ASX ANNOUNCEMENT ASX:MVL

27 October 2020

DRILLING CONFIRMS KARST TARGET AT LAKANFLA

Marvel Gold Limited (ASX: MVL) (**Marvel** or the **Company**) is pleased to provide an update on the current drilling program at its Lakanfla Gold Project (**Lakanfla**) located in western Mali.

The objectives of this first phase drilling program were to:

i. Prove the existence of the karst and outline the stratigraphy – successfully confirmed;

ii. Define the shape and depth of the karst – ongoing; and

iii. Identify the potentially mineralised areas of the karst – subject to assays.

Drilling commenced earlier this month, with 8 holes for 1,653m out of a planned total of approximately 3,800m completed to date. Due to the distance from the laboratory and the associated logistics of transporting the mass of samples collected during the program, the Company plans to despatch all samples at the conclusion of drilling (now expected to be mid-November). As such, the Company expects results to be reported throughout December.

Encouragingly, the majority of holes drilled to date have intercepted karst horizons. Karst horizons were found at various depths and thickness, some within the first 60 metres from surface and up to 60 metres thick. The presence of karsts (as a result of dissolution of carbonate rocks) explain the extensive gravity lows seen at Lakanfla and are an important proof of concept because the dissolution is thought to be responsible for upgrading lower level gold into a potentially economic supergene enrichment zone. More detailed descriptions of the geology are included in the technical section further below.

Executive Director Chris van Wijk, commenting on the drilling progress:

"We are encouraged that the rock types encountered by drilling to date have confirmed the presence of a karst at Lakanfla. This is the first critical step in the Lakanfla deposit model being pursued by Marvel. Our remaining holes are spaced around the 7km strike of gravity lows that we now know exist due to karst formation and carbonate rock dissolution processes. We await the assay results in December to confirm whether these extensive karst horizons are mineralised."

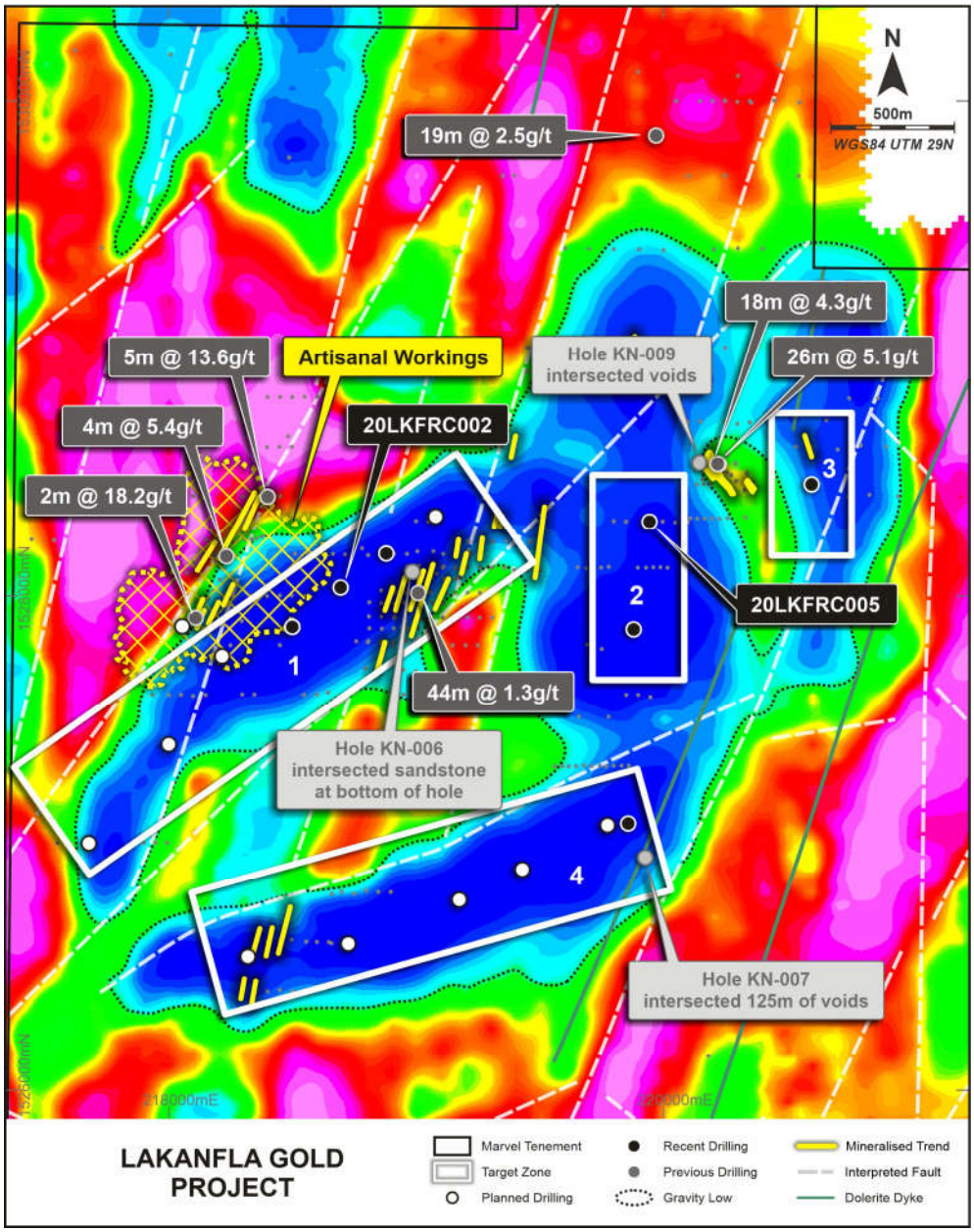
The next step is assays from the drill program to confirm if the karsts are mineralised. There are a number of reasons to be optimistic about the mineralisation potential at Lakanfla:

