

ASX Announcement

30 April 2024

31 March 2024 Quarterly Report

HIGHLIGHTS

Konahiri Nord Project – Cote d'Ivoire

- Surficial lag sampling completed over the entire permit.
- Highly encouraging results identifying an **18km long anomaly**.
- Peak sample assay of **1.18 g/t Au**, considered extremely high grade for composite lag sampling.

Didievi Project – Cote d'Ivoire

- Surficial lag soil sampling completed over previously untested areas.

CORPORATE

- The Company to raise approximately \$2.1m (before costs) via a non-renounceable entitlement issue at \$0.02 each to eligible shareholders on the basis of 3 new shares for every 5 shares held.

African Gold Ltd (**African Gold** or the **Company**) (**ASX: A1G**) is pleased to report on the Company's activities for the quarter ended on 31 March 2024. During the quarter the Company announced the results of composite track lag sampling programs at the Didievi and Konahiri Nord Projects in Cote d'Ivoire and has subsequently announced a non-renounceable entitlement issue to raise up to approximately \$2.1 million (before costs).

Konahiri Nord Project, Cote d'Ivoire

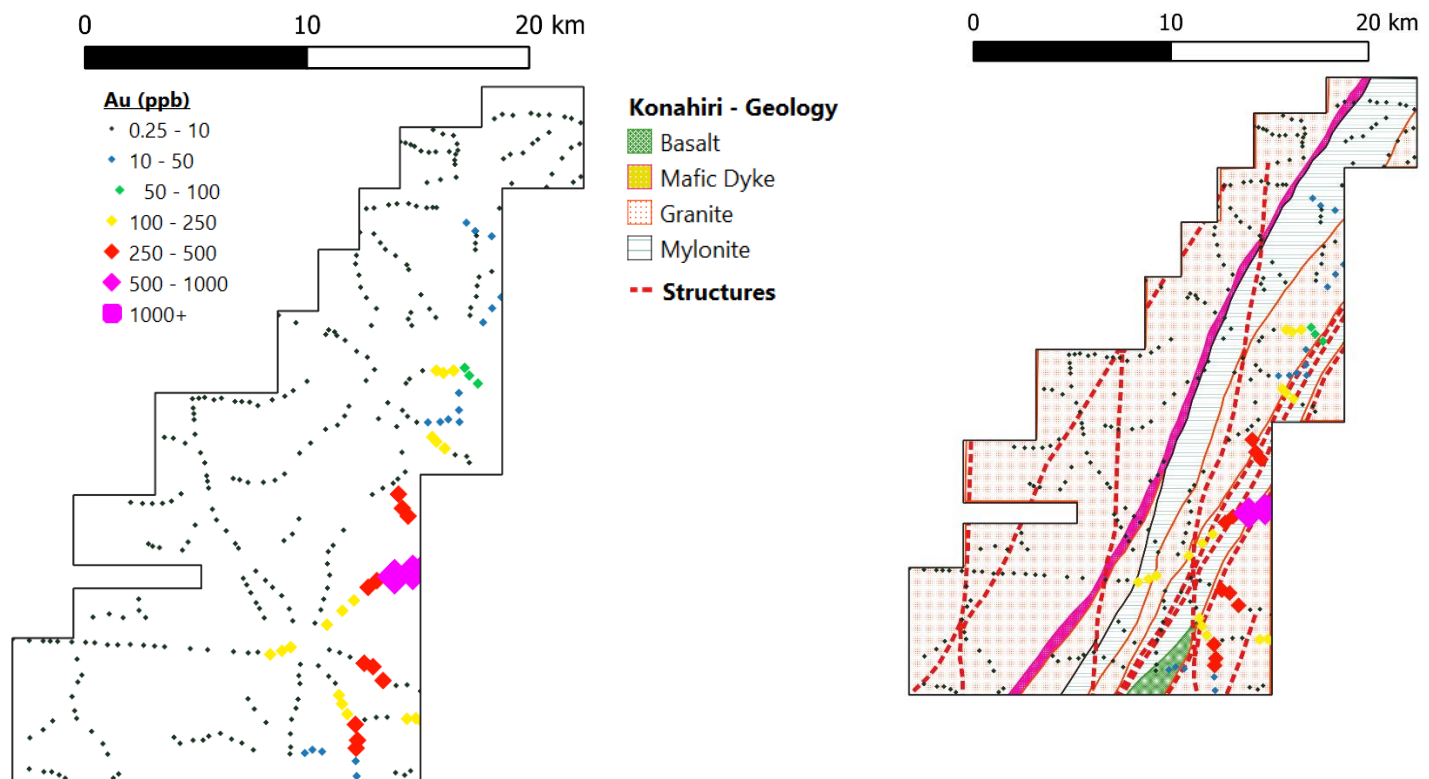
On 31 January 2024, the Company announced the results from a composite track lag sampling program on the Konahiri Nord Project in Cote d'Ivoire.

