



28 July 2023

ASX Release

QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

Term Sheet Signed for Sale of Giro Gold Project

- Binding Term Sheet executed for sale of the Company's shareholding in Amani Consulting, the DRC based entity that holds the Giro Project, to Mabanga Mining SARL.
- Total consideration of USD\$30M (Approx. AUD\$43.5M) cash (pre-tax) payable in of Four Tranches.
- General Meeting of Shareholders is scheduled to be held 17 August 2023 to approve the sale of the Giro Project
- The First Tranche Completion of the transaction is expected to be complete in the third quarter of 2023.
- The Company continues to assess new resources projects

Amani Gold Limited (ASX: ANL) ("**Amani**" or "**the Company**") is pleased to provide shareholders with the following Quarterly Report for the three-month period ended 30 June 2023.

Corporate

Sale of Amani Consulting to Mabanga Mining

During the reporting period Amani Gold executed a binding term sheet ("**Term Sheet**") with Mabanga Shining SARL (the "**Purchaser**") for the sale of Amani Gold's shareholding in Amani Consulting SARL, the DRC based entity that holds the Giro Gold Project for the cash payment of USD\$30M (approximately AUD\$43.5M) (the "**Transaction**"). (Please note change of name of purchaser – the purchasing entity remains this same entity however will hereafter be referred to as Mabanga Shining SARL and not Mabanga Mining SARL as previously disclosed).

Pursuant to the Term Sheet, the Purchaser has agreed to acquire the Company's 850 shares ("**Sale Shares**") representing 85% of the total issued share capital in Amani Consulting, the entity that holds a 65% interest in Giro Goldfields SARL, a DRC registered company and holder of the two exploitation permits comprising the Giro Gold Project. Société Minière De Kilo Moto SA ("**SOKIMO**"), a company wholly owned by the DRC Government holds the remaining 35% interest.

As the Transaction constitutes a disposal of the Company's main undertaking, the Company will be seeking shareholder approval for the Transaction pursuant to ASX Listing Rule 11.2. The consequences of a disposal of the main undertaking are that any transaction ANL 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.

The Company continues to receive and review a number proposals to acquire new resources projects. These opportunities are under review and the Company will update the market accordingly.

Subsequent to the end of the period, a Notice of General Meeting was dispatched to shareholders to approve the sale of the Giro Gold Project. The General Meeting is scheduled to take place 17 August 2023.

Rationale for entering into the Transaction

- The USD\$30M (approximately AUD\$43.5M) transaction value represents a value increase of approximately 75% above Amani Gold's current market capitalization. This cash consideration provides the opportunity to pursue new assets.
- Geopolitical circumstances in the region could worsen in the future resulting in large-scale gold projects such as Giro becoming less attractive to potential acquirers or investors. General elections are scheduled to be held in the DRC in December 2023.
- Further development of the Giro Gold Project requires substantial funds that will most likely be raised through the issue of equity, diluting existing shareholders.

Summary of Term Sheet

The material terms of the Term Sheet are as follows:

1. The Purchaser shall pay the Company a total of USD\$30M pre-tax consisting of the following tranches:
 - **First Tranche** – US\$5,000,000 payable to the Company upon execution of the Term Sheet;
 - **Second Tranche** - US\$8,000,000 payable to the Company within one (1) year of the payment of the First Tranche;
 - **Third Tranche** - US\$8,000,000 payable to the Company within one (1) year of the payment of the Second Tranche; and
 - **Fourth Tranche** - US\$9,000,000 payable to the Company within one (1) year of the payment of the Third Tranche to the Seller.
2. First Tranche Completion (being the completion of the First Tranche payment to the Company) is conditional upon the following ("**Conditions Precedent**"):
 - the Company obtaining the required shareholder approvals (including shareholder approval pursuant to Listing Rule 11.2 and 10.1); and
 - all necessary regulatory and third-party approvals being obtained in the DRC.
3. If the Company receives a superior offer (i.e. an offer on more favourable terms for the Company as currently provided under the Term Sheet) prior to First Tranche Completion (see above), the Company is able to terminate the Term Sheet.
4. Following First Tranche completion, risk in the Sale Shares will pass to and vest in the Purchaser and the Purchaser 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.
5. The Sale Shares will remain in escrow until the final Fourth Tranche payment has been made to the Company, at which point the Sale Shares will be transferred to the Purchaser. The rationale for keeping the Sale Shares in escrow is such that if the Purchaser defaults on its obligations under the Term Sheet prior to completion of the final Fourth Tranche Payment, the Company is able to hold the Sale Shares in escrow as security and will maintain its ownership in the Sale Shares and the Giro Gold Project.
6. The Term Sheet is otherwise on terms and conditions considered standard for agreements of this nature.

