

## QUARTERLY ACTIVITIES REPORT

### Quarter ended 31 March 2021

Marvel Gold Limited (ASX: MVL) (Marvel or the Company) is pleased to provide an update on its activities during the March quarter. The Company's activities during the Quarter focused primarily on investigating options for a transaction involving the Company's Chilalo Graphite Project (**Chilalo Project**) and exploration at the Tabakorole Gold Project (**Tabakorole**), the objective of which is to grow the existing Mineral Resource of **23.9 million tonnes at 1.2 g/t gold for 910,000 oz.**<sup>1</sup>

#### HIGHLIGHTS

- Continued investigation of options to realise the value of the Chilalo Graphite Project – an announcement on the proposed transaction is expected shortly
- High-grade mineralisation intersected in the central part of the deposit in hole 20BKRC-005 is expected to enhance the Tabakorole Mineral Resource<sup>2</sup>
  - **12m at 2.1 g/t gold** from 18m
  - **18m at 1.9 g/t gold** from 53m
  - **10m at 1.5 g/t gold** from 97m
- Hole 21TBKRC-001, which intersected **23m at 2.0 g/t gold** from 178m and terminated in mineralisation extended the strike length at Tabakorole to the south-east<sup>3</sup>
- High-grade intersections in multiple holes confirmed an extension of strike to the north-west:<sup>4</sup>
  - **15m at 2.0 g/t gold** from 25m (hole 20TBKRC018)
  - **16m at 2.0 g/t gold** from 75m in hole 20TBKRC014, which is outside the existing resource (see Figure 2)
  - **6m at 5.8 g/t gold** from 61m (hole 20TBKRC015)
- The results of preliminary bottle roll metallurgical testwork confirmed that mineralisation at Tabakorole is clean, non-refractory and that high gold recoveries can be achieved from direct cyanidation
- First community development program completed – investment in water bore at Tabakorole

<sup>1</sup> ASX announcement 30 September 2020

<sup>2</sup> ASX announcement 2 March 2021

<sup>3</sup> ASX announcement 18 February 2021

<sup>4</sup> ASX announcement 23 March 2021

### CHILALO GRAPHITE PROJECT

Marvel owns 100% of the Chilalo Graphite Project, a world-class fully permitted graphite project in south-east Tanzania. With expenditure to date exceeding \$21M, a completed DFS and a management team with substantial graphite market knowledge and IP, Chilalo is a significant asset with the potential for near-term development.

Following numerous investor enquiries about the Chilalo Project and strong support for the graphite sector, Marvel advanced numerous options during the Quarter to maximise value for Marvel shareholders, including a possible demerger and IPO. Any transaction is likely to reward existing shareholders with priority shareholdings and preferential rights to participate in any capital raised.

The graphite market outlook is very strong with electric vehicles forecast to drive +700% growth in natural graphite demand by 2025 according to Roskill. Global demand for ex-China graphite supply has increased since the onset of the COVID-19 pandemic and a strict focus on ethically sourced supply chains. Given China historically accounts for ~70% of global graphite supply, this is a compelling opportunity for projects with product quality such as Chilalo. An announcement on the proposed transaction is expected shortly.

