAREHOLDER | Number of shares | share number | Percentage |
|---|---|---|---|
| AMANI GOLD LIMITED | 850 | 1 to 850 | 85 |
| MR. CONG MAO HUAI | 135 | 851 to 985 | 13.5 |
| MR. MBAYA BAMWANYA | 7 | 986 to 992 | 7 |
| MR. MWANZA NSHIMBA | 8 | 993 to 1,000 | 8 |
| **TOTAL** | **1,000** | **1 to 1,000** | **100%** |

All of the share capital of Amani DRC has been duly and validly authorized and issued and is fully paid up in accordance with its Articles of Association and in compliance with the laws of the DRC.

### 2.2.4. Pledges or other encumbrances

Under DRC law, when shares issued by a company or any assets of the company have been pledged or otherwise encumbered, such pledge or encumbrance must be registered with the GUCE in order for the pledge or the encumbrance to be opposable towards third parties. The registration of the pledge or encumbrance with the GUCE, or absence thereof, is without prejudice to the contractual relation between the parties (i.e. the registration formality has no bearing on the existence nor the validity of the agreement between the parties thereto).

In this context, we have obtained the certificate of honorability issued by the Kinshasa division of the GUCE on 25 April 2023 which states that none of Amani DRC's assets has been pledged or otherwise encumbered. However, we draw attention to the fact that the aforementioned certificate does not imply that Amani DRC or its shareholders have not pledged any of the assets or issued shares, respectively.

Therefore, to the extent that there are no share or equipment pledge agreements of any kind and that Amani DRC confirms that no pledge or encumbrance exists on its assets, we can determine that Amani DRC's issued shares or assets are free and clear of all liens, encumbrances, equities or claims or other third party right under the laws of the DRC.

### 2.2.5. Legal proceeding liabilities

Based on (i) the certificate of honorability issued by the Kinshasa division of the GUCE on 25 April 2023 and (ii) certificate No. 010/2023 issued by the Clerk of the Kinshasa/Gombe Tribunal of Commerce on 10 April 2023 resulting from our Searches, there are no pending actions, suits, proceedings, inquiries, investigations or administrative penalties before the Tribunal of Commerce of Kinshasa/Gombe against or affecting Amani DRC or any of its assets, and no such actions, suits or proceedings are threatened as of the date of this Opinion.

### 2.2.6. Other remarks

We identified two particular remarks.

First, the fifth resolution of the Extraordinary General Meeting of 28 November 2014 provided that the shareholders instructed Amani DRC's Manager to convert the company from a limited liability company (*SARL*) to a joint stock company (*SA*) within two months. This apparently did not happen. However, we did not identify any further development about this point.

Second, during the Searches, the GUCE did not provide Amani DRC's most recent Articles of Association of 28 November 2014. The GUCE only provided Amani DRC's outdated Articles of Association of 4 August 2014 which do not include Amani Gold as a shareholder. Similarly, the GUCE online dashboard still reflects the shareholding of *before* 28 November 2014 by providing that Mr. Cong Mao Huai holds 900 shares.

However, Amani Gold provided us the most recent Articles of Association which were in fact certified by the GUCE. In addition, the GUCE provided the minutes of the Extraordinary General Meeting of 28 November 2014. As such, we are able to confirm the most recent shareholding. The outdated information of the GUCE is therefore an administrative and not a legal problem.

#### 2.2.7. Dissolution

Based on the Documents and the Searches, it appears that no order or resolution has been passed for the winding-up, dissolution or termination of Amani DRC. No declaration or order of insolvency has been or is threatened in writing to be, made against Amani DRC.

### 2.3. GIRO GOLDFIELDS

#### 2.3.1. General company information

Giro Goldfields has been duly incorporated, is validly existing and in good standing as a limited liability company under the laws of the DRC, registered with the RCCM of Kinshasa under number CD/KIN/RCCM/14-B-03844, with National Identification Number 01-128-N69838N and possesses the capacity to sue and be sued in its own name.

It is a result of the Association Agreement dated 3 January 2012 between Amani DRC and La Société Minière de Kilo Moto, having its registered address at 121, Boulevard de la Libération, Bunia, DRC and RCCM number CD/BIA/RCCM/14-B-0356/Bunia (SOKIMO).

The registered office of Giro Goldfields is currently located at 119, Boulevard Colonel Tshatshi, Kinshasa/Gombe.

The corporate purpose includes carrying out all study, prospecting and exploration operations for mineral substances, on its own behalf or on behalf of third parties, as well as all ancillary operations directly or indirectly related to the corporate purpose or likely to promote the achievement thereof.

The main business of Giro Goldfields is the exploration of the territory covered by the Exploitation Permits.

### 2.3.2. Governance

The Articles of Association of Giro Goldfields are dated 20 August 2014 and its latest RCCM excerpt is dated 11 April 2023.

The Manager of Giro Goldfields is Mr. Cong Mao Huai for a four-year mandate.

The Documents did not contain any financial statements of Giro Goldfields. We could therefore not review whether Giro Goldfields' equity has been reduced to less than half of the share capital, which would require it to decide on the early dissolution or a restoration or reduction of the share capital, pursuant to Article 17 of the Articles of Association and Articles 371 et seq. of the UACCEIG.

### 2.3.3. Share capital and shareholding

The registered share capital of Giro Goldfields amounts to the equivalent in CDF of USD 1,000,000 divided into 1,000 shares with a par value of the equivalent in CDF of USD 1,000.

The shareholding structure of Giro Goldfields is as follows:

| **SHAREHOLDER** | **Number of shares** | **share number** | **Percentage** |
|---|---|---|---|
| SOKIMO | 350 | / | 35 |
| AMANI DRC | 650 | / | 65 |
| **TOTAL** | **1,000** | **/** | **100%** |

All of the share capital of Giro Goldfields has been duly and validly authorized and issued and is fully paid up in accordance with its Articles of Association and in compliance with the laws of the DRC.

SOKIMO loaned the USD 350,000 for its contribution from Amani DRC via a separate loan agreement. SOKIMO's shareholding is non-dilutable.

### 2.3.4. Pledges or other encumbrances

Under DRC law, when shares issued by a company or any assets of the company have been pledged or otherwise encumbered, such pledge or encumbrance must be registered with the GUCE in order for the pledge or the encumbrance to be opposable towards third parties. The registration of the pledge or encumbrance with the GUCE, or absence thereof, is without prejudice to the contractual relation between the parties (i.e. the registration formality has no bearing on the existence nor the validity of the agreement between the parties thereto).

In this context, we have obtained the certificate of honorability issued by the Kinshasa division of the GUCE on 25 April 2023 which states that none of Giro Goldfields' assets has been pledged or otherwise encumbered. However, we draw attention to the fact that the aforementioned certificate does not imply that Giro Goldfields or its shareholders have not pledged any of the assets or issued shares, respectively.

