ANNUAL INFORMATION FORM

PMI GOLD CORPORATION

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For the year ended June 30, 2012

Dated September 25, 2012

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ADDENDA

PRELIMINARY NOTES

In this Annual Information Form, PMI Gold Corporation is referred to as "**PMI**" or the "**Company**". All information contained herein is as at September 25, 2012, unless otherwise specified.

Currency

This Annual Information Form contains references to Canadian dollars, which are referred to as "Cdn" or "$"; United States dollars, which are referred to as "US$"; and Australian dollars, which are referred to as "AUS$". On September 25, 2012, the Bank of Canada noon rate of exchange was reported as US$1.00 = Cdn$0.98, and AUS$1.00 = Cdn$1.02.

Cautionary Statement Regarding Forward-Looking Statements

This Annual Information Form contains forward looking statements or forward looking information under applicable Canadian securities laws (hereinafter collectively referred to as "**forward looking statements**") concerning the Company's plans for its properties and mineral projects, financial results, operations and other matters. These statements relate to analyses and other information that are based on forecasts or projections of future results, estimates of amounts not yet determinable and assumptions of management.

Statements concerning estimates of mineral resources and mineral reserves may also be deemed to constitute forward looking statements to the extent that they involve estimates of the mineralization that will be encountered if the property is developed. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward looking statements. Forward looking statements included in this Annual Information Form include statements with respect to future gold production of 2,258,944 oz over an initial 11.5 year mine life at the Obotan Gold Project; forecast life of mine cash cost of US$626/oz; payback of start-up capital in 35 months post construction completion; forecast operating parameters including ore mined, mill feed and recoveries; estimates of capital expenditures; determination of a development decision for the Obotan Gold Project in the first quarter of fiscal 2012; full production at the Obotan Gold Project in the end of the first quarter of 2014; financial outcomes of the Feasibility Study (as defined herein), including net present value and internal rate of return; anticipated tonnages and grades of the mineral resources and mineral reserves disclosed for the Obotan Gold Project; project capital and operating cost estimates at the Obotan Gold Project; tonnage and grades of mineral resources and mineral reserves on the Obotan Gold Project; the Company's expected production and recoveries for the Obotan Gold Project; the Company's plans for development of the Obotan Gold Project; and its other mineral projections; expectations regarding the continuity of mineral deposits; the Company's goals regarding raising capital and developing its current projects; the Company's proposed plans for drilling and metallurgical test work, including required startup capital estimates; and expectations regarding exploration progress.

Forward looking statements are subject to a variety of risks and uncertainties, which could cause actual events or results to differ materially from those reflected in the forward looking statements, including without limitation: the actual results of current exploration activities; changes in gold prices; changes in exchange rates; possibility of equipment breakdowns, delays and availability; changes in mine plans; exploration cost overruns; unexpected increases in costs of equipment, steel, cement and consumables such as diesel and fuel oil; unexpected environmental liabilities or social charges; the unknown impact of the 10% windfall profit tax announced by the Government of Ghana; title defects; the failure of contract parties to perform their obligations; the unavailability of capital and financing; adverse general economic, market or business conditions; regulatory changes; failure to receive necessary government or regulatory approvals; the loss of key personnel; interference with and potential delays to the Company's exploration and development activities as a result of the artisanal mining sector in Ghana; and other risks and factors detailed in this Annual Information Form under "Risk Factors", and from time to time in the filings made by the Company with securities regulators and stock exchanges.

Any forward looking statement or information only speaks as of the date on which it was made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward looking statement, whether as a result of new information, future events or otherwise. Although the Company believes that the assumptions inherent in the forward looking statements are reasonable, forward looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such.

TECHNICAL DISCLOSURES

Unless otherwise specifically indicated in this Annual Information Form, all scientific or technical disclosure contained in this Annual Information Form has been approved by Collin Ellison, the Managing Director and CEO of the Company, who is a "qualified person" under NI 43-101. Mr. Ellison is not independent for the purposes of NI 43-101.