- It is located 6km from Sadiola, one of Mali's largest gold deposits;
- It is located on the Senegal Mali Shear Zone, a structure responsible for a substantial number of large-scale gold deposits;
- There are extensive artisanal workings targeting high-grade veinlets in metasediments to the north-west of Target Zone 1 (see Figure 4 further below); and
- The granite intrusion is mineralised, having been the focus area of historical drilling.

DRILL PROGRAM AND FINDINGS – TECHNICAL

Figure 1 below shows the location of the actual and planned drillholes including holes 20LKFRC005 and 20LKFRC002, which are described in more detail below.

Figure 1: Lakanfla drillhole locations*



**In relation to the exploration results shown in Figure 1, see ASX announcement 17 June 2020.*

Most holes drilled thus far have intercepted karst horizons which typically manifest as voids within a (carbonaceous) siltstone-mudstone unit that have been infilled with weakly consolidated to unconsolidated, compositionally and texturally immature sediments interbedded with clay-rich bands (collectively known as 'karst fill').

The karst fill is strongly weathered and oxidised, contrasting sharply with the in-situ bedrock. When drilling through the karsts, vast amounts of water have been encountered. The base of the karst typically consists of 'bleached' or saprolitic (carbonaceous) siltstone-mudstone, which freshens with depth. The top of the karst fill often has a ferruginous layer, whilst pisoliths have also been observed at depth (e.g. from 48-50m; hole 20LKFRC005). Pisoliths are exclusively formed in the near-surface environment and their occurrence at

depth is therefore considered irrefutable proof of karst fill. In the deeper portions of some holes, the in-situ (carbonaceous) siltstone-mudstone unit is weakly sericite altered and pyrite-bearing.

The karsts exist due to dissolution and collapse of carbonate-bearing units at Lakanfla which produces a halo of lower density material around the granodiorite intrusion, represented by the gravity lows observed in the data. As these rocks have dissolved and collapsed over time, the resulting voids have been infilled with transported sands and material shedding from the weathering of the intrusion.

