

ASX Announcement

20 April 2018

FORMATION OF MAKABINGUI DEVELOPMENT COMPANY

The Directors are pleased to report that following the formal offer by the CORIS International Bank to provide the project finance to bring the Makabingui Gold Project into production (see ASX Release of 13 April 2018) the final Senegal Government approval has since been received.

In accordance with Senegal mining law, exploration permit holders who wish to move to develop a mineable resource must incorporate in Senegal a special company to develop the project and to bring the project into production. All mining rights are transferred to that company.

Accordingly, a special company, Makabingui Gold Operation S.A., has been formed and its constitution incorporating the terms of the negotiated exploitation permit relating to the Makabingui Gold Project has been formally approved by the Government Ministry of Mines and Geology.

The special company will be a subsidiary of the BASSARI group and will be the recipient of the CORIS project finance. All authorisations to develop the Makabingui Gold projects have now been received and the company can proceed to construction and development.

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