Surficial lag material was collected along tracks (accessed by motorcycle) and then dried and sieved with the 250-micron fraction submitted for assay. In total, 123 samples were collected with each sample consisting of 3 sub-samples collected approximately 600m apart along the tracks, yielding a total sample weight of ~1kg, and each sub-sample contributing an equal proportion to the global sample. The samples were submitted for assay by BLEG at the MSA laboratory in Yamoussoukro, Cote d'Ivoire.

The results returned are extremely encouraging, with a **100 ppb+ Au** anomaly encountered on the eastern border of the permit over a strike length of 18km (Figures 1&2). A peak value of **1,188 ppb Au** was attained (i.e. 1.18 g/t), and 10 other samples returned over 100ppb (> 0.1 g/t). These results are considered to be extremely anomalous values considering the nature of the sample media, the fine sieve fraction, sample compositing and

assaying by BLEG. Furthermore, the anomalies correspond well with a mapped mylonitic unit and geological structures.

Follow-up soil sampling and auger drilling on the Konahiri Nord Project is planned for 2024.



Figures 1 & 2: Composite track lag sampling assay results (left). Note that all sub-samples have been plotted and attributed with the assay value from the relevant composite sample. The right image shows the assays values overlying mapped geology. Note the strong correlation between the lag anomalies and the mapped structures and mylonitic unit.

Didievi Project, Cote d'Ivoire

African Gold also announced the results of a composite track lag sampling program on the eastern granite zone of the Didievi Project. The objective of the program was to determine whether or not the granite occupying the eastern half of the permit was prospective, as no work had previously been undertaken over the area. Identifying any barren zones would then allow the Company to comfortably relinquish 25% of the Didievi permit upon renewal, as is required under the Ivorian mining code.

Surficial lag material was collected along tracks (accessed by motorcycle) and then dried and sieved with the 250-micron fraction submitted for assay. In total, 118 samples were collected with each sample consisting of 3

sub-samples collected approximately 500m apart along the tracks, yielding a total sample weight of ~1kg, and each sub-sample contributing an equal proportion to the global sample. The samples were submitted for assay by bulk leach extractable gold analysis (**BLEG**) at the MSA laboratory in Yamoussoukro, Cote d'Ivoire.

The remaining results returned from the lab suggest that the eastern granite zone within the permit is barren for gold, as expected, allowing the Company to focus its resources entirely upon the prospective zones and to comfortably relinquish 25% of the permit upon its renewal.