### TABAKOROLE GOLD PROJECT

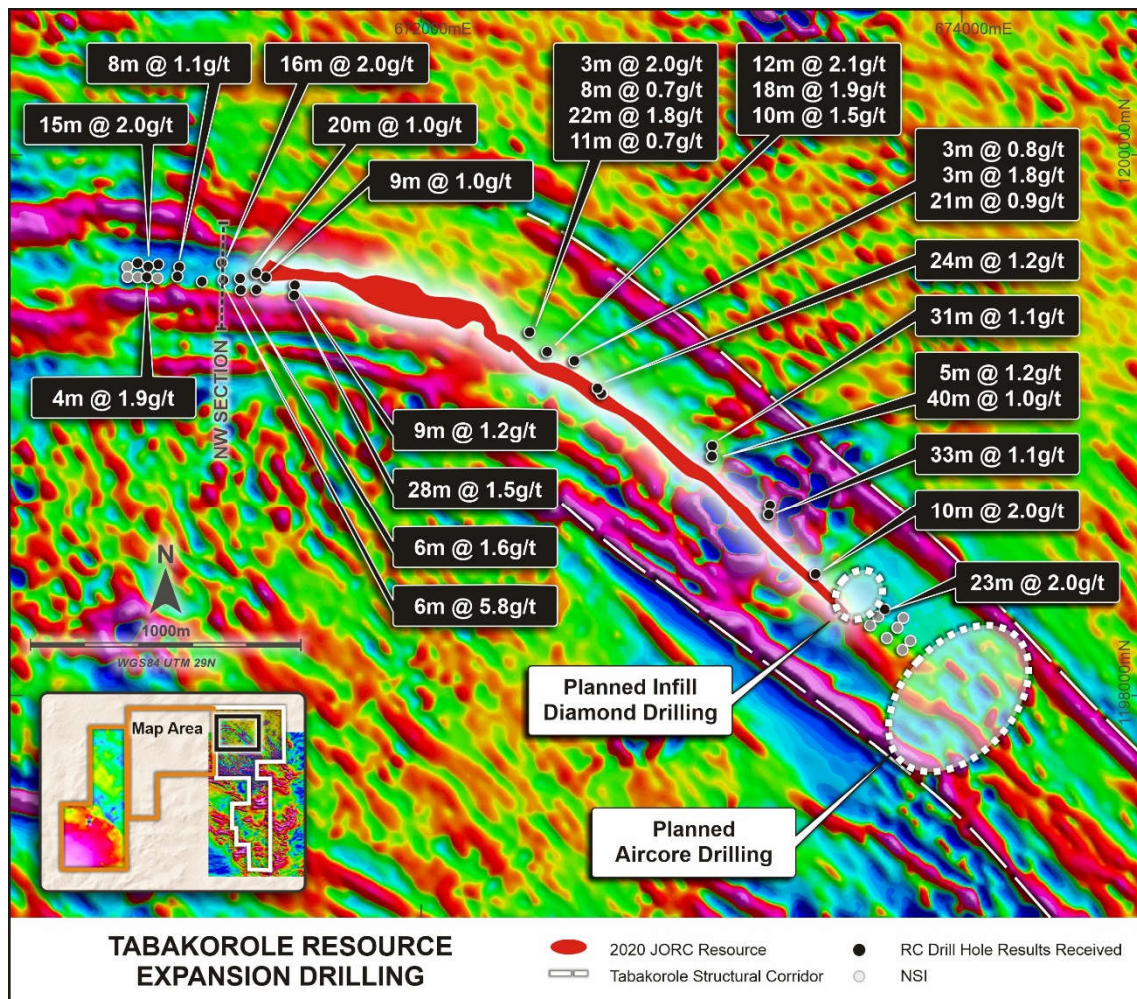
During the Quarter, the Company completed a 6,300m reverse circulation resource (RC) expansion drilling program at Tabakorole, which targeted three main areas:

- Drilling within the existing strike in areas where only sparse drilling had previously occurred;
- Drilling of the north-west extension, where mineralisation was initially highlighted by aircore drilling completed in 2020; and
- Drilling to extend mineralisation to the south-east of the Mineral Resource.

In addition, the Company concluded a metallurgical testwork program, the results of which highlighted the straightforward, non-refractory metallurgical characteristics of Tabakorole ore.

Figure 1 shows the results of the resource expansion drilling program at Tabakorole.