The intrusion is thought to play a role in mineralisation, both as a source of metals and fluids which alter the country rocks. The dissolution of carbonates is thought to be one of the processes by which low-level gold introduced by these intrusions can be upgraded to potentially economic levels.

Figure 2 below shows the typical lithologies in drillhole 20LKFRC005. Note pisoliths in karst fill from 48-50m (see inset image). The karst is from approximately 36m – 114m (between the red lines), noting that this is not just one void, but a series of voids with some intervals of in situ siltstone, and some possible karst fill intervals after 114m.

Figure 2: RC chips from Hole 20LKFRC005

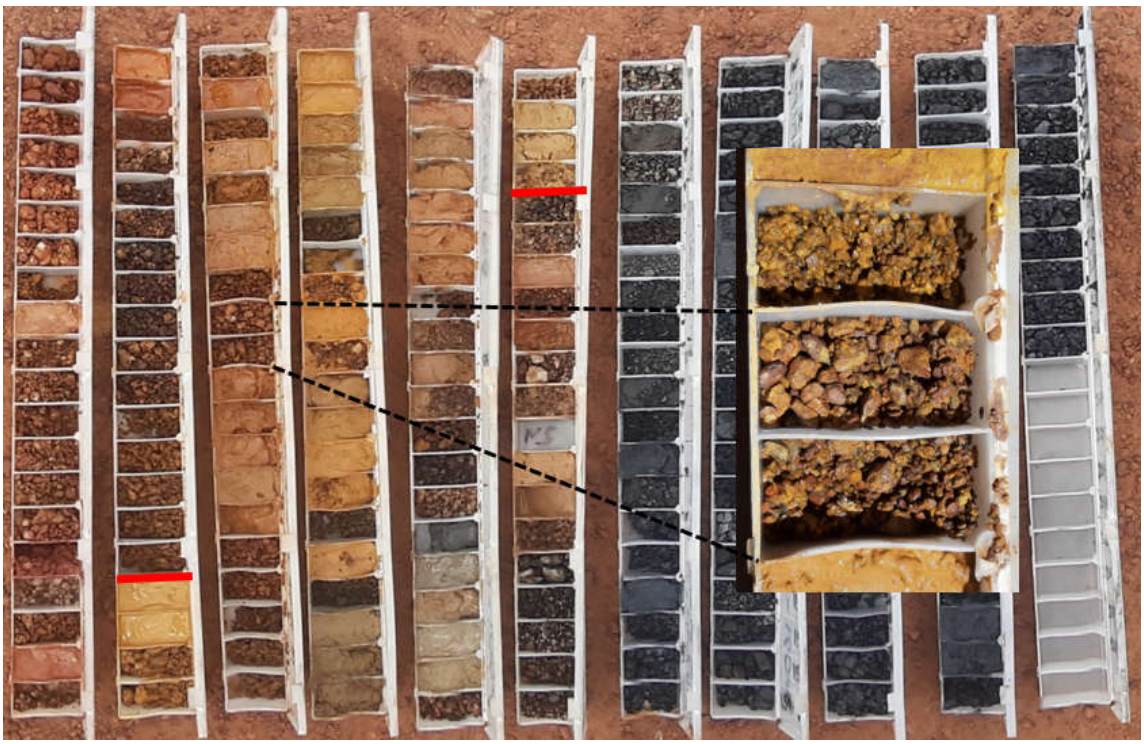


Figure 3 below shows hole 20LKFRC002 from 120-180m. Karst fill is interpreted from 128-165m. Note how 128-129m is highly ferruginous (which is frequently observed in other drilling) and that the top of the in situ sediment is strongly bleached, gradually passing into fresher rock. Karst fill consists of clay intervals and granite-derived detrital quartz grains; these are interpreted to have been washed into the karsts as locally-sourced colluvium and weathered in situ. No fresh granite has yet been intersected by the drilling.