On 28 March 2023 it was announced that the Company had received the initial USD\$5,000,000 Tranche 1 payment (See ASX Announcement titled "*Giro Project Transaction Update*" dated 28 March 2023).

About Giro Gold Project

The Giro Gold Project comprises of two exploration permits covering a surface area of 497km² and lies within the Kilo-Moto Belt of the DRC, a significantly under-explored greenstone belt which hosts the Barrick Gold 17 million-ounce Kibali group of deposits located within 35km of Giro. The nearby Kibali Gold Project produces more than 600,000oz gold per annum.

The Giro Gold Project area is underlain by highly prospective volcano-sedimentary lithologies in a similar structural and lithological setting as the Kibali gold deposits. Both primary and alluvial gold was mined from two main areas, the Giro and Tora areas, during Belgian rule and today. The Giro Gold Project global resource for Kibigada and Douze Match deposits exceeds 4.7Moz contained gold; with a total Measured, Indicated and Inferred Mineral Resource Estimate of 149.2Mt @ 0.99g/t Au, for 4.7Moz gold (0.5g/t Au cut-off grade).

The Kibigada resource followed diamond core drilling results which successfully targeted deeper high-grade sulphide associated gold mineralisation within the central core of the Kibigada deposit. Drillholes GRDD034 and GRDD035 are 240m apart and both outlined high-grade gold mineralisation deeper than previously intersected at the Kibigada deposit. These gold assay results and the current Kibigada MRE indicate the potential for the Kibigada deposit to substantially grow via targeted deeper drilling along the entire strike of the orebody.

Amani Gold undertook a 3,500m diamond drill campaign at the Kibigada deposit. The company completed diamond drilling at the deposit in October 2022. Drilling was intended to target high grade gold mineralization within the existing resource area and depth extensions of the Kibigada central and eastern ore bodies.

Results from the drill program were very encouraging with broad zones of mineralisation confirmed within the resources as well as shallow high-grade mineralization.

Preparation was also made for RC drilling at high grade regional prospects within the Giro Project area. RC drilling commenced on September 2022 (see ASX Announcement titled "RC Drilling Commences at Kibigada South-East dated 5 September 2022).