Figure 1: Plan view showing results from Tabakorole resource expansion drill program



### Drilling within the existing strike

Eleven holes were drilled within the existing strike, targeting areas in the central and south-eastern parts of the deposit, where minimal drilling had been previously carried out. Drilling consistently intersected high-grade mineralisation and is expected to materially enhance the existing 910koz mineral resource. Results included:<sup>5</sup>

- Hole 20TBKRC-005, located in the central part of the deposit:
  - 12m at 2.1 g/t gold from 18m
  - 18m at 1.9 g/t gold from 53m (outside of existing resource)
  - 10m at 1.5 g/t gold from 97m
- Hole 20TBKRC-006, located in the central part of the deposit:
  - 3m at 2.0 g/t gold from 10m
  - 22m at 1.8 g/t gold from 77m (outside of existing resource)
  - 11m at 0.7 g/t gold from 141m

<sup>5</sup> ASX announcement 2 March 2021

The mineralisation encountered in these three holes was a significant improvement in both thickness and grade to what had been modelled in this area. The thickest intercept in both holes appears to be a new zone of mineralisation outside of the modelled resource. Importantly, these results are near surface and potentially viable under an open pit mining scenario.

- Drilling in the south-eastern area of the deposit recorded the following notable intersections:<sup>6</sup>
  - **40m at 1.0 g/t gold** from 86m (Hole 21TBKRC-010)
  - **33m at 1.1 g/t gold** from 84m (Hole 21TBKRC-005)
  - **31m at 1.1 g/t gold** from 146m (Hole 21TBKRC-022)
  - **10m at 2.0 g/t gold** from 49m (Hole TBKRC-012)

The consistent widths and grades in this south-eastern part of the deposit are considered to be particularly encouraging and are expected to improve the size and grade of the Tabakorole Mineral Resource.

### South-east strike extension

Ten holes were drilled to test the south-east extension, notable results included:<sup>7</sup>

- **23m at 2.0 g/t gold** from 178m and terminated in mineralisation (Hole 21TBKRC-001)
- **24m at 1.2 g/t gold** from 13m (Hole 21TBKRC-002)
- **14m at 0.8 g/t gold** from 17m (Hole 21TBKRC-003)

The results successfully extended the existing 2.9km strike length a further 150m to the south-east. Hole 21TBKRC-001, which intersected **23m at 2.0 g/t gold**<sup>7</sup> and ended in mineralisation, confirmed the continuity of the deposit to the south-east. Subsequent to Quarter end, the Company concluded a 950m diamond drilling program to infill the area between the existing resource and hole 21TBKRC-001 such that it can be brought into an updated Mineral Resource later in the year.

The Company has also planned an aircore drilling program to further test the continuation of mineralisation to the south-east.

### North-west strike extension

Results from 20 holes successfully extended the strike to the north-west, with best intersections including:<sup>8</sup>

- **15m at 2.0 g/t gold** from 25m (Hole 20TBKRC-018)
- **16m at 2.0 g/t gold** from 75m (Hole 20TBKRC-014) (potential new zone outside of existing resource)
- **6m at 5.8 g/t gold** from 61m (Hole 20TBKRC-015)
- **28m at 1.5 g/t gold** from 121m (20TBKRC-008)

Figure 1 shows that hole 20TBKRC015 (**6m at 5.8 g/t gold**) is expected to improve the grade of the Tabakorole Mineral Resource, whilst hole 20TBKRC014 (**16m at 2.0 g/t gold**) sits entirely outside the existing modelled resource, potentially representing an entirely new zone of mineralisation. Drilling of the north-west extension

<sup>6</sup> ASX announcement 18 March 2021

<sup>7</sup> ASX announcement 18 February 2021

<sup>8</sup> ASX announcement 23 March 2021



followed up on mineralisation identified from aircore drilling conducted during 2020, which included **6m at 6.2 g/t gold from 14m**.<sup>9</sup>

### Metallurgical testwork

A total of four composite samples were collected from diamond drillholes completed by the Company in mid-2020. The composites were made from the coarse split of diamond drilling samples based on the drillhole locations within the deposit and the head grade assay of the original samples. The composites targeted the current Mineral Resource grade of 1.2 g/t gold and ranged from 1.1-1.9 g/t gold. All samples were taken in fresh rock as this material represents approximately 90% of the Tabakorole Mineral Resource. Initial bottle roll testing is the industry standard first step to determine gold recoveries from cyanide leaching.