Figure 3: RC chips from Hole 20LKFRC002

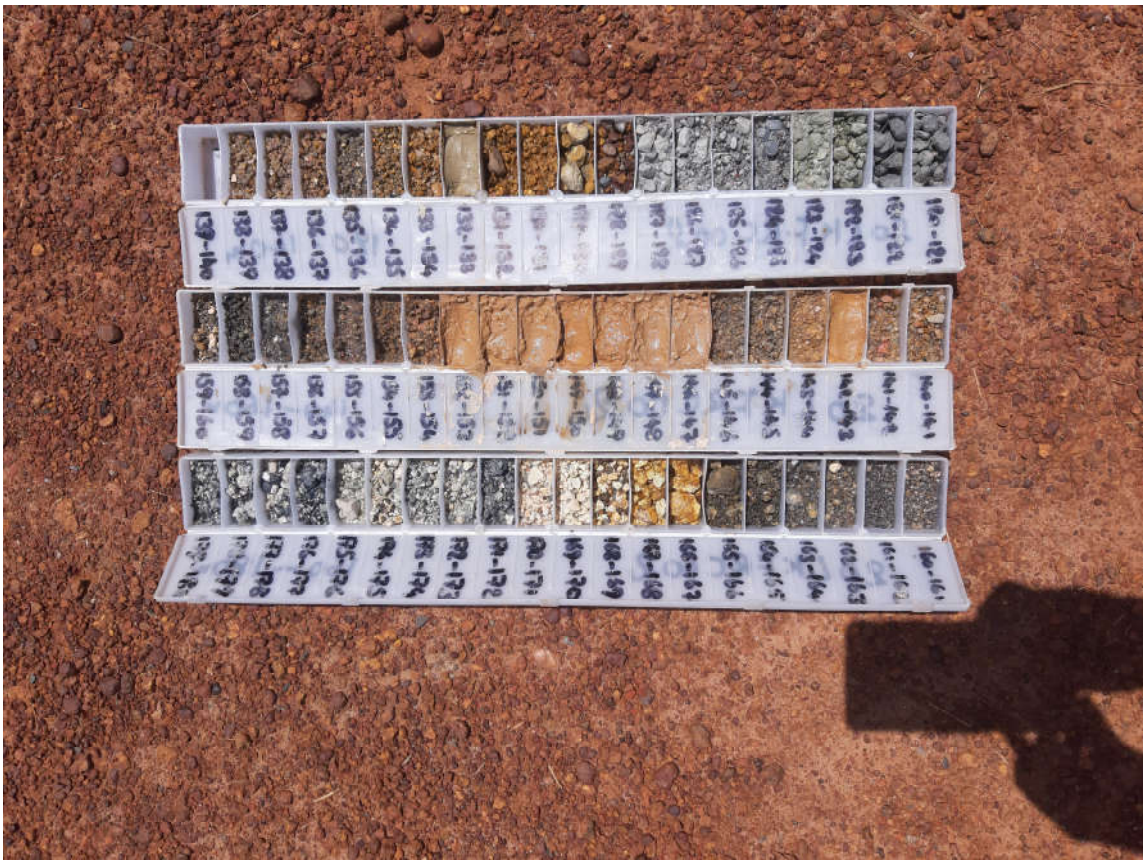