Therefore, to the extent that there are no share or equipment pledge agreements of any kind and that Giro Goldfields confirms that no pledge or encumbrance exists on its assets, we can determine that Giro Goldfields' issued shares or assets are free and clear of all liens, encumbrances, equities or claims or other third party right under the laws of the DRC.

#### 2.3.5. Legal proceeding liabilities

Based on (i) the certificate of honorability issued by the Kinshasa division of the GUCE on 25 April 2023 and (ii) certificate No. 011/2023 issued by the Clerk of the Kinshasa/Gombe Tribunal of Commerce on 10 April 2023 resulting from our Searches, there are no pending actions, suits, proceedings, inquiries, investigations or administrative penalties before the Tribunal of Commerce of Kinshasa/Gombe against or affecting Giro Goldfields or any of its assets, and no such actions, suits or proceedings are threatened as of the date of this Opinion.

#### 2.3.6. Dissolution

Based on the Documents and the Searches, it appears that no order or resolution has been passed for the winding-up, dissolution or termination of Giro Goldfields. No declaration or order of insolvency has been or is threatened in writing to be, made against Amani DRC; or for the withdrawal, revocation or cancellation of any Governmental Authorizations currently held by Giro Goldfields.

### 2.4. THE EXPLOITATION PERMITS AND RELATED MATTERS

#### 2.4.1. The grant of the Exploitation Permits

Pursuant to the exploitation permits CAMI/CE/4652/2008 and CAMI/CE/4653 of 27 March 2008, SOKIMO was initially granted the Exploitation Permits from 12 May 2007 to 11 May 2014.

We identified no liabilities or remarks regarding the grant of the Exploitation Permits.

#### 2.4.2. The tenure of the Exploitation Permits

We identified potential liabilities and particular remarks regarding the transfer of the Exploitation Permits, the contribution of the Exploitation Permits and the goodwill payments.

**(a)** The transfer of the Exploitation Permits

**(i)** The procedure of the transfer

Pursuant to Sections 8.1, 8.2 and 8.8 of the Association Agreement, SOKIMO agreed to transfer the Exploitation Permits to Giro Goldfields free of all burdens in accordance with Articles 182 to 186 of the Mining Code. Article 182 stipulates that such transfer is “definitive” and “irrevocable”.

On 5 October 2012, Amani DRC and SOKIMO signed a transfer agreement.

According to the undated transfer registration certificates of the DRC State, the transfer procedure was duly completed and the transfers of the Exploitation Permits were registered in 2013.

**(ii)** The limits of the transfer

However, the Association Agreement stipulates three situations in which the Exploitation Permits will return to SOKIMO:

- Pursuant to Section 8.13 of the Association Agreement, the Exploitation Permits will return to SOKIMO without financial consideration and without any other conditions in the event of dissolution or liquidation of Giro Goldfields.
- Pursuant to SOKIMO's Letter of 7 December 2021, SOKIMO may request the termination of the Association Agreement after a six-month notice in the event where Amani DRC does not submit a feasibility study before 30 June 2023 and they fail to agree on an extension.[2]
- Pursuant to the Amended Sections 10.9 and 10.10 of Amendment No. 4 to the Association Agreement, Giro Goldfields is required to return the relevant Exploitation Permit(s) and related studies to SOKIMO without any financial consideration or other conditions in the event where certain identified reserves are not suitable for industrial exploitation and SOKIMO decides to implement exploitation projects without Amani DRC for such reserves.[3]

**(iii)** Remark regarding the transfer

It is therefore worth noting that the transfer is only formally but not factually a "definitive" and "irrevocable" transfer.

This is not uncommon for mining joint ventures in the DRC.

**(b)** The contribution of the Exploitation Permits

According to Section 8.1 of the Association Agreement, the transfer of the Exploitation Permits is a "substantial contribution" by SOKIMO for the joint venture. The consideration

[2] Amani DRC was initially required to submit a feasibility study to SOKIMO within a maximum of three years, which was subsequently extended to 31 December 2018, and finally extended until 30 June 2023 provided that Amani DRC pays USD 60,000 per month to SOKIMO during that period. See Sections 10.1 to 10.3 of the Association Agreement; Amended Sections 10.1 to 10.3 of Amendment No. 4 to the Association Agreement; SOKIMO Letter of 7 December 2021.

[3] Generally, for industrial exploitable reserves, Amani DRC will possess a 65% shareholding in the potential future exploitation joint venture. In the event of the discovery of *multiple* deposits, Amani DRC can choose which deposit(s) is (are) going to supply the production plant of the exploitation joint venture.

for this transfer were "all the rights and advantages" granted to SOKIMO under the Association Agreement.

As such, SOKIMO's transfer of the Exploitation Permits did not affect its participation in Giro Goldfields. SOKIMO's participation was instead only determined by its contribution in cash of USD 300,000, which it loaned from Amani DRC (see Section 2.3.3 above).

The transfer of the Exploitation Permits is therefore not treated as an in-kind contribution valued and accounted for in the share capital of Giro Goldfields.

This is authorized under DRC law because the Association Agreement of 2012 did not fall under the requirement of the current Mining Code which provides a special safeguard for such contributions by State-owned companies. More specifically, Article 182 requires that the participation of a State-owned company in a joint venture must reflect the real value of its contributed mineral deposit, which must additionally conform to specific requirements in the UACCEIG.

**(c)** The renewal of the Exploitation Permits

Pursuant to Ministerial Orders n° 0563 and n° 0566 of 19 September 2013, the Exploitation Permits were renewed from 12 May 2014 until 11 May 2029.

Based on our Searches, we can confirm that the Exploitation Permits are still properly registered with Giro Goldfields and are in full force and effect:

| **MINING TITLE** | **DATE OF INITIAL APPLICATION** | **EXPIRY DATE** | **RENEWAL** |
|---|---|---|---|
| EXPLOITATION PERMIT PE5046 | 12 May 2014 | 11 May 2029 | Yes, indefinitely renewable for periods of a maximum of fifteen years each, provided compliance with the conditions set forth in Article 80 of the DRC Mining Code |
| EXPLOITATION PERMIT PE5049 | 12 May 2014 | 11 May 2029 | *Idem* |

We identified no liabilities or remarks regarding the renewal of the Exploitation Permits.

**(d)** The goodwill fee

Pursuant to Section 9.1 of the Association Agreement, Amani DRC must pay a goodwill fee of USD 5,000,000, equally divided between SOKIMO and the DRC State. Amani DRC initially had to pay within seven days of the delivery of the transfer certificate of the last Exploitation Permit, but this was extended until after the completion of a feasibility study.