Results from the bottle roll testing showed high recoveries from all samples, with low cyanide and lime consumption. Average leach recoveries were 92.7%, 94.8% and 96.6% for the four samples at the three grind sizes. The high recoveries show that the gold is likely to be recoverable via a simple carbon-in-leach process flow sheet, with no indications of refractory gold.<sup>10</sup>

### LAKANFLA GOLD PROJECT

Results received from the Stage One 3,800m RC drilling program and passive seismic surveys at the Lakanfla Gold Project (**Lakanfla**) successfully proved the existence of a karst, defined the size and shape of the karst and returned widespread low-grade gold mineralisation.

Ongoing exploration and development work at Lakanfla comprises three key focus areas:

- Refinement of karst model and targeting

The Company is in the process of assessing the anomalous intercepts and other targets in the context of recently completed multi-element soil sampling and to also complete multi-element assays on selected RC samples to ascertain whether the anomalous results from the Stage One drilling record a primary bedrock or transported gold signature.

- Delineation and development of existing gold mineralisation within the granite intrusion

Lakanfla has inherent value from existing near-surface gold mineralisation that has already been defined by historical drilling within the central granite intrusion. The Company intends to design a work program required to convert the known mineralisation within the granite intrusion to a JORC-compliant resource. This program is expected to include diamond drilling for the purposes of establishing the density and metallurgical characteristics of the deposit and to expand the area of mineralisation.

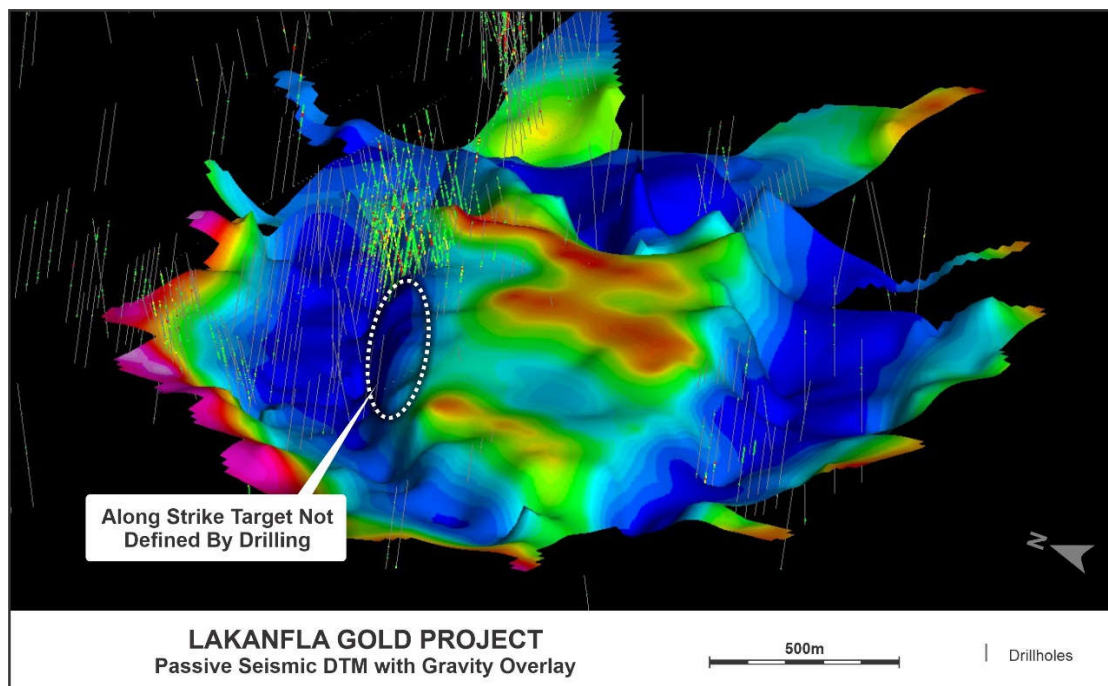
Analysis of the existing drill-defined mineralisation within the granite intrusion appears to show that the mineralisation sits on the 'shoulders' of the granite intrusion and is likely structurally hosted. The holes drilled in the Stage One program were not successful in drilling this contact even when angled toward the granite intrusion and as such an opportunity still exists along strike from the existing mineralisation (see Figure 2).<sup>11</sup> Importantly, this area has additional supporting evidence in the soil geochemistry results (see Figure 3).