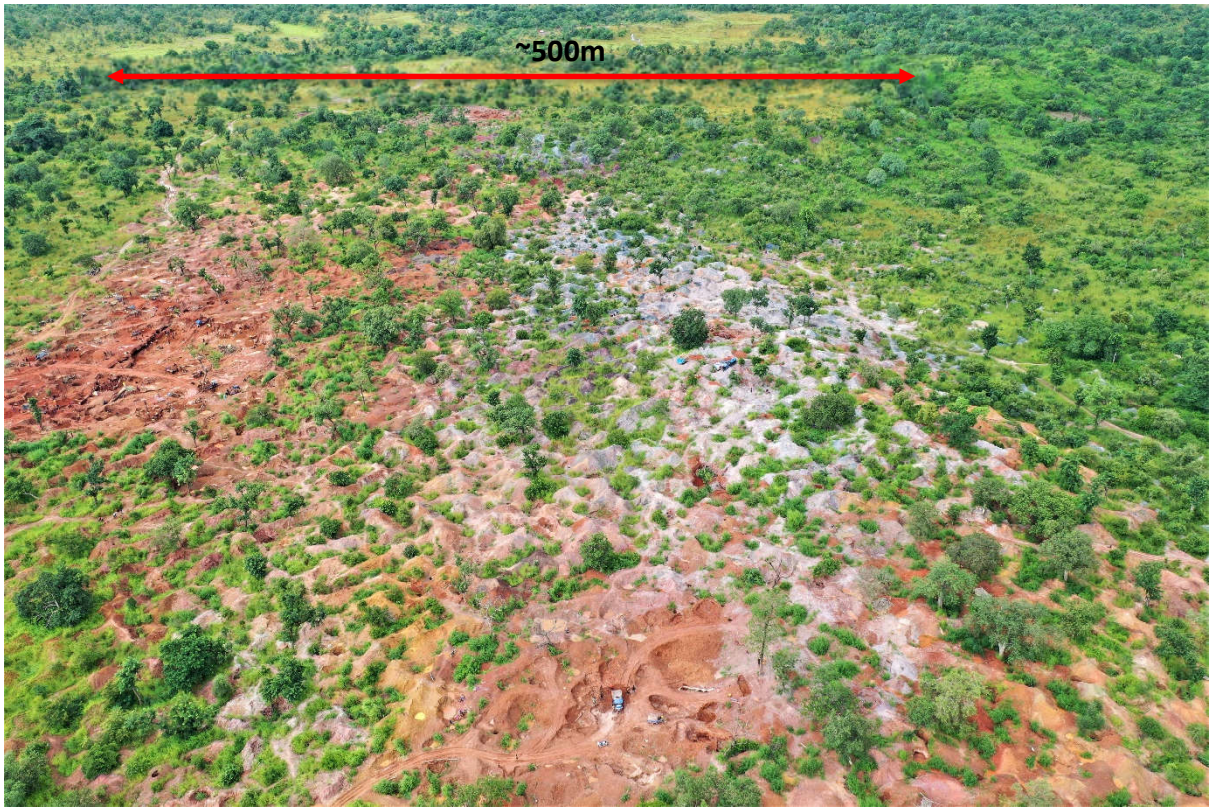