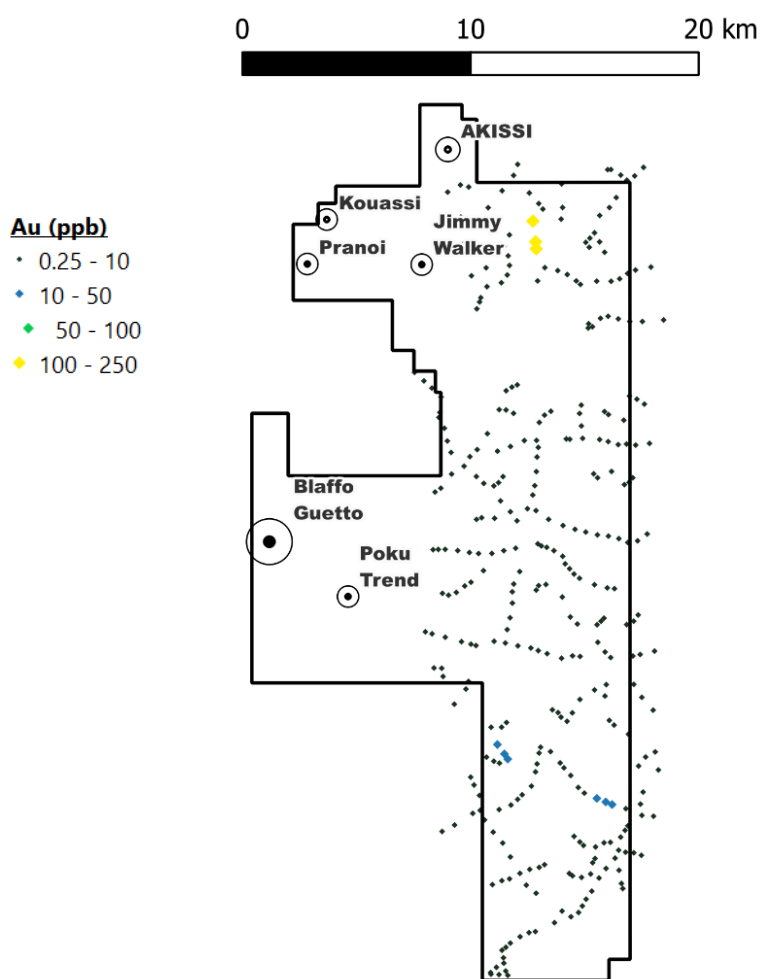


Figure 3: Composite track lag sampling assay results completed over the granite at Didievi. Note that all sub-samples have been plotted and attributed with the assay value from the relevant composite sample.



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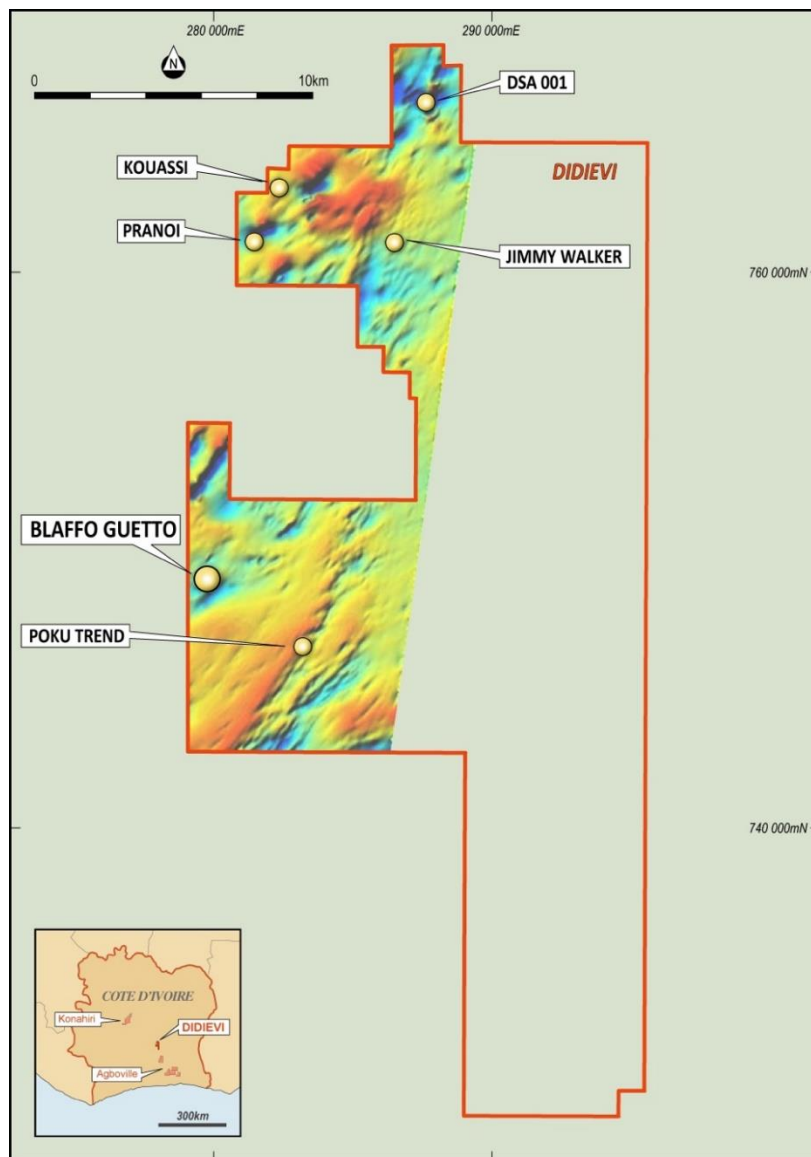