The Documents provide contradictory statements regarding the amounts paid by Amani DRC.[4] However, according to the two most recent documents, SOKIMO's letters of 7 December 2021 and 5 January 2022, SOKIMO confirmed that Amani DRC still had to pay to SOKIMO a remaining goodwill fee of USD 897,605, and that SOKIMO duly received this amount from Amani DRC in settlement of the debt.

Amani DRC has not yet paid any part of the USD 2,500,000 goodwill fee for the DRC State, which is not yet payable.

**(e)** Other remarks regarding the Exploitation Permits

There is a discrepancy between the Exploitation Permits and the online CAMI database regarding the size of the covered area. PE5046 covers 249 *carrés* according to the permit whereas it covers only 213 *carrés* according to the CAMI database. PE5049 covers 471 *carrés* according to the permit whereas it covers only 369 *carrés* according to the CAMI database.

However, in our experience, there are regularly discrepancies between exploitation permits and the online CAMI database. The Exploitation Permits take precedence over the online CAMI database.

### 2.4.3. The validity of the Exploitation Permits

Pursuant to Articles 197 to 199 of the Mining Code, there are three conditions to maintain the validity of an exploitation permit:

i. A mining company must pay the annual surface rights each year to maintain the validity of an exploitation permit. Based on the Documents, we can confirm that Giro Goldfields paid the annual surface rights each year from 2016 to 2022.

ii. A mining company must start development and construction work within three years of the delivery of the exploitation permit. A mining company must further open an exploitation centre within three years and construct a building in the capital of the province of exploitation to house its corporate office within five years. The Documents provided did not allow us to state that Giro Goldfields has performed the required development and construction work.

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[4] Pursuant to Section 9.3 of the Association Agreement, Amani DRC agreed to pay a first instalment of USD 1,500,000 to SOKIMO. According to the MoU of 4 October 2013, Amani DRC in fact paid the first instalment of USD 1,500,000 to SOKIMO. Pursuant to the same MoU, Amani DRC undertook to pay a second instalment of USD 200,000. According to the MoU of November 2016, the remaining goodwill fee was USD 1,200,000 for SOKIMO and USD 2,500,000 for the DRC State. This implies that Amani DRC paid only USD 1,300,000 to SOKIMO and not the above-mentioned USD 1,500,000 and USD 200,000. Pursuant to the same MoU, Amani DRC undertook to pay another installment of USD 500,000 to SOKIMO. According to the Minutes of the General Meetings of 9 June and 14 July 2021, the remaining goodwill fee was USD 550,000. Pursuant to SOKIMO's letter of 7 December 2021, the remaining goodwill fee was USD 897,605. According to SOKIMO's letter of 5 January 2022, it duly received this amount from Amani DRC in settlement of the debt.

iii. A mining company must draft and respect a local community plan that contains a set of social commitments to affected local communities. The Documents provided did not allow us to state that Giro Goldfields has drafted the required local community plan.

The Documents provided therefore do not allow us to state that all conditions to maintain the validity of the Exploitation Permits were respected.

#### 2.4.4. The tenure of the related authorizations

Based on the Documents, Giro Goldfields has obtained the necessary mining authorizations for the exploration activities and has made the necessary filings and registrations with the national, provincial and local governmental authorities having jurisdiction over Giro Goldfields in the DRC which are required under the laws of the DRC (the Governmental Authorizations) for the exploration activities, and such Governmental Authorizations are valid and in full force and effect as of the date of this Opinion.

### 2.5. THE TRANSACTION STRUCTURE AND THE REQUIRED DRC APPROVALS

#### 2.5.1. Required shareholder approvals

Pursuant to Section 6 of the Term Sheet, Amani Gold will transfer its 850 shares in Amani DRC to Mabanga DRC.

Article 13 of Amani DRC's Articles of Association allows the free transfer of shares to third parties to the extent the transfer is recorded in writing and conform one of the formalities for enforceability against third parties as set out in Article 317 of the UACCEIG. Shareholder approval is not required.

In terms of required formalities, the completion of the transfer of shares will be subject to the following conditions:

- Signing of share transfer agreement,
- Registration and signature of the transfer of the shares in the share register of Amani DRC,
- Extraordinary general meeting of Amani DRC (i) acknowledging the transfer of shares and (ii) approving the amended Articles of Association as a result of the change of Amani DRC's shareholding,
- Filing of the minutes of the extraordinary general meeting and the Articles of Association with the RCCM, and
- Production of an extract of the RCCM reflecting the new shareholding of the company.

### 2.5.2. Required DRC State approval

Pursuant to Section 6 of the Term Sheet, Mabanga DRC will acquire the 850 shares in Amani DRC.

Pursuant to Article 276bis of the Mining Code, the DRC State must approve a change of control in the holding company of a DRC company holding an exploitation permit.

Article 276quater of the Mining Code defines change of control as "the acquisition of the power, by virtue of holding the majority of voting rights, to determine the company's decisions, in particular those to appoint or dismiss the majority of the members of the company's administrative, management or supervisory bodies".

As a result of the sale in this case, there will be a change of control in Amani DRC which is the holding company of Giro Goldfields which in turn holds the Exploitation Permits. As a consequence, the DRC State must approve the sale according to above-mentioned requirement of the Mining Code.

### 2.5.3. Procedure for the required DRC State approval

The DRC Mining Code and Regulations do not specify the procedure for the DRC State's approval of a change of control.

In practice, the procedure is the following:

i. The procedure is usually launched through informal contacts between the seller and the Director of the Minister of Mines' Cabinet.

ii. The Director then asks the seller to gather documents describing the transaction, including:

   - A summary of the main terms of the transaction,
   - A presentation of the buyer, and
   - A description of the perspectives of the mining project post-completion.

iii. The Ministry of Mines will then verify the gathered documents and check whether the buyer is in a position to comply with the social and environmental obligations arising from the DRC Mining Code and Regulations.

iv. Afterwards, several meetings are held between the representatives of the Ministry of Mines and the representatives of the seller and buyer.

v. Upon agreement, the Minister of Mines will validate the transaction by signing an official application letter at a signing ceremony.

There is no official fee for the procedure and in practice it varies from case to case. The fee usually ranges between USD 10,000 and USD 25,000.

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This Opinion is intended to be used for the benefit of the person to whom it is addressed in relation to the sale. It may not, except with our prior written permission, be disclosed to and/or relied upon by anyone else or used for any other purpose, except that (A) BDO, as the financial analyst in relation to the sale; and (B) SRK, as the technical analyst to the sale, may rely on, quote or otherwise refer to this opinion in the course of its representation of Amani Gold for the purpose of the sale.