Obotan Gold Project

Feasibility Study: Mineral Resources & Reserves Estimate

Information that relates to Mineral Resources at the Obotan Gold Project is based on a resource estimate that has been carried out by Mr. Peter Gleeson, a full time employee of SRK Consulting, Australia. Mr. Gleeson is a Member of the Australian Institute of Geoscientists (MAIG). Information that relates to Mineral Reserves (for the Feasibility Study) at the Obotan Gold Project is based on a reserve estimate that has been carried out by Mr. Ross Cheyne, a full time employee of Orelogy Mining Consultants. Mr. Cheyne is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM). Both have sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity undertaken to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC), and as a Qualified Person as defined in terms of NI43-101 standards for resource estimate of gold. Mr. Gleeson and Mr. Cheyne have more than 5 years' experience in the field of exploration results and of resource/reserve estimation and consent to and approve the inclusion of matters based on information in the form and context in which it appears.

The Mineral Resource and Mineral Reserve estimates have been prepared in accordance with the 2010 Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards for Mineral Resources and Mineral Reserve as incorporated by reference in National Instrument 43-101 of the Canadian Securities Administrators, and is consistent with the Australasian Guidelines and Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (Revised December 2007) as prepared by the Joint Ore Reserves Committee of the AusIMM, AIG and MCA (JORC).

NI43-101:

Scientific and technical information relating to the Obotan Gold Project contained in this Annual Information Form is based on a technical report (the "**Obotan Report**") titled "Obotan Gold Project, Amansie District, Ghana – National Instrument 43-101 Technical Report", dated September 17, 2012, prepared by GR Engineering Services Limited, and co-authored by P. Gleeson, B.Sc. (Hons), M.Sc, MAIGS, MGSA, J. Price, FAusIMM(CP), FGS, MIE(Aust.), R Cheyne, BEng. (Mining), FAusIMM, CEng (IEI), and G. Neeling, BAppSc. (Multidisciplinary) FAusIMM, each of whom is independent for the purposes of NI 43-101. Reference should be made to the full text of the Obotan Technical Report which has been filed with Canadian securities regulatory authorities pursuant to NI43-101 and is available for review under the Company's profile on SEDAR at www.sedar.com.

Kubi Gold Project

Information that relates to Mineral Resources of the main deposit at the Kubi Project (the "**Kubi Main Deposit**") is based on a resource estimate that has been audited by Simon Meadows Smith, who is a full time employee of SEMS Exploration Services Ltd, Ghana. Simon Meadows Smith is a Member of the Institute of Materials, Minerals and Mining (IMO3), London and has sufficient experience which is 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 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, and under NI43-101. Simon Meadows Smith consents to and approves the inclusion of matters based on information in the form and context in which it appears.

NI43-101:

Except as otherwise noted, scientific and technical information relating to the Kubi Project contained in this Annual Information Form is based on a resource estimate (the "**Kubi Report**") entitled "Kubi Gold Project, Ghana, West Africa, Independent Mineral Resource Estimation", dated December 3, 2010, compiled by Mr. Andrew Netherwood, BMinTech, Mr. Simon Meadows Smith, BSc Geology, and Mr. Joe Amanor, MSc Geology, that has been audited by Simon Meadows Smith, who is a full time employee of SEMS Exploration Services Ltd, Ghana. Reference should be made to the full text of the Kubi Report which has been filed with Canadian securities regulatory authorities pursuant to NI43-101 and is available for review under the Company's profile on SEDAR at www.sedar.com.