<sup>9</sup> ASX announcement 6 August 2020

<sup>10</sup> ASX announcement 27 January 2021

<sup>11</sup> ASX announcement 27 January 2021

Figure 2 - Target along strike from existing mineralisation

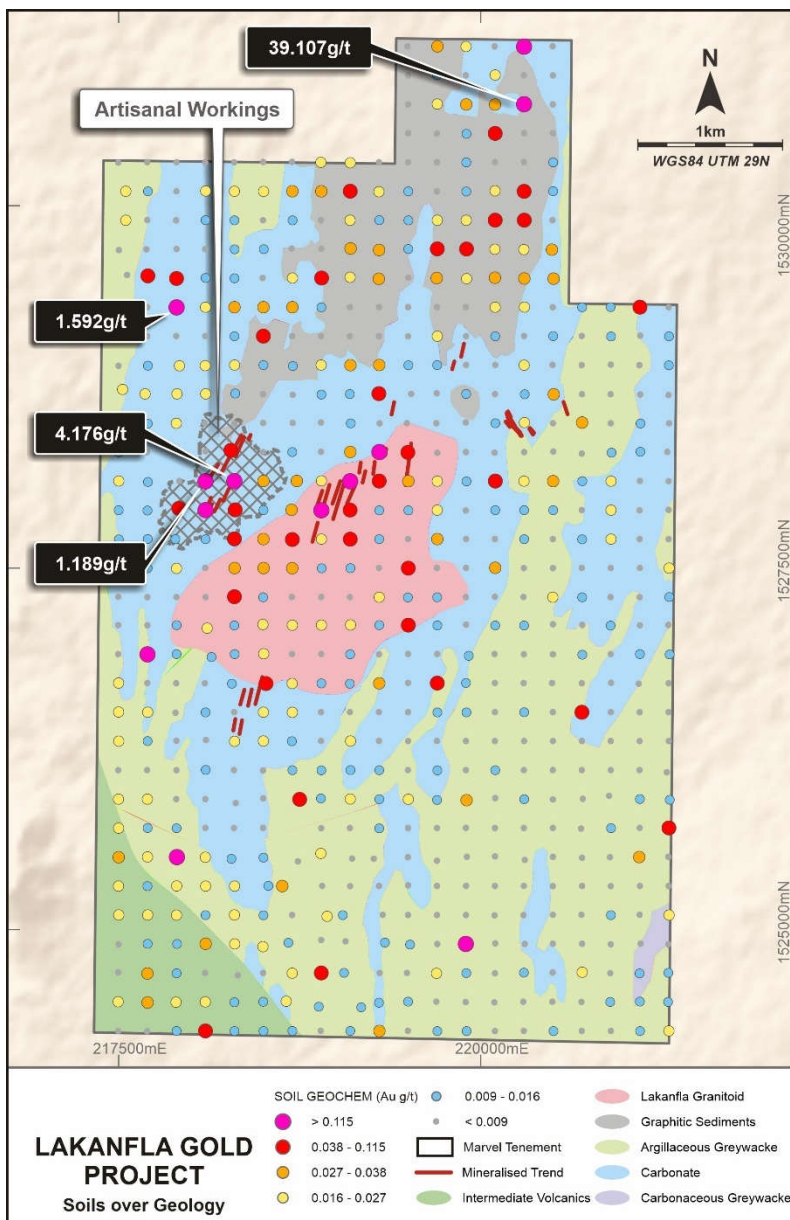


- Systematic exploration across the Lakanfla licence (outside of the karst target and the granite intrusion).