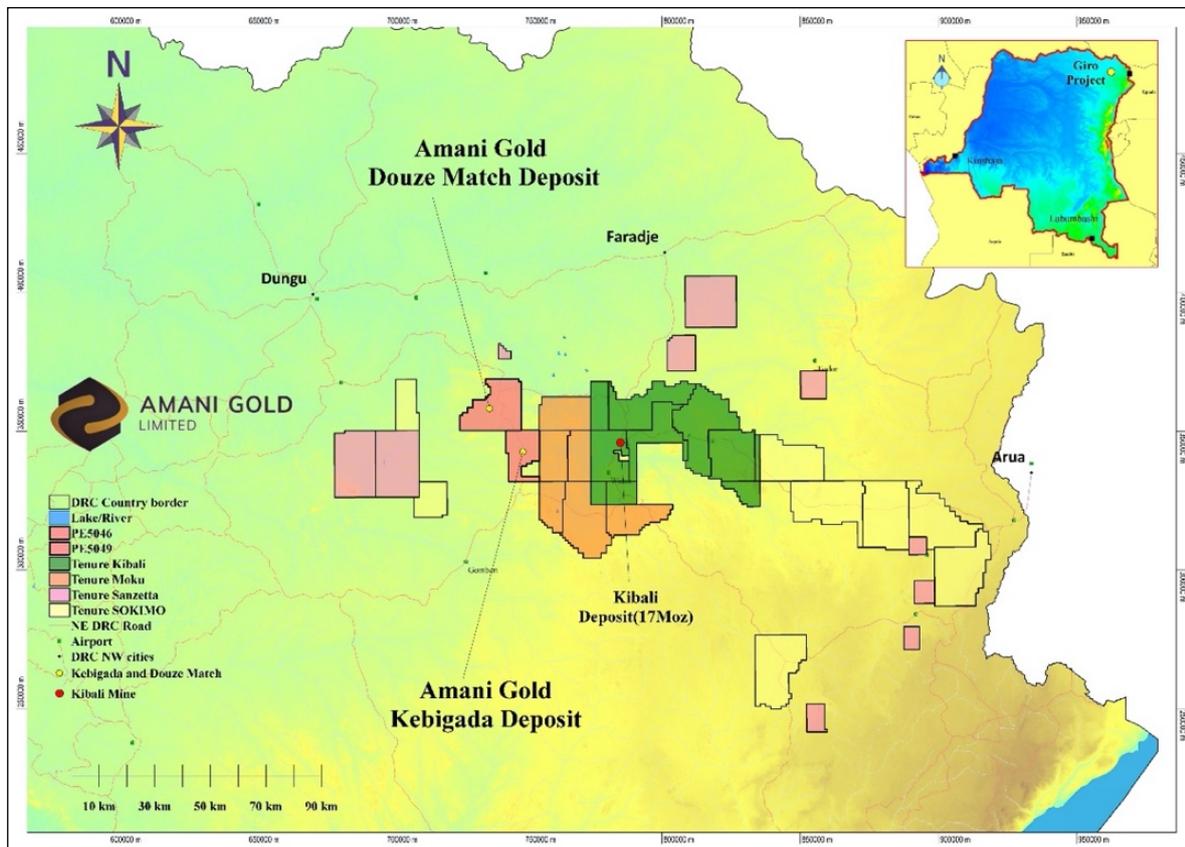


Figure 6 - Map of Haute Uele Province of the Democratic Republic of Congo, showing the location of the Kibigada and Douze Match gold deposits and tenement, Giro Gold Project.

