

28 January 2021

ANTILLES GOLD LIMITED QUARTERLY ACTIVITIES REPORT TO 31 DECEMBER 2020

ABOUT ANTILLES GOLD

Antilles Gold Limited (the Company, ASX Code: AAU) is building on its experience extracting gold and silver from 5.0 mt of refractory tailings at Las Lagunas in the Dominican Republic which was completed in December 2019, and is now focussed on the near term development of the La Demajagua gold/silver mine in Cuba.

The La Demajagua mine will incorporate the old workings of the Delita gold mine on the Isle of Youth in SW. Cuba and will be developed in a 49:51 joint venture with the Cuban Government's mining company, GeoMinera SA.

Based on 50,000m of historic drilling surrounding the Delita mine and previous metallurgical test work, the La Demajagua mine is planned to produce approximately 60,000tpa of refractory concentrate grading around 47 g/t Au and 380 g/t Ag from the stage one open pit mine, with an expected life of 6 years at a mining rate of 800,000tpa of ore.

The joint venture company, Minera La Victoria SA ("MLV"), expects to follow the open pit mine with an underground operation for 10 years at a mining rate of 500,000tpa.

MLV will commence a 25,000m drilling program at the beginning of February 2021 and should produce an initial JORC Resource around July 2021.

The range of the Exploration Target established by Perth based Cube Consulting is as follows;

LA DEMAJAGUA EXPLORATION TARGET (above 1.0 g/t Au cut off grade)

	Tonnes	Grade (Au g/t)	oz Au	Grade (Ag g/t)	oz Ag
Lower	16,000,000	2.3	1,200,000	17	8,700,000
Upper	20,000,000	2.7	1,700,000	23	14,800,000

MLV will complete a Preliminary Feasibility Study ("PFS") for the US\$70 to US\$75 million La Demajagua stage one development to produce concentrate, around September 2021. The PFS is expected to confirm the positive results of the Preliminary Economic Assessment already undertaken by Antilles Gold.

A development decision is targeted for September 2022 following completion of a Definitive Feasibility Study ("DFS"), and arranging offtake agreements for the concentrate, and project financing.



During the same period, Antilles Gold will also study the viability of constructing a 100,000tpa Albion/CIL plant in either Cuba, or at Las Lagunas in the Dominican Republic, to process refractory concentrate including that to be produced at La Demajagua.

If such a project did proceed it would probably be developed within a joint venture structure that Antilles Gold would manage, and incorporate at fair value, a number of plant and equipment items from the Las Lagunas project that have been fully depreciated.

Antilles Gold is in discussions with GeoMinera to expand the Company's focus on the emerging mining sector in Cuba through participation in the exploration of a number of advanced gold properties.

HIGHLIGHTS FOR THE QUARTER

La Demajagua Gold/Silver Mine, Cuba

- A contract was signed with Cubanex to undertake a 25,000m drilling program with mobilisation of the first diamond drill rig in January 2021, and the second in February 2021.

Cubanex is an experienced Cuban drilling company jointly owned by GeoMinera SA and Canadian contractors, Heath & Sherwood International.
- A topographic survey of the mine site and location of the first 20 drill holes as nominated by Cube Consulting, was completed in preparation for the drilling program.
- MLV established its regional office in Havana and appointed senior Cuban administration and technical staff. The Company also established a geological office and core storage facilities at the mine site which is located 40km from the port city of Nueva Gerona.
- Antilles Gold's Australian mining engineer transferred to Cuba from the Dominican Republic and was appointed as General Manager of MLV for the pre-development period.

Las Lagunas Gold Tailings Project, Dominican Republic

- Surplus plant and equipment items from the completed project are currently stored on site and are expected to be sold over the next six months.
- The Arbitration proceedings to settle claims totalling approximately US\$20 million against the Dominican Government commenced at the World Bank's International Centre for Settlement of Investment Disputes ("ICSID").
- The Company was advised by the recently elected Government that it is amenable to negotiating a settlement agreement in relation to the Group's various claims, and in the current quarter has been invited to submit a proposal to the Dominican Vice President, and the Legal Advisor to the Executive Branch of Government.

The Company will follow up on this opportunity in the near term.

- The Government has also communicated their interest in Antilles Gold establishing a regional processing hub at Las Lagunas based on a 100,000tpa Albion/CIL plant treating domestic and imported refractory concentrate. This concept will only be advanced by Antilles Gold if the various disputes and claims can be resolved.

Cash Position

Available Group funds as at 31 December 2020 were US\$3.9 million (A\$5.0 million).

The sale of approximately US\$3.5 million of surplus equipment from the Las Lagunas project has been delayed but should be completed over the next six months.

This announcement has been authorised by the Board of Antilles Gold Limited.

For further information:

Brian Johnson
Executive Chairman
+61 2 4861 1740

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Technical Memo

To: James Tyers
Company: Antilles Gold Limited
From: Daniel Saunders
Date: 4 November 2020
Project: La Demajagua
Subject: Exploration Target



Introduction

Cube Consulting Pty Ltd (Cube) were engaged by Antilles Gold Limited (AAU) to prepare an Exploration Target for the La Demajagua project located on the Isle of Youth in south west Cuba.

Exploration Target

Cube have defined an Exploration Target of approximately 16 to 20 million tonnes at a grade ranging between 2.3 and 2.7 g/t gold and 17 to 23 g/t silver across the La Demajagua project (Table 1).

The potential quantity and grade of the Exploration Target is conceptual in nature and therefore is an approximation. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource. The Exploration Target has been prepared and reported in accordance with the 2012 edition of the JORC Code.

Table 1: La Demajagua Exploration Target (above 1.0 g/t Au)

Range	Tonnes	Gold		Silver	
		Grade (g/t)	Contained Metal (koz)	Grade (g/t)	Contained Metal (koz)
Lower	16,000,000	2.3	1,200	17	8,700
Upper	20,000,000	2.7	1,700	23	14,800

The Exploration Target is based on the current geological understanding of the mineralisation geometry and regional geology. This is provided by an extensive historic drill hole database of approximately 50,000 metres.

The Exploration Target, being conceptual in nature, does not consider factors related to geological complexity, possible mining method or metallurgical recovery factors. The Exploration Target was estimated to provide an assessment of the potential scale of the La Demajagua project mineralisation.

The reported Exploration Target is defined by:

- Three-dimensional interpretation of the historical drilling to generate a mineralisation wireframe.
- Generation of a block model with grades interpolated within the mineralisation wireframe using ordinary kriging with parameters defined by spatial analysis and estimation neighbourhood assessments.

Top-cuts were applied to composite data prior to estimation for both the gold and silver assays and ranged between 6 and 20 g/t gold and 200 to 250 g/t silver. Exploration Target grade ranges are based on a lower cut-off of 1 g/t gold.

Yours sincerely,



Daniel Saunders

Senior Consultant Geologist

Competent Persons Statement

The information in this report that relates to Exploration Targets is based on information compiled by Mr Daniel Saunders, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Saunders is a full-time employee of Cube Consulting Pty Ltd, acting as independent consultants to Antilles Gold Limited. Mr Saunders has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Mr Saunders consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.