Whilst completing the Stage One drilling at Lakanfla, the Company carried out a soil sampling program which provided systematic coverage of the licence. Gold assays of these samples, which are shown in Figure 3 below, are particularly encouraging with peak values of 39.1 g/t gold and 4.2 g/t gold in soil.<sup>12</sup> The first result is significant, in that this sample comes from an area in the north of the licence that has not been disturbed by artisanal mining and thus may represent a new target if the anomalous sample has support from other datasets and is found to be in-situ.

<sup>12</sup> ASX announcement 27 January 2021

Figure 3 - Soil geochemistry map showing gold in soils at Lakanfla



The Company is awaiting multi-element soil geochemistry results, which will be reviewed along with existing datasets including magnetics, induced polarisation and passive seismic to generate additional targets at Lakanfla.

## COMMUNITY DEVELOPMENT PROGRAMS

During the Quarter, the first community initiative since commenced exploration at Tabakorole was completed and commissioned. The Company installed a solar powered water pump and elevated water tank storage for the village of Tabakorole, the nearest village to the project area with a population of approximately 800 people. This is significant for the local people as it provides water on demand and saves considerable time and effort in not having to draw water from the bore by hand as well as providing a small water reserve.

**Figure 4: Solar installation, overhead tanks and Tabakorole locals**



## COVID-19

As at the date of this report, the Company, its staff and contractors have not been impacted by the COVID-19 pandemic. The Company has had access to both expatriate and Malian geologists to undertake its work programs and this has remained the case throughout the March Quarter. The Mali borders are open and this has allowed the Company to conduct its exploration programs with minimal disruption caused by COVID-19.

The Company will continue to focus on the health and safety of its staff and contractors and has implemented a range of measures to ensure their well-being is maintained.

## CORPORATE

### Cash

As at 31 March 2021, the Company had cash of \$3.2 million.

### Change of auditor

During the Quarter, the Company appointed BDO (WA) Pty Ltd as the Company's external auditor. The appointment of BDO replaced PricewaterhouseCoopers.

## TENEMENT INTERESTS

The Company's tenement interests are shown in Table 1.

**Table 1. Tenement interests as at 31 March 2021**

Tenement	Ownership	Project	Location
ML 569/2017 - Chilalo	100%	Chilalo	Tanzania
PL 11050/2017 - Chilalo West	100%	Chilalo	Tanzania
PL 11034/2017 - Chilalo	100%	Chilalo	Tanzania
PL 9929/2014 - Chikwale	100%	Chilalo	Tanzania
PL 9946/2014 - Machangaja	100%	Chilalo	Tanzania
PR15/758 - Tabakorole <sup>1</sup>	51%	Tabakorole	Mali
PR18/950 - Lakanfla <sup>1</sup>	33%	Lakanfla	Mali
PR16/837 - Sirakourou <sup>2</sup>	80%	Tabakorole	Mali
PR19/1057 - Solagoubouda <sup>2</sup>	80%	Tabakorole	Mali



Tenement	Ownership	Project	Location
PR17/879 - Kolondieba <sup>2</sup>	80%	Kolondieba	Mali
PR16/803 - Kolondieba <sup>2</sup>	80%	Kolondieba	Mali
PR17/875 - Yanfolila <sup>2</sup>	80%	Yanfolila	Mali
PR16/802 - Yanfolila <sup>2</sup>	80%	Yanfolila East	Mali
PR18/944 - Djelimangara Sud-Ouest <sup>3</sup>	25%	Sakaar	Mali

1. Subject to the terms of an earn-in agreement with Altus, the details of which are set out in an ASX announcement dated 17 June 2020 and the notice of meeting lodged with ASX on 18 June 2020.
2. Subject to the terms of a joint venture agreement with Oklo, the details of which are set out in an ASX announcement dated 24 December 2020.
3. Subject to the terms of an option agreement with Société Minière et Commerciale, the details of which are set out in an ASX announcement dated 9 September 2020.