Your faithfully,

For Liedekerke DRC SASU,
Thibaut Hollanders

*Remainder of the page intentionally left blank. The annexes follow.*

## ANNEX 1 - LIMITATIONS

This Opinion is subject to the following limitations:

(i) This Opinion is limited the laws of the DRC law as currently in force and applied by the DRC courts at the date hereof and construed in accordance with DRC law as such law is currently interpreted in published authoritative case law of the courts of the DRC. We express no opinion as to the law of any other jurisdiction.

(ii) We express no opinion on matters other than those referred to in this Opinion and in particular, but without limitation, we express no opinion on any taxation, competition and anti-trust, regulatory oversight or securities laws of any jurisdiction (including the DRC), in each case save as otherwise covered by an Opinion above.

(iii) We express no opinion as to factual matters under or by virtue of the Documents, save if and insofar as the matters represented would be the subject matter of a specific opinion herein.

(iv) In rendering this Opinion we have examined only the Documents and we have conducted such investigations of DRC law as we have deemed necessary or advisable for the purpose of giving this Opinion; as to matters of fact, we have relied on the Documents and any other document we have deemed relevant, and on statements or certificates of public officials.

(v) We have only examined the Documents, i.e. we have not examined the entirety of relevant available documents nor all other documents as may be referred to therein.

(vi) We have not been responsible for, nor assisted in, the investigation or verification of any statements regarding facts or the accuracy of facts (including statements as to any law other than DRC law) or the reasonableness of any statements of opinion or intention contained in any documents (other than statements of DRC law made or verified by us), or for verifying that no material facts or provisions have been omitted therefrom, the above without limitation as to the solvency of any party.

(vii) DRC legal concepts may be expressed in English terms and not in their original French terms; the concepts concerned may not be identical to the concepts described by the same English terms as they exist in the laws of other jurisdictions.

(viii) Headings are inserted for convenience only and shall be ignored in the interpretation of this Opinion.

(ix) This Opinion may only be relied upon on the express condition that any issues of the interpretation or liability arising hereunder will be governed by DRC law and be brought before a court in the DRC.

(x) A draft of this Opinion has been addressed earlier to the Addressee who took or had the opportunity to discuss all the issues herein covered.

(xi) No obligation is assumed to update this Opinion or to inform any person if applicable laws (or its application or interpretation) or if any facts, or our knowledge of any applicable laws or facts, change in any manner, or if other matters which may affect this Opinion in any respect come to our knowledge after the date hereof.

(xii) We accept no responsibility or legal liability in connection with this Opinion to any person other than the Addressee as the beneficiary.

## ANNEX 2 - ASSUMPTIONS

For purposes of rendering this Opinion, we have assumed and have not verified independently that in each case:

(i) Any copy we have examined is a complete and accurate copy of the original, has not been amended, modified or restated in any way, each signature thereon is genuine.

(ii) Each document supplied to us by electronic mail (or made available to us in electronic format generally) or submitted to us as a conformed copy, execution version or scanned copy, conform to the original, is complete and the originals thereof are authentic.

(iii) Each natural person (‘*personne physique*’) signing any Document has the legal capacity (‘*capacité*’) to do so.

(iv) The corporate documents of Mabanga DRC, Amani DRC and Giro Goldfields, including those listed under Annex 5 correspond to, and correctly reflect, the corporate situation of the companies as of the date hereof.

(v) As from the date of the Searches, Mabanga DRC, Amani DRC and Giro Goldfields have not been declared bankrupt nor have entered into proceedings of bankruptcy, judicial reorganisation or other type of insolvency proceedings generally; no winding-up process has been initiated against them; no moratorium has been declared against them; no fraudulent act (‘actio pauliana’) has been opened against them; no liquidator, receiver, administrative receiver, administrator, compulsory manager or other type of officer has been appointed with respect to them or any of their assets and they are not concerned by any other similar laws or proceedings affecting creditors’ rights generally.

(vi) The centers of the main interest of Mabanga DRC, Amani DRC and Giro Goldfields coincide and will coincide with their registered office, i.e. they are and will remain in the DRC, and the companies will not have an establishment outside the DRC, so that no (territorial) insolvency proceedings can or will be opened outside the DRC.

(vii) No contractual or other restrictions binding on Mabanga DRC, Amani DRC and Giro Goldfields or on any other parties to the Documents exist (other than resulting from the Documents) which would affect the conclusions of this Opinion.

(viii) None of the opinions expressed above would be affected by the laws (including of public policy) of any other jurisdiction outside the DRC or by any document or circumstance other than these referred to in this Opinion.

(ix) There has been due compliance with the requirements (including without limitation, the obtaining of any necessary consents, approvals and authorizations and the making of any necessary filings, lodgments, notarizations, registrations and notifications and the payment of stamp duties and other documentary taxes) under the laws governing the Documents other than the laws of the DRC.

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**ANNEX 3 - RESERVATIONS AND QUALIFICATIONS**

This Opinion is subject to the following reservations and qualifications:

(i) **Insolvency.** This Opinion and the statements expressed herein are subject to any limitations arising from, or in connection with, and we do not express any opinion or statement as to the consequences of, any insolvency proceeding (as defined in the OHADA Uniform Act on Collective Proceedings for the Wiping Off of Debts of 10 September 2015), a non-insolvent dissolution or liquidation, fraudulent conveyance (‘actio pauliana’) and other laws of general application relating to or affecting the rights of creditors.

(ii) **Title and Marketability.** We express no opinion on the title of Mabanga DRC, Amani DRC and Giro Goldfields to any business assets or property, nor on the marketability of any business assets or property.

(iii) **Governing Law. Jurisdiction.** As a matter of principle, DRC law recognises a choice of law and a choice of jurisdiction between parties, provided that such choice of law and choice of jurisdiction does not conflict with the public order (‘ordre public’) in the DRC.

(iv) **Searches.** The Searches do not provide conclusive evidence that Mabanga DRC, Amani DRC and Giro Goldfields have not become the subject of an insolvency proceeding (nor an indication to the contrary).

(v) **Evidence.** A certificate, determination, notification or opinion as to any matter will be held by the DRC courts not to be conclusive if it could be shown to have an unreasonable or arbitrary basis or in the event of manifest error.

(vi) **Translation of Documents.** In the event that legal proceedings relating to the Documents are brought before the DRC courts, such courts may order that all relevant documents are translated into the language of the proceedings by a sworn translator.