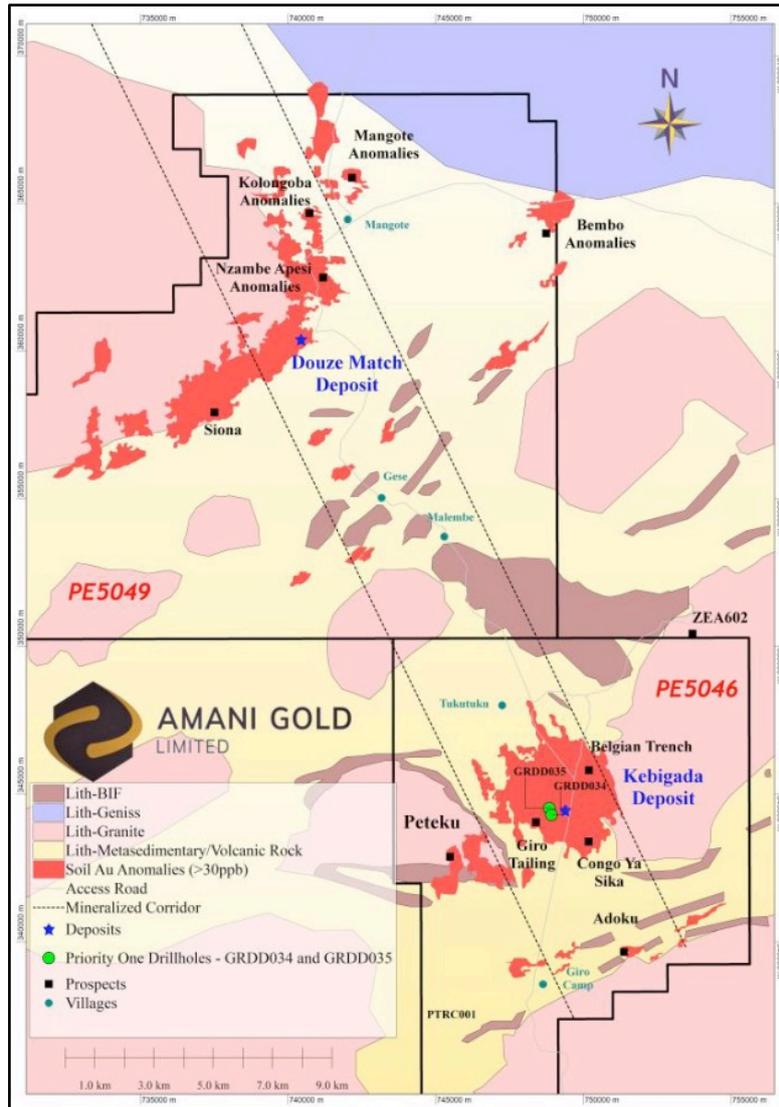


Figure 7 - Map of Giro Gold Project, showing Kebigada and Douze Match deposits, tenement, surface geology, prospect locations and diamond core drillholes GRDD034 and GRDD035 (Green).

Giro Gold Project - Exploration Activities

Exploration expenditure for the quarter was principally related to the following activities:

- Preparation and storage of drill samples
- General salary and camp costs.

Payments to Related Parties and their Associates

A total of **\$120,000** was paid to related parties of the Company and their associates during this quarter, relating to director's remuneration and salaries included in 1.2(d).

Company Cash

The Company's cash balance as at 30 June 2023 was **\$6.955M**.

For more information contact:

Mr Conrad Karageorge

Managing Director

+61 8 8186 3002

conrad@amanigold.com

Website: www.amanigold.com

Mineral Interests held at 30 June 2023 are as follows:

Location	Concession name and type	Registered Holder	Amani's current equity interest	Maximum equity interest capable of being earned	Notes
DRC	Giro Exploitation Permits PEs 5046 & 5049	Giro Goldfields sarl	55.25%	55.25%	1

DRC - Democratic Republic of Congo Notes:

1. In September 2014 Amani Gold completed the acquisition of 85% of the share capital in Amani Consulting sarl ("Amani Consulting"), which entity owns 65% of the capital in Giro Goldfields sarl ("Giro sarl"), a DRC registered company and the registered holder of the two exploitation permits comprising the Giro Project. Amani Gold is responsible for sole funding exploration on the Giro Project. Société Minière De Kilo Moto SA ("Sokimo"), a limited liability company wholly owned by the DRC Government holds the other 35% interest in Giro sarl.

Changes in the Quarter to tenement interests / farm-in and joint venture agreements:

There were no changes during the quarter.

Competent Person's Statement – Exploration Results

The information in this report that relates to exploration results is based on, and fairly represents information and supporting documentation prepared by Mr Ross Corben, a Competent Person who is a fellow of the Australasian Institute of Mining and Metallurgy. Mr Corben is an independent consultant. He has sufficient experience that is relevant to the style of mineralisation and type of deposits 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 Resource and Ore Reserves". Mr Corben takes responsibility for the drill hole data that underpins the Mineral Resource estimate. Mr Corben consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Competent Person's Statement – Mineral Resource Estimate

The information in this Report that relates to Mineral Resource Estimates for the Kebigada deposit is based on information compiled by Mr. Arnold van der Heyden, who is a Member and Chartered Professional (Geology) of the Australian Institute of Mining and Metallurgy and Managing Director of H&S Consultants Pty Ltd and released on the ASX Platform on 19 March 2020.