During the Quarter, the Company's application for Solagoubouda Sud, located south-west of the Tabakorole exploration licence and which was intended to form part of a joint venture with Oklo Resources Limited, was unsuccessful.

This announcement has been approved for release by the Board.



**PHIL HOSKINS**

**Managing Director**

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For more information, visit [www.marvelgold.com.au](http://www.marvelgold.com.au).

## REFERENCE TO PREVIOUS ASX ANNOUNCEMENTS

In relation to the exploration results included in this March Quarterly Activities Report, the dates of which are referenced, the Company confirms that it is not aware of any new information or data that materially affects the information included in those announcements.

In relation to the announcement of the Tabakorole Mineral Resource estimate on 30 September 2020, the Company confirms that it is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the Mineral Resource in that announcement continue to apply and have not materially changed.

## About Marvel Gold

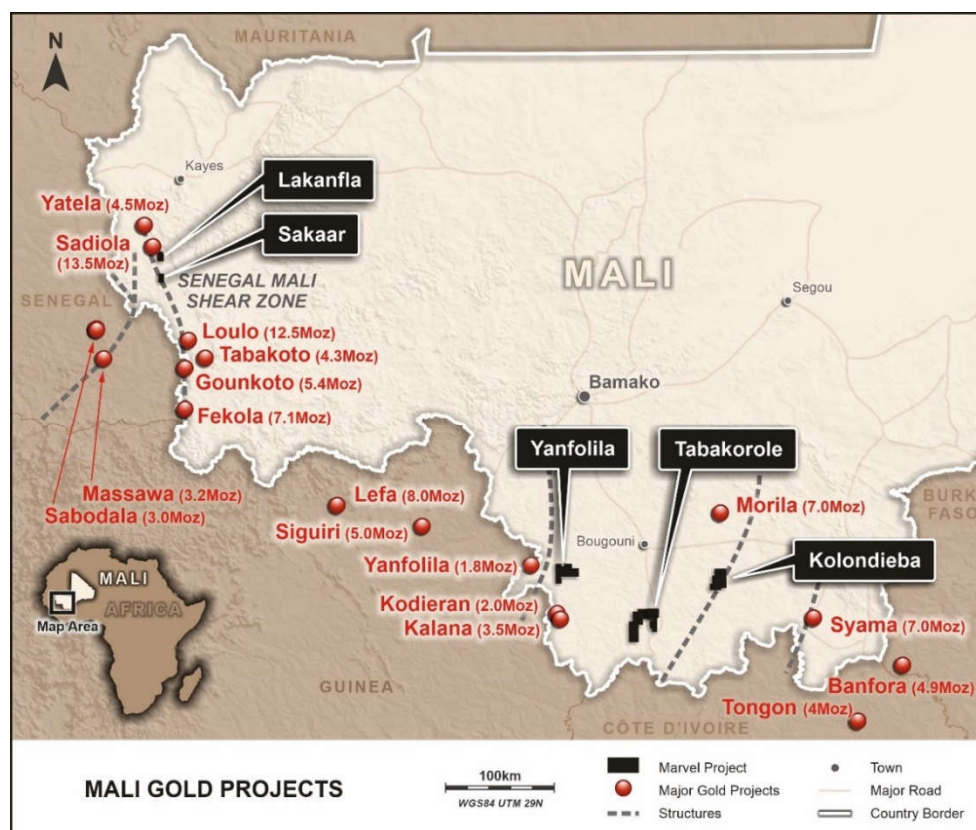
Marvel Gold Limited is an Australian resources company listed on the Australian Securities Exchange under stock code MVL. Marvel Gold is a Mali-focused gold explorer with advanced gold exploration projects and extensive landholdings in South and West Mali.

The Tabakorole Gold Project has an existing Mineral Resource (**910,000oz grading 1.2 g/t gold**)<sup>1</sup>, with opportunities to expand along strike and via regional exploration. The Lakanfla Gold Project is a prospective license with artisanal gold workings and existing gold mineralisation located 15km from the Sadiola gold mine.