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## ANNEX 4 – DEFINITIONS

| | |
|---|---|
| **Amani DRC** | has the meaning ascribed to it in the introduction section of this Opinion. |
| **Amani Gold** | has the meaning ascribed to it in the introduction section of this Opinion. |
| **CDF** | means the currency of the DRC. |
| **Documents** | has the meaning ascribed to it in Annex 5. |
| **DRC** | means the Democratic Republic of Congo. |
| **Exploitation Permits** | has the meaning ascribed to it in the introduction section of this Opinion. |
| **Giro Goldfields** | has the meaning ascribed to it in the introduction section of this Opinion. |
| **Governmental Authorisations** | means any and all authorisations required to conduct the Company's business. |
| **GUCE** | means the DRC One Stop Locket for the Creation of Enterprises. |
| **Mabanga DRC** | has the meaning ascribed to it in the introduction section of this Opinion. |
| **Mining Code** | means the DRC Act No. 007/2002 dated 11 July 2002 creating the Mining Code, as amended from time to time. |
| **RCCM** | means the Trade and Movable Property Credit Register (*Registre du Commerce et du Crédit Mobilier*). |
| **Searches** | means any investigation or research conducted by us for the purpose of rendering this Opinion. |
| **SOKIMO** | means La Société Minière de Kilo Moto, having its registered address at 121, Boulevard de la Libération, Bunia, DRC and RCCM number CD/BIA/RCCM/14-B-0356/Bunia. |
| **Term Sheet** | means the Binding Term Sheet between Amani Gold, Amani DRC, Mabanga DRC and Mr. Cong Mao Huai. |

| | |
|---|---|
| **UACCEIG** | means OHADA Uniform Act on Commercial Companies and Economic Interest Groups |
| **USD** | means the currency of the United Stated of America. |

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## ANNEX 5 - REVIEWED DOCUMENTS

For purposes of rendering this Opinion, we have reviewed the following documents (the "Documents"):

1. Amani Gold – Legal Brief 3.4.23
2. Amani Consulting SARL – Articles of Association English [Machine Translated] 28-7-21
3. Amani consulting SARL – Articles of Association French 28-7-21
4. Giro Goldfields SARL – Articles of Association English [Machine Translated] 28-7-21
5. Giro Goldfields SARL – Articles of Association French 28-7-21]
6. General Meeting – Giro Goldfields Meeting English [Machine Translated] 9-7-21
7. General Meeting – Giro Goldfields Meeting French 9-7-21
8. General Meeting – Giro Goldfields Meeting English [Machine Translated] 9-7-21 (different document)
9. General Meeting – Giro Goldfields Meeting French 9-7-21 (different document)
10. Amani Gold-Mabanga – Binding Term Sheet (signed) – 2.2.23
11. 1_Association Agreement English 3.1.12.pdf
12. 2_Memorandum of Understanding between Amani Consulting and SOKIMO English 4.10.13.PDF
13. 3_Memorandum of Understanding between Amani Consulting and SOKIMO En 11.16.pdf
14. 4_Amendment No. 4 to the Association Agreement English 8.12.17.pdf
15. 4_Amendment No. 4 to the Association Agreement French (Signed) 8.12.17.pdf
16. Amani Consulting-SOKIMO Relationship Timeline.xlsx
17. Letter from SOKIMO - Confirmation of FS and Goodwill dated 7 December 2021 (En).pdf
18. Letter from SOKIMO - Confirmation of FS and Goodwill dated 7 December 2021 (Fr).pdf.pdf
19. Certificates and Licenses PE 5046 & 5049 – 2013 Renewal – French
20. PE5046_PE5049 Geology and Tenement Map
21. Preuves de paiement des droits superficiaires de GIRO 2016
22. Receipt of payment to mining dept for extension of licenses Feb 2017
23. Payment of PE 5046 Concession Fees (2018)
24. Payment of PE 5049 Concession Fees (2018)
25. RB Certificate for 5046 CAMI payment
26. RB Certificate for 5049 CAMI payment
27. RB SWIFT for CAMI (5046)
28. RB SWIFT for CAMI (5049)
29. Giro Goldfields Concession Fees 2019 – CAMI + DGRAD (PE 5046)
30. Giro Goldfields Concession Fees 2019 – CAMI + DGRAD (PE 5049)
31. Note de debit PE 05046 et 05049
32. Giro Goldfields – Notes de Debit et Perception – PE 5046 (2020)
33. Giro Goldfields – Notes de Debit et Perception – PE 5049 (2020)
34. Giro Goldfields – PE 5046 – I (CAMI) – 2021 (NdD, OdP)
35. Giro Goldfields – PE 5046 – I (CAMI) – 2021 (SWIFT)
36. Giro Goldfields – PE 5046 – I (DGRAD) – 2021 (NdD, OdP)
37. Giro Goldfields – PE 5046 – II (CAMI) – 2021 (NdD, OdP)

38. Giro Goldfields – PE 5046 – II (CAMI) – 2021 (SWIFT)
39. Giro Goldfields – PE 5046 – II (DGRAD) – 2021 (NdD, OdP)
40. Giro Goldfields – PE 5049 (CAMI) – 2021 (NdP, ODP)
41. Giro Goldfields – PE 5049 (CAMI) – 2021 (SWIFT)
42. Mineral Rights 2022 – PE 5046 (Note de Debit, Note de Perception)
43. Mineral Rights 2022 – PE 5046 (Rawbank Ordres de Paiement)
44. Mineral Rights 2022 – PE 5046 + PE 5049 (Rawbank Attestations de Paiement for DGRAD)
45. Mineral Rights 2022 – PE 5046 + PE 5049 (Rawbank SWIFT messages for CAMI)
46. Mineral Rights 2022 – PE 5049 (Note de Debit, Note de Perception)
47. Mineral Rights 2022 – PE 5049 (Rawbank Ordres de Paiement)
48. Giro Goldfields – PE 5046 (CAMI) – NdD, OdP, SWIFT
49. Giro Goldfields – PE 5046 (DGRAD) – NdP, OdP
50. Giro Goldfields – PE 5049 (CAMI) – NdD, OdP, SWIFT
51. Giro Goldfields – PE 5049 (DGRAD) – NdP, ODP
52. Preuves de paiement des droits superficiaires de GIRO 2016
53. 2019 Surface Fees for PE5046 and PE5049 (DGRHU)
54. Note de debit PE 05046 et 05049
55. Giro Goldfields – Notes de Perception (DGRHU) – PE 5046 and 5049 (Surface Fees 2020)
56. Giro Goldfields – PE 5046, 5049 (DGRHU) – 2021 (NdP, SWIFT, OdP)
57. Giro Goldfields – PE 5049 (DGRAD) – 2021 (NdP, AdP, OdP
58. GGF Surface Rights 2022 – PE 5046 (Note de Debit, Note de Perception)
59. GGF Surface Rights 2022 – PE 5046 + PE 5049 (Rawbank Ordres de Paiement)
60. GGF Surface Rights 2022 – PE 5046 + PE 5049 (Rawbank SWIFT Messages for DGRHU)
61. GGF Surface Rights 2022 – PE 5049 (Note de Debit, Note de Perception)
62. Giro Goldfields – PE 5046 (DGRHU) – NdP, NdP, OdP, SWIFT
63. Giro Goldfields – PE 5049 (DGRHU) – NdD, NdP, OdP, SWIFT
64. Overview of Operations at Giro Camp 23.7.21