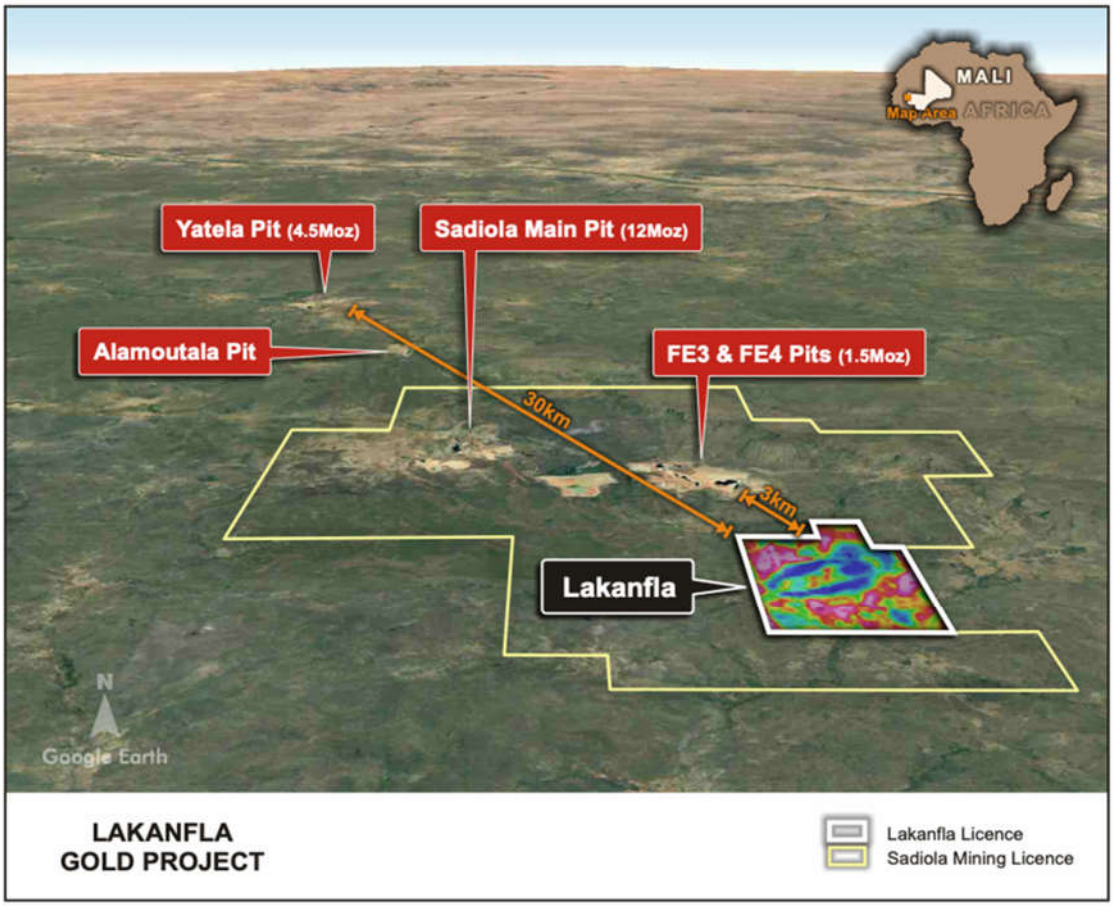
Figure 4: Extensive artisanal workings to the NW of Target Zone 1 (drone view)