Mr. van der Heyden has sufficient experience 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' (JORC Code). Mr. van der Heyden consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

Forward Looking Statements

Statements regarding the Company's plans with respect to its mineral properties are forward-looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.

Previous Disclosure - 2012 JORC Code

Information relating to Mineral Resources, Exploration Targets and Exploration Data associated with previous disclosures relating to the Giro Goldfields Project in this announcement has been extracted from the following ASX Announcements:

- ASX Announcement titled "*Amani Signs Term Sheet for Sale of Giro Project*" dated 7 February 2023.
- ASX Announcement titled "*Resource Upgrade – 1.1Moz Measured Resource at Kebabigada*" dated 28 March 2023.
- ASX Announcement titled "*RC Drilling Intersects Extension Zone of Kebabigada Deposit*" dated 28 March 2023.
- ASX Announcement titled "*Project and Operations Update*" dated 20 December 2021
- ASX announcement titled "*Diamond Drilling commenced at 4.1Moz Kebabigada Gold Deposit*" dated 16 December 2021.
- ASX announcement titled "*Kebabigada Mineral Resource Estimate Exceeds 4Moz Gold Milestone*" dated 19 March 2020.
- ASX announcement titled "*High Grade Gold Results from Deeper Diamond Core Drilling at Kebabigada Deposit Opens Up Mineralisation Model*" dated 31 October 2019.
- ASX announcement titled "*Phase One Diamond Core Drilling Completed at Kebabigada Deposit, Giro Gold Project*" dated 11 October 2019.
- ASX announcement titled "*Amani Completes MOU over Gada Gold Project with SOKIMO and Commences Exploration*" dated 19 August 2019 and
- ASX announcement titled "*Giro Gold Project Exceeds 3Moz gold, with Douze Match Maiden Mineral Resource Estimate of 320koz gold*" dated 10 December 2018.
- ASX announcement titled "*Significant results from further infill drilling at Kebabigada, Giro Gold Project*" dated 17 May 2017.
- ASX announcement titled "*Further Significant results from infill drilling at Kebabigada, Giro Gold Project*" dated 4 May 2017.

Copies of reports are available to view on the Amani Limited website www.amanigold.com. These reports were issued in accordance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Appendix 5B

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

Name of entity

Amani Gold Limited

ABN

14 113 517 203

Quarter ended ("current quarter")

30 June 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(14)	(118)
(b) development	-	-
(c) production	-	-
(d) staff costs	(61)	(349)
(e) administration and corporate costs	(397)	(1,280)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	13
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – (Amago Trading Ltd gold purchases)	-	-
1.9 Net cash from / (used in) operating activities	(469)	(1,734)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(1,190)	(3,566)
(e) investments	-	-
(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
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 – Tranche 1 sale consideration for conditional disposal of subsidiary	-	7,449
2.6	Net cash from / (used in) investing activities	(1,190)	3,883

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,000
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	-	(36)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings – Convertible Note	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other - Leases	(7)	(26)
3.10	Net cash from / (used in) financing activities	(7)	938

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	8,535	3,792
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(469)	(1,734)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,190)	3,883

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(7)	938
4.5	Effect of movement in exchange rates on cash held	89	79
4.6	Cash and cash equivalents at end of period	6,958	6,958

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	6,958	8,535
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (High Interest Account)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	6,958	8,535

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	120
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
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)	(469)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,190)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,659)
8.4 Cash and cash equivalents at quarter end (item 4.6)	6,958
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	6,958
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	4.19
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 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?	
Answer: N/A	
8.8.2 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?	
Answer: N/A	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

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 July 2023

Authorised by: by the board

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.