# Appendix C Comparable Market Transactions

## Comparable transactions with Mineral Resources in selected countries in Africa

| Date | Project | Country | Property Acquired | Development Status | Purchaser | Vendor | Consideration (100%basis) (US$M) | Equity Acquired (%) | Resource (Mt) | Grade (Au) | Total Contained troy ounces (M oz) | Resource Transaction Multiple (US$/ oz) | Normalised Resource Transaction Multiple (US$/ oz) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 29/02/2016 | Youga mine | Burkina Faso | Youga | Operating | MNG Orko Madencilik Anonim Sirketi | Endeavour Mining Corporation | 28.11 | 90% | 20.9 | 1.42 | 0.95 | 29.57 | 49.10 |
| 3/03/2016 | Korongou project | Burkina Faso | Korongou | Target Outline | MNG Gold Burkina Sarl | Golden Rim Resources Limited | 2.94 | 51% | 8.84 | 2 | 0.57 | 5.18 | 8.28 |
| 24/05/2016 | Bondi project | Burkina Faso | Bondi | Reserves Development | Sarama Resources Limited | Orezone Gold Corporation | 5.1 | 100% | 6.6 | 1.99 | 0.42 | 12.07 | 19.07 |
| 10/08/2016 | Matala project | Dem. Rep. Congo | Matala | Advanced Explroation | Panex Resources Incorporated | Afrimines Resources S.A.R.L | 1.96 | 51% | 2 | 3.3 | 0.21 | 9.24 | 13.74 |
| 28/09/2016 | Mpokoto project | Dem. Rep. Congo | Mpokoto | Construction Planned | African Mining Services Pty Limited | Armadale Capital Plc | 5 | 25% | 14.58 | 1.45 | 0.68 | 7.36 | 11.05 |
| 28/12/2016 | Matala project | Dem. Rep. Congo | Matala | Advanced Explroation | Monument Mining Ltd | Panex Resources Incorporated | 3.38 | 51% | 2 | 3.3 | 0.21 | 15.94 | 27.44 |
| 13/06/2017 | Yanfolila Gold project | Mali | Yanfolila | Construction Started | Hummingbird Resources Plc | La Petite Mine d'Or | 41.22 | 5% | 14.49 | 2.26 | 1.05 | 39.17 | 61.91 |
| 15/09/2017 | Burkina Faso properties | Burkina Faso | Aoura-Tangagari, Bonsiega, Kalinga, Tambiri, Tamfoagou | Grassroots, Reserves Development, Target Outline | Montage Gold Corp. | Predictive Discovery Limited | 0.33 | 51% | - | 2.6 | 0.18 | 1.81 | 2.75 |
| 21/12/2017 | Adidi-Kanga project | Dem. Rep. Congo | Mongbwalu | Feasibility Started | Vector Resources Limited | Fimosa Capital Limited | 50.83 | 60% | 15 | 6.34 | 3.06 | 16.62 | 26.19 |
| 20/04/2018 | Eureka mine | Zimbabwe | Eureka | Operating | Dallaglio Investments (Private) Limited | Investor group | 4.72 | 95% | 22.4 | 1.9 | 1.37 | 3.45 | 5.15 |
| 4/07/2018 | Kerboulé project | Burkina Faso | Kerboule | Reserves Development | Undisclosed buyer | Cradle Arc PLC | w | 100% | 6.2 | 1.16 | 0.23 | 0.08 | 0.12 |
| 13/07/2018 | Tijirit project | Mauritania | Tijirit | Prefeas/Scoping | Wafa Mining and Petroleum S.A. | Algold Resources Limited | 34.93 | 10% | 13.71 | 1.85 | 0.82 | 42.77 | 68.85 |
| 14/08/2018 | Fekola mine | Mali | Fekola | Operating | Republic of Mali | B2Gold Corporation | 470 | 10% | 119.31 | 1.85 | 7.1 | 66.19 | 109.73 |
| 24/08/2018 | Blanket Mine | Zimbabwe | Blanket Mine | Expansion | Caledonia Mining Corporation Plc | Fremiro Investments (Private) Ltd. | 108.78 | 15% | 13.87 | 4.12 | 1.84 | 59.16 | 98.07 |

| Date | Project | Country | Property Acquired | Development Status | Purchaser | Vendor | Consideration (100%basis) (US$M) | Equity Acquired (%) | Resource (Mt) | Grade (Au) | Total Contained troy ounces (M oz) | Resource Transaction Multiple (US$/ oz) | Normalised Resource Transaction Multiple (US$/ oz) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 4/09/2018 | Tabakoto mine | Mali | Tabakoto | Operating | Algom Resources Limited | Endeavour Mining Corporation | 87.5 | 80% | 27.28 | 3.12 | 2.02 | 43.28 | 71.94 |
| 2/10/2018 | Golden Hill and Gourma projects | Burkina Faso | Golden Hill, Gourma | Advanced Exploration; Target Outline | Teranga Gold Corporation | Boss Resources Limited | 14.74 | 49% | 18.35 | 1.8 | 1.06 | 13.89 | 22.77 |
| 27/11/2018 | South Hounde Project | Burkina Faso | Sanutura | Reserves Development | Sarama Resources Limited | Barrick Gold Corporation | 6 | 50% | 43 | 1.51 | 2.09 | 2.87 | 4.68 |
| 16/04/2019 | Burkina Faso assets | Burkina Faso | Guiro | Operating | CINI Solutions | Brunswick Exploration Inc. | 1.2 | 100% | 0.94 | 4.68 | 0.14 | 8.46 | 13.11 |
| 23/12/2019 | Sadiola mine | Mali | Sadiola Hill | Limited Production | Allied Gold Corp. | Investor group | 90.63 | 80% | 131.37 | 1.87 | 7.91 | 11.46 | 15.43 |
| 14/01/2020 | Dugbe project | Liberia | Dugbe 1 | Feasibility Started | ARX Resources Ltd. | Hummingbird Resources Plc | 20.41 | 49% | 74.4 | 1.49 | 3.57 | 5.72 | 7.30 |
| 29/04/2020 | Toega Deposit | Burkina Faso | Toega | Feasibility Started | West African Resources Limited | Investor group | 20 | 100% | 17.53 | 2.01 | 1.13 | 17.65 | 20.90 |
| 11/05/2020 | Dabia Sud project | Mali | Dabia South | Reserves Development | RosCan Gold Corporation | Komet Resources Inc. | 2.28 | 100% | 4.13 | 1.06 | 0.14 | 16.27 | 18.89 |
| 3/11/2020 | Burkina Faso projects | Burkina Faso | Aoura-Tangagari, Bonsiega, Kalinga, Tambiri, Tamfoagou | Advanced Exploration | Predictive Discovery Limited | Montage Gold Corp. | 0.33 | 51% | 2.23 | 2.58 | 0.18 | 1.78 | 1.89 |
| 17/12/2020 | Fininko concession | Mali | 0 | 0 | Kodal Minerals Plc | Sacko Holdings SA | 2.28 | 90% | - | #DIV/0! | 0.35 | 6.51 | 6.98 |
| 23/09/2021 | Maligreen project | Zimbabwe | Maligreen | Advanced Exploration | Caledonia Mining Corporation Plc | Pan African Mining (Private) Limited | 4 | 100% | 15.6 | 1.88 | 0.94 | 4.24 | 4.76 |
| 25/10/2021 | Kiaka project | Burkina Faso | Kiaka | Feasibility Started | West African Resources Limited | B2Gold Corp. | 111.67 | 81% | 153.32 | 0.95 | 4.7 | 23.76 | 26.64 |
| 28/06/2022 | Kouri and Babonga Projects | Burkina Faso | Babonga, Kouri | Advanced Exploration | BAOR SARL | Golden Rim Resources Ltd | 15.5 | 100% | 50 | 1.23 | 1.97 | 7.85 | 8.52 |
| 21/07/2022 | Bilboes Project | Zimbabwe | Isabella-McCays-Bubi Complex | Care and maintenance | Caledonia Mining Corporation Plc | Undisclosed seller | 53.28 | 100% | 44.66 | 2.18 | 3.13 | 17 | 19.54 |