Regional Exploration

Information that relates to exploration results is based on information compiled by Thomas Amoah, who is employed by Adansi Gold Company (Gh) Ltd., a wholly owned subsidiary of PMI Gold Corporation. Mr. Amoah, who is a Member of the Australian Institute of Geoscientists, has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves'. Mr. Amoah consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Scientific and technical information relating to exploration results has been reviewed and approved by Thomas Amoah, MAIG, MSEG, the VP-Exploration, West Africa, a "qualified person" as defined under National Instrument 43-101. Field work was supervised by Mr. Amoah (VP-Exploration). Drill cuttings were logged and sampled on site, with 3kg samples sent to the MinAnalytical prep laboratory on site, and analyzed for gold by fire assay-AA on a 50 gram sample charge or by screened metallics AA finish in MinAnalytical laboratory in Perth. Internal quality control ("**QC**") consisted of inserting both blanks and standards into the sample stream and multiple re-assays of selected anomalous samples. Where multiple assays were received for an interval, the final value reported was the screened metallic assay if available, or in lieu of that the average of the other results for the interval. Results from the QC program suggest that the reported results are accurate. Intercepts were calculated using either a minimum 0.1 g/t Au (Kaniago (Adansi) Prospect and Afiefiso Prospect) or 0.5 g/t Au (Fromenda Prospect, 513 Prospect and Kubi South) cut off at the beginning and the end of the intercept and allowing for no more than three consecutive metres of less than 0.1 g/t Au (Kaniago (Adansi) Prospect and Afiefiso Prospect) or 0.5 g/t Au (Fromenda Prospect, 513 Prospect and Kubi South Prospect) internal dilution. True widths are estimated at from 60% to 70% of the stated core length.

GLOSSARY OF TERMS

In this Annual Information Form, the following terms have the following meanings. Other terms are defined throughout this Annual Information Form and in such cases shall have the meanings given therein.

"Adansi"	Adansi Gold Company (GH) Limited, a wholly-owned subsidiary of the Company as described in "Corporate Structure – Intercorporate Relationships"
"AGF/KIR"	Associated Gold Fields Pty. Ltd./Kiwi International Resources Limited.
"Asanko Regional Exploration Project" or "Asanko" or similar expressions	The Asanko Regional Exploration Project held by the Company located in Ghana as described in "Description of the Business – General" and "Other Projects – Asanko Regional Exploration Project" in this Annual Information Form.
"ASX"	Australian Securities Exchange.
"Au"	Gold.
"Australian Public Offering"	The initial public offering of securities of the Company to investors in Australia in conjunction with the listing of such securities on the ASX, as described under "General Development of the Business – Three Year History – Year Ended June 30, 2011 – Australian Public Offering" in this Annual Information Form.
"CDI"	A "CDI" is a Chess Depositary Interest representing an uncertificated unit of beneficial ownership in the common shares of the Company registered in the name of CHESS Depositary Nominees Pty Ltd. One CDI represents one underlying common share of the Company. "CHESS" refers to the Clearing House Electronic Subregister System, which is the electronic system pursuant to which CDIs of the Company trade on the ASX. CDIs may be converted into certificated common shares of the Company, which would then be eligible for trading on the TSXV.
"CIL"	Carbon-in-leach.
"CIM"	Canadian Institute of Mining, Metallurgy and Petroleum.
"EPCM"	Engineering, Procurement, and Construction Management.
"Feasibility Study"	The JORC/NI43-101 compliant feasibility study announced by the Company on August 28, 2012 and described under "The Obotan Gold Project – Mining Operations and Development".
"GRES"	GR Engineering Services Limited.
"GST"	Government sale tax.
"km^2"	Kilometers squared.
"Kubi Main Deposit"	The main deposit at the Company's Kubi Gold Project.
"Kubi Project" or "Kubi Gold Project" or similar expressions	The Kubi Gold Project held by the Company located in Ghana as described in "Description of the Business – General" and "Other Projects – Kubi Project" in this Annual Information Form.
"Kubi Report"	The resource estimate entitled "Kubi Gold Project, Ghana, West Africa, Independent Mineral Resource Estimation", dated December 3, 2010, compiled by Mr. Andrew Netherwood, BMinTech, Mr. Simon Meadows Smith, BSc Geology, and Mr. Joe Amanor, MSc Geology, that has been audited by Simon Meadows Smith, who is a full time employee of SEMS Exploration Services Ltd, Ghana, as described under "Other Projects – Ashanti Gold Belt"
"kV"	Kilovolts.