Figure 4: Location map of identified gold prospects on the Didievi Project.

Entitlement Issue

The Company has announced a non-renounceable pro-rata offer of ordinary fully paid shares (**Shares**) at an issue price of \$0.02 each to eligible shareholders on the basis of 3 new Shares for every 5 Shares held on the Record Date (**Entitlement Offer**). Any entitlement not taken up under the Entitlement Offer will form the Shortfall Offer.

The Company intends to issue up to approximately 104,853,811 Shares under the Entitlement Offer and the Shortfall Offer (together, the **Offers**), to raise up to approximately \$2,097,076 (before costs).

Funds raised from the entitlement issue will be used for a Reverse Circulation (**RC**) drilling campaign on the Blaffo Guetto prospect on the Didievi Project in Cote d'Ivoire. The drilling will be targeting interpreted zones of gold mineralisation and to advance towards the release of a maiden gold resource on Blaffo Guetto.

In addition to the RC drilling program, the Company is planning an infill auger drilling on the more than 10km long Poku Gold Trend, also on the Didievi Project, to create targets for a follow up drilling campaign. African Gold will also commence soil sampling on the Konahiri North Project following the high-grade composite lag soil results from the Project.

The indicative timetable is set out below. Shareholders are cautioned that the proposed timetable is indicative only and is subject to change for reasons both inside and outside of the Company's control. The Company reserves the right to vary the timetable in its discretion, without warning, subject to ASX Listing Rules.

Full details of the entitlement issue are set out in the entitlement issue prospectus.

Event	Date
Lodgement of Appendix 3B with ASX	30 April 2024
Lodgement of Prospectus with ASIC and ASX	30 April 2024
Shares quoted on an "EX" basis	3 May 2024
Record Date for determining Entitlements	6 May 2024
Prospectus and Application Form despatched to Eligible Shareholders and Company announces that this has occurred	9 May 2024
Last day to extend Closing Date for the Offers	15 May 2024
Closing Date of Offers (5pm AWST)*	20 May 2024
Shares quoted on a deferred settlement basis	21 May 2024
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Shares	27 May 2024
Anticipated date for issue of the new Shares under the Offers	27 May 2024



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Figure 5: African Gold Project Locations in Côte d'Ivoire and Mali

Appendix 5B Disclosures

In line with obligations under ASX Listing Rule 5.3.5, the Company notes that the payments to related parties of the Company, as advised in the Appendix 5B (Quarterly Cashflow Report) for the period ended 31 March 2024, pertain to the managing director's salary (including superannuation) for the month of January 2024 only. The Managing Director's salary from 1 February onwards is on hold. All Non-Executive Director fees and Company Secretary fees also remain on hold until a capital raising has been completed.

During the quarter ended 31 March 2024, the Company spent a total of \$148k on project and exploration activities. The majority of the project and exploration expenditure relates to the remaining costs associated with the composite track lag sampling programs undertaken at the Kouassi Prospect (at the Didievi Project) and the Konahiri Nord Project, including assay costs. This expenditure represents direct costs associated with these activities as well as capitalised wages which can be directly attributable to the exploration activities. The Company also paid an amount of \$12k for tenement acquisition costs.

This announcement has been authorised for release by the Board of African Gold Ltd.