## Comparable transactions on an area basis in selected countries in Africa

| Date | Project | Country | Purchaser | Vendor | Consideration (100% basis) (US$ M) | Equity Acquired (%) | Area (km²) | Area Multiple (US$/km²) | Normalised Area Multiple (US$/km²) |
|---|---|---|---|---|---|---|---|---|---|
| 21/03/2016 | Houko permit | Burkina Faso | Roxgold Exploration SARL | Daritos Or SARL | 0.11 | 100% | 30 | 3,754 | 5,383 |
| 23/03/2016 | Bouboulou gold concession | Burkina Faso | Nexus Gold Corp. | Bureau D'Tude des Geosciences et de L'Enviroment | 0.55 | 75% | 38.3 | 14,255 | 20,439 |
| 22/07/2016 | Frontier project | Burkina Faso | Acacia Mining plc | Metalor SA | 0.3 | 100% | 500 | 600 | 801 |
| 14/09/2016 | Maniema property | Dem. Rep. Congo | Vector Resources Limited | African Royalty Company Pty Limited | 10.64 | 70% | 500 | 21,272 | 28,627 |
| 22/11/2016 | Niangouela concession | Burkina Faso | Nexus Gold Corp. | Precision Resources SARL | 1.41 | 100% | 178 | 7,900 | 11,389 |
| 21/04/2017 | Kouri Gold project | Burkina Faso | Golden Rim Resources Limited | Epsilon Gold Mines Limited SARL | 1.15 | 10% | 57 | 20,175 | 28,431 |
| 11/07/2017 | Rakounga property | Burkina Faso | Nexus Gold Corp. | Belemyida S.A. | 1.95 | 100% | 250 | 7,796 | 11,253 |
| 17/08/2017 | Kossanto East project | Mali | Ashanti Gold Corp. | Cradle Arc PLC | 0.79 | 100% | 66.41 | 11,838 | 16,473 |
| 1/11/2017 | Kouroufing project | Mali | Oklo Resources Limited | Kouroufing Gold S.A. | 0.19 | 100% | 90.7 | 2,043 | 2,845 |
| 13/02/2018 | Reo project | Burkina Faso | Tajiri Resources Corp. | Middle Island Resources Limited | 0.52 | 100% | 1,002.00 | 519 | 777 |
| 2/03/2018 | Kandiole-West property | Mali | RosCan Gold Corporation | Touba Mining SARL | 0.06 | 100% | 27 | 2,291 | 3,445 |
| 3/04/2018 | Exploration permits | Dem. Rep. Congo | Loncor Resources Inc. | Investor group | 0.64 | 100% | 736 | 870 | 1,299 |
| 4/04/2018 | Segando-South and Moussala-North permits | Mali | RosCan Gold Corporation | Investor group | 0.56 | 100% | 97 | 5,773 | 8,616 |
| 23/04/2018 | Kandiole Sud project | Mali | Oklo Resources Limited | Sarama Resources Limited | 0.74 | 100% | 116 | 6,421 | 9,583 |
| 5/06/2018 | Niala permit | Mali | RosCan Gold Corporation | SOLF SARL | 0.34 | 100% | 93 | 3,656 | 5,683 |
| 5/06/2018 | Mankouke permit | Mali | RosCan Gold Corporation | Minex SARL | 0.46 | 100% | 16 | 28,750 | 44,690 |
| 19/07/2018 | Sari project | Mali | Oklo Resources Limited | Ecosud Sarl | 0.05 | 100% | 14 | 3,804 | 6,122 |
| 11/12/2018 | Goueli and Margou permits | Burkina Faso | Golden Rim Resources Limited | Investor group | 1.15 | 100% | 188.2 | 6,084 | 9,693 |
| 6/05/2019 | Saboussire Licence | Mali | Mukuyu Resources Limited | FIMOCO SARL | 0.49 | 51% | 100 | 4,902 | 7,607 |