ABOUT LAKANFLA

The Lakanfla Gold Project is located in the Kenieba inlier of western Mali, adjacent to the northern section of the gold-rich Senegal Mali Shear Zone. The project lies 6km to the south-east of the tier 1 Sadiola gold mine (13.5Moz production historically) and 35km south-east of the Yatela gold mine (4.5Moz production historically).

Figure 5: Location of Lakanfla Project



Lakanfla hosts a significant number of active and historic artisanal gold workings which are coincident with major geochemical and gravity anomalies. Significantly, there is evidence of ground collapse at surface, as well as extensive voids and anomalous stratigraphy in drilling which are indicative of karst style dissolution at depth within mapped carbonate rock units.

Karstification occurs when soluble carbonate bearing units, for example limestones, dolomites or marbles are dissolved. The residuum left behind may be comparatively upgraded in certain insoluble minerals, in this case, the element of interest being gold. This is one of the processes of supergene enrichment.

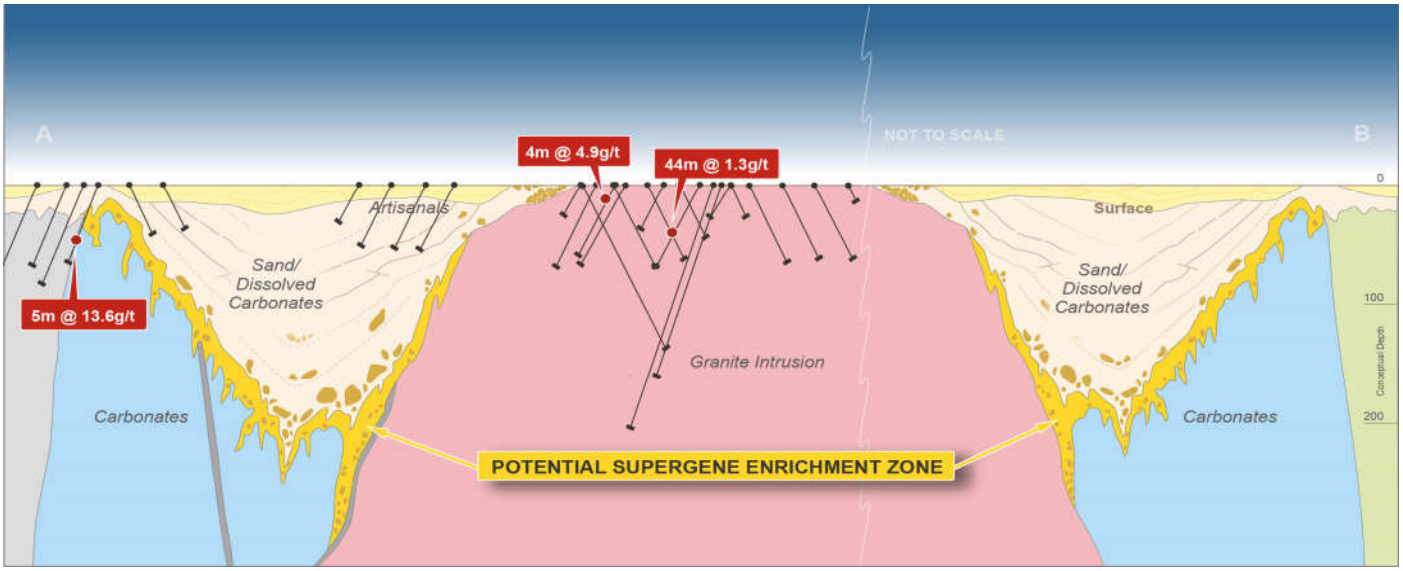
This model is geologically analogous to the 4.5Moz Yatela deposit some 35km to the north-west and also the Sadiola FE3 and FE4 pits which are around 3km to the north-west of the license boundary.

Historical drilling at Lakanfla has returned encouraging intersections including **26m at 5.1 g/t gold from 32m and 18m at 4.3 g/t gold from 34m** (ASX announcement 17 June 2020). In addition, several drillholes have intersected voids and unconsolidated sand at depths of up to 150m below surface. However, none of the priority gravity low targets have been systematically drill tested.

Of the historical drilling that has been undertaken at Lakanfla, 35 holes coincide with the priority targets, however the majority of these holes were drilled no deeper than 75m vertical depth and the exploration

target is expected to be below this stratigraphic level at the bedrock-weathering interface. In comparison with the nearby large scale Yatela deposit, which is a direct exploration analogue, mineralisation was encountered at depths up to 220m below surface and as such, the Company believes that a valid exploration target of this style exists at Lakanfla. Figure 6 below illustrates the potential location of the mineralisation within the karst target.

Figure 6: Schematic cross-section of Lakanfla geology and target zones



The Company understands that the Sadiola gold mine will require additional oxide feed in the relative near term. Given Lakanfla's proximity to the Sadiola processing plant, any discovery would be significant for the Company.

This announcement has been approved for release by the Board.

PHIL HOSKINS
Managing Director

For further information, please contact:

Phil Hoskins – Managing Director
Tel: +61 8 9200 4960

Chris van Wijk – Executive Director, Exploration
Tel: +61 8 9200 4960

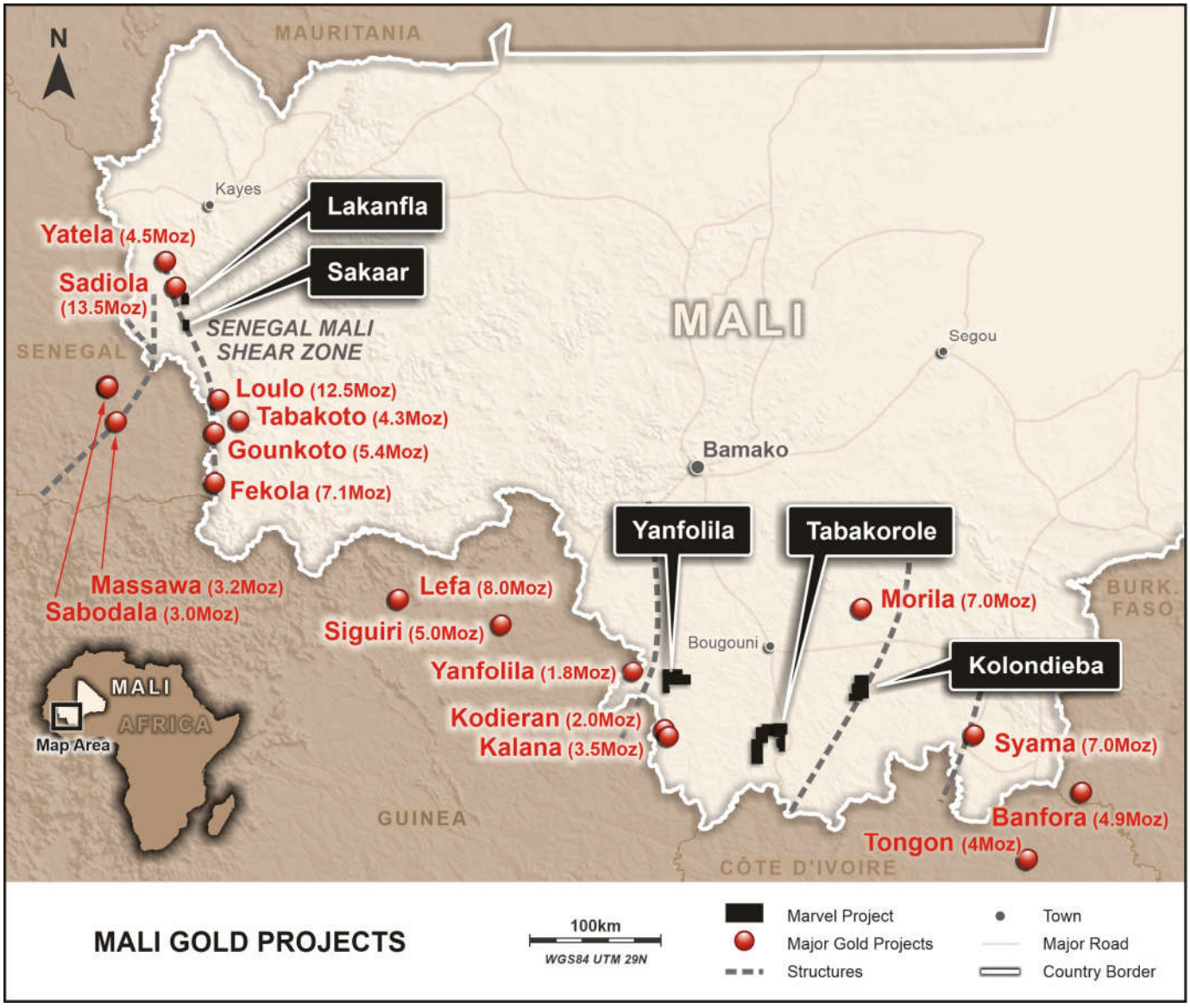
For more information, visit www.marvelgold.com.au.

About Marvel Gold

Marvel Gold Limited is an Australian resources company listed on the Australian Securities Exchange under stock code MVL. Marvel Gold is a Mali-focused gold explorer with advanced gold exploration projects and extensive landholdings in South and West Mali.

The Tabakorole Gold Project has a large existing resource with opportunities to expand along strike and via regional exploration. The Lakanfla Gold Project is a major untested gold target 6km from the Sadiola gold mine. Marvel Gold has an experienced board and management team with specific skills, and extensive experience, in African based exploration, project development and mining.

Figure 7: Marvel Gold, Location of Mali Projects



Reference to previous ASX announcements

The information in this announcement that relates to previously reported exploration results at Lakanfla was announced on 17 June 2020. Marvel confirms that it is not aware of any new information or data that materially affects the information included in that announcement.