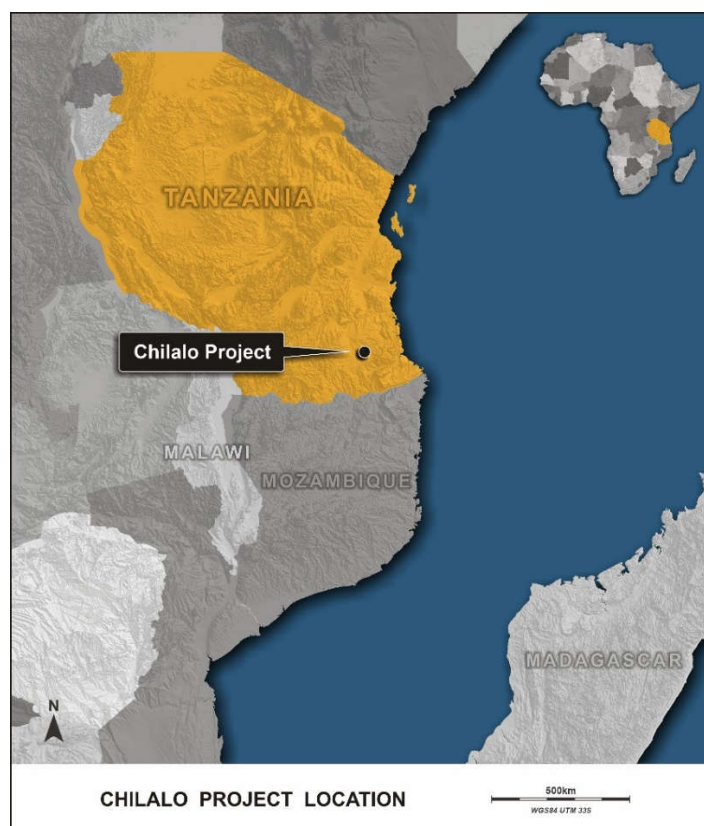
Marvel also owns 100% of the Chilalo Graphite Project, a world-class fully permitted graphite project in south-east Tanzania. With expenditure to date exceeding A\$21M, a completed DFS and a management team with substantial graphite market knowledge and IP, Chilalo has the potential for near-term development. The Company is currently assessing all options for this asset including a possible demerger and IPO.

Marvel Gold has an experienced board and management team with specific skills, and extensive experience, in African based exploration, project development and mining.

### Marvel Gold, Mali Projects Location



### Location of the Chilalo Graphite Project



## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Marvel Gold Limited

ABN

77 610 319 769

Quarter ended ("current quarter")

31 March 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(1,372)	(4,197)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(217)	(586)
	(e) administration and corporate costs	(291)	(856)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	464	531
1.8	Other (Business development activities)	(164)	(725)
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(1,580)</b>	<b>(5,833)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	(361)	(787)
	(c) property, plant and equipment	(50)	(397)
	(d) exploration & evaluation (if capitalised)	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(411)</b>	<b>(1,184)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issue of shares	-	10,414
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(419)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	(60)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>9,935</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	5,140	305
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,580)	(5,833)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(411)	(1,184)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	9,935



<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	96	22
4.6	<b>Cash and cash equivalents at end of period</b>	<b>3,245</b>	<b>3,245</b>

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	250	61
5.2 Call deposits	2,995	5,079
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,245</b>	<b>5,140</b>

**6. Payments to related parties of the entity and their associates**

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

<b>Current quarter \$A'000</b>
127
-

Payments to all Directors for Directors' fees and salaries.

Payments to Directors for Director fees (December quarter: \$126,849).

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. <b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>	-	
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(1,580)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(1,580)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	3,245
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	3,245
8.7	<b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b>	2.1

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

N/A

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2021.....

Authorised by: By the Board.....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.