| Date | Project | Country | Purchaser | Vendor | Consideration (100% basis) (US$ M) | Equity Acquired (%) | Area (km²) | Area Multiple (US$/km²) | Normalised Area Multiple (US$/km²) |
|---|---|---|---|---|---|---|---|---|---|
| 7/05/2019 | Keniebandi East and Koussili West properties | Mali | Desert Gold Ventures Inc. | Mineral Management Consulting | 0.93 | 100% | 60 | 15,462 | 23,995 |
| 4/07/2019 | Bourdala project | Mali | African Gold Limited | Doumou SARL | 0.16 | 90% | 35 | 4,444 | 6,267 |
| 4/07/2019 | Tintinba Nord Permit | Mali | African Gold Limited | Macina Gold Company SARL | 0.55 | 55% | 35 | 15,584 | 21,974 |
| 4/07/2019 | BouBou permit | Mali | African Gold Limited | Mande Empire Resources SARL | 0.13 | 90% | 25 | 5,333 | 7,520 |
| 19/08/2019 | Gada Gold project | Dem. Rep. Congo | Amani Gold Limited | LA SOCIÉTÉ MINIÈRE DE KILO-MOTO SA | 0.43 | 70% | 6,159.71 | 70 | 92 |
| 28/08/2019 | Sebessounkoto Sud and Djelimangara projects | Mali | Desert Gold Ventures Inc. | Altus Strategies plc | 0.95 | 100% | 83 | 11,446 | 15,197 |
| 24/09/2019 | Linguekoto concession | Mali | Desert Gold Ventures Inc. | SUD Mining SARL | 0.28 | 95% | 27 | 10,526 | 13,882 |
| 1/10/2019 | Rakounga project | Burkina Faso | Kruger Gold Corp. | Nexus Gold Corp. | 2.46 | 100% | 250 | 9,840 | 13,114 |
| 30/01/2020 | Hounde South project | Burkina Faso | Roxgold Inc. | Arrow Minerals Limited | 1.43 | 70% | 276 | 5,176 | 6,607 |
| 13/04/2020 | Djimbala property | Mali | Indigo Exploration Inc. | Desert Gold Ventures Inc. | 0.97 | 100% | 100 | 9,665 | 11,439 |
| 1/05/2020 | Niou project | Burkina Faso | Nord Gold SE | Mako Gold Limited | 0.7 | 100% | 249 | 2,811 | 3,264 |
| 27/07/2020 | Kofi Quest permit | Mali | African Gold Limited | Somadiam SARL | 0.09 | 100% | 20 | 4,375 | 4,720 |
| 19/08/2020 | Tichka Est Project | Morocco | Stellar AfricaGold Inc. | Moroccan National Office of Hydrocarbons and Mines | 2.3 | 90% | 48 | 47,917 | 48,489 |
| 27/08/2020 | South Mali projects | Mali | Marvel Gold Limited | Oklo Resources Limited | 0.4 | 80% | 675 | 592 | 599 |
| 17/12/2020 | Foutiere concession | Mali | Kodal Minerals Plc | Falcon Gold SARL | 0.22 | 90% | 200 | 1,111 | 1,191 |
| 31/03/2021 | Four exploration licenses | Mali | Galiano Gold Inc. | Barrick Gold Corporation | 1.5 | 100% | 167 | 8,982 | 10,414 |
| 27/05/2021 | Farani permit | Mali | Cora Gold Limited | Undisclosed seller | 0.08 | 95% | 62 | 1,358 | 1,462 |
| 21/06/2021 | Marbera 2 Permit | Burkina Faso | Altair Resources Inc. | Private investors | 2.67 | 90% | 178.79 | 14,915 | 16,196 |
| 6/01/2022 | Bilbale and Boulon projects | Burkina Faso | Red Rock Resources plc | Faso Greenstone Resources | 0.09 | 0.8 | 348 | 264 | 289 |

AMANI GOLD
LIMITED

## LODGE YOUR PROXY APPOINTMENT ONLINE

**ONLINE PROXY APPOINTMENT**
www.advancedshare.com.au/investor-login

**MOBILE DEVICE PROXY APPOINTMENT**
Lodge your proxy by scanning the QR code below, and enter your registered postcode.
It is a fast, convenient and a secure way to lodge your vote.

# GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Amani Gold Limited and entitled to attend and vote hereby:

STEP 1

## APPOINT A PROXY

☐ The Chair of the Meeting **OR** ______________________

**PLEASE NOTE:** If you leave the section blank, the Chair of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) named, the Chair of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the General Meeting of the Company to be held **at Level 2, 7 Havelock Street, West Perth 6005 on Thursday, 17 August 2023 at 2:00 pm (WST)** and at any adjournment or postponement of that Meeting.

**Chair's voting intentions in relation to undirected proxies:** The Chair intends to vote all undirected proxies in favour of all Resolutions. In exceptional circumstances, the Chair may change his/her voting intentions on any Resolution. In the event this occurs, an ASX announcement will be made immediately disclosing the reasons for the change.

STEP 2

## VOTING DIRECTIONS

| | Resolutions | For | Against | Abstain* |
|---|---|---|---|---|
| 1 | Disposal of Main Undertaking | ☐ | ☐ | ☐ |
| 2 | Disposal of Substantial Asset to Mabanga Shining SARL | ☐ | ☐ | ☐ |
| 3 | Ratification of prior issue of Placement Shares | ☐ | ☐ | ☐ |
| 4 | Ratification of prior issue of Placement Options | ☐ | ☐ | ☐ |
| 5(a) | Issue of Performance Rights to Participating Directors - Mr Conrad Karageorge | ☐ | ☐ | ☐ |
| 5(b) | Issue of Performance Rights to Participating Directors - Mr Peter Huljich | ☐ | ☐ | ☐ |
| 5(c) | Issue of Performance Rights to Participating Directors - Mr Campbell Smyth | ☐ | ☐ | ☐ |

* If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

## SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

| Shareholder 1 (Individual) | Joint Shareholder 2 (Individual) | Joint Shareholder 3 (Individual) |
|---|---|---|
| | | |
| Sole Director and Sole Company Secretary | Director/Company Secretary (Delete one) | Director |

This form should be signed by the shareholder. If a joint holding, all the shareholders should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Email Address ______________________

☐ Please tick here to agree to receive communications sent by the Company via email. This may include meeting notifications, dividend remittance, and selected announcements.

# HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

## CHANGE OF ADDRESS

This form shows your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

## APPOINTMENT OF A PROXY

If you wish to appoint the Chair as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

## DEFAULT TO THE CHAIR OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chair of the Meeting.

## VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each resolution of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given resolution, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on a resolution, your vote on that resolution will be invalid.

**PLEASE NOTE:** If you appoint the Chair as your proxy (or if they are appointed by default) but do not direct them how to vote on a resolution (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution), the Chair may vote as they see fit on that resolution.

## APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

(a) on each Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and

(b) return both forms together.

## COMPLIANCE WITH LISTING RULE 14.11

In accordance to Listing Rule 14.11, if you hold shares on behalf of another person(s) or entity/entities or you are a trustee, nominee, custodian or other fiduciary holder of the shares, you are required to ensure that the person(s) or entity/entities for which you hold the shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the company that you are in compliance with Listing Rule 14.11.

## CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

## SIGNING INSTRUCTIONS ON THE PROXY FORM

**Individual:**
Where the holding is in one name, the security holder must sign.

**Joint Holding:**
Where the holding is in more than one name, all of the security holders should sign.

**Power of Attorney:**
If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:**
Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

## LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 2:00 pm (WST) on 15 August 2023, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled Meeting.

**ONLINE PROXY APPOINTMENT**
www.advancedshare.com.au/investor-login

**BY MAIL**
Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009; or
PO Box 1156, Nedlands WA 6909

**BY FAX**
+61 8 6370 4203

**BY EMAIL**
admin@advancedshare.com.au

**IN PERSON**
Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009

**ALL ENQUIRIES TO**
Telephone: +61 8 9389 8033