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Competent Persons' Statements

The information in this announcement that relates to exploration results is based on information compiled by Company geologists and reviewed by Dr. Richard Tomlinson in his capacity as Exploration Manager of African Gold Limited. Dr. Tomlinson is a member of the (UK-based) Institute of Materials, Minerals and Mining and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 (2012 JORC Code). Dr. Tomlinson consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears. All information has previously been reported in accordance with Listing Rule 5.7 and the Company confirms there have been no material changes.

Appendix 1

The following information is provided pursuant to Listing Rule 5.3.3 for the quarter ended 31 March 2024. There were no changes to claims held during the quarter ended 31 March 2024.

TENEMENT NAME	LOCATION	INTEREST
Agboville	Côte d'Ivoire	100%
Sikensi	Côte d'Ivoire	100%
Azaguie	Côte d'Ivoire	Pending, 100%
Gomon	Côte d'Ivoire	Pending, 100%
Sitakili	Mali	100%
Walia	Mali	95%
Samanafoulou	Mali	100%
N'Golokasso*	Mali	100%
Yatia Sud	Mali	100%
Bourdala	Mali	Up to 90% subject to earn-in agreement; ability for 100%
BouBou	Mali	Up to 90% subject to earn-in agreement; ability for 100%
Kofi Quest	Mali	100%
Didievi	Côte d'Ivoire	Up to 80% subject to option agreement
Konahiri North	Côte d'Ivoire	Up to 80% subject to option agreement
Konahiri South	Côte d'Ivoire	Pending; up to 80% subject to option agreement
Koyekro	Côte d'Ivoire	Pending; up to 80% subject to option agreement

Appendix 5B

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

Name of entity

African Gold Limited

ABN

29 624 164 852

Quarter ended ("current quarter")

31 March 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(41)	(41)
	(e) administration and corporate costs	(73)	(73)
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	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(114)	(114)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(12)	(12)
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(148)	(148)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 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 (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(160)	(160)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
3.5	Proceeds from borrowings	255	255
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	255	255

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	85	85
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(114)	(114)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(160)	(160)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	255	255

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	1	1
4.6	Cash and cash equivalents at end of period	67	67

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	67	85
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	67	85

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	18
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>	

Amount shown at item 6.1 above is comprised of payments to related parties (or their associates), which for the 31 March 2024 quarter is only the managing director's salary for the month of January 2024. The managing director's salary from 1 February 2024 onwards is on hold. All non-executive director fees and company secretary fees also remain on hold.

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

7.	Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other – Director loans	405	405
7.4	Total financing facilities	405	405
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. <i>Director loans (totalling \$405,000) from Evan Cranston (\$100,000), Mathew O'Hara (\$105,000), Tolga Kumova (\$100,000) and Peter Williams (\$100,000). All director loans have a zero interest rate, no fixed term and are unsecured loans.</i>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(114)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(148)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(262)
8.4	Cash and cash equivalents at quarter end (item 4.6)	67
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	67
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.2
	<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: Yes, the Company expects to have a similar level of net operating cashflows as the March 2024 quarter in the near term, however, notes that the Managing Director's salary has been on hold since 1 February 2024, and all Non-Executive Directors and the Company Secretary fees remain on hold, including related party payments for accounting services and serviced office rent, until a capital raising is completed. As announced on 30 April 2024, the Company is undertaking pro-rata non-renounceable entitlement issue of 3 Shares for every 5 Shares held by those Shareholders registered at the Record Date at an issue price of \$0.02 per Share to raise up to \$2,097,076 (before costs).	

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: Yes, as announced on 30 April 2024, the Company is undertaking pro-rata non-renounceable entitlement issue of 3 Shares for every 5 Shares held by those Shareholders registered at the Record Date at an issue price of \$0.02 per Share to raise up to \$2,097,076 (before costs). The Company lodged its Prospectus for the Entitlement Offer on 30 April 2024. The Company also retains full placement capacity under ASX Listing Rules 7.1 and 7.1A.

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: Yes, the Company expects to be able to continue its operations and meet its business objectives on the basis that it expects to be able to secure funding if required as described in the answer to Question 2 above.

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.

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: **30 April 2024**

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.