"g/t"	Grams per tonne. One gram per tonne equals 0.02917 troy ounces per short ton.
"Goknet"	Goknet Mining Company Limited.
"IP"	Induction potential.
"IRR"	Internal rate of return.
"Leo Shield"	Leo Shield Exploration Ghana Limited.
"L/s"	Liters per second.
"Mpta"	Million tons per annum.
"Mt"	Million tons.
"NI 43-101"	National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*. An instrument developed by the Canadian Securities Administrators (an umbrella group of Canada's provincial and territorial securities regulators) that governs disclosure by mining and mineral exploration issuers. The instrument establishes certain standards for all disclosure of scientific and technical information concerning mineral projects.
"NPV"	Net present value.
"NSR"	Net smelter returns royalty.
"Obotan Area of Influence" or similar expressions	The Obotan Area of Influence held by the Company located in Ghana as described in "Description of the Business – General" and "Other Projects – Obotan Area of Influence".
"Obotan Gold Project" or similar expressions	The Obotan Gold Project held by the Company located in Ghana as described in "Description of the Business – General" and "The Obotan Gold Project" in this Annual Information Form.
"Obotan Report"	The technical report titled "Obotan Gold Project, Amansie District, Ghana – National Instrument 43-101 Technical Report", dated September 17, 2012, prepared by GRES, and co-authored by P. Gleeson, B.Sc. (Hons), M.Sc, MAIGS, MGSA, J. Price, FAusIMM(CP), FGS, MIE(Aust.), R Cheyne, BEng. (Mining), FAusIMM, Ceng (IEI), and G. Neeling, BappSc. (Multidisciplinary) FAusIMM, each of whom is independent for the purposes of NI 43-101, as described under "The Obotan Gold Project".
"ppb"	Part per billion.
"QC"	Quality control.
"RAB"	Rotary air blast.
"RC"	Reverse circulation.
"Resolute Limited"	Resolute Mining Limited.
"shares" or "common shares"	Common shares in the authorized share structure of the Company.
"shareholders"	Holders of common shares from time to time.
"TSF"	Tailings storage facility.
"TSXV"	TSX Venture Exchange.
"VAT"	Value added tax.

“VLF”	Very low frequency.
“VTEM”	Versatile Time Domain Electro-Magnetics.

Conversion Factors

To Convert From	To	Multiply By
Feet	Metres ("**m**")	0.305
Metres	Feet	3.281
Miles	Kilometres ("**km**")	1.609
Kilometres	Miles	0.6214
Acres	Hectares ("**ha**")	0.405
Hectares	Acres	2.471
Grams	Ounces (Troy) ("**oz**")	0.03215
Grams/Tonnes	Ounces (Troy)/Short Ton	0.02917
Tonnes (metric)	Pounds	2,205
Tonnes (metric)	Short Tons	1.1023

CORPORATE STRUCTURE

Name, Address, Incorporation

The Company was incorporated on March 31, 1978, under the name "Denar Mines Ltd.", as a company under the previous *Company Act* (British Columbia) and currently exists under and is governed by the *Business Corporations Act* (British Columbia) and the provisions of the Company's Notice of Articles. The Company changed its name to International Sinabarb Industries Ltd. on August 31, 1987, to Primero Industries Ltd. on October 15, 1990, to PMI Ventures Ltd. on March 27, 2001 and then to its current name "PMI Gold Corporation" on May 23, 2006.

In order to assist the Company's application to list on the ASX in connection with the Australian Public Offering, on September 1, 2010, the Company amended its Articles by adding the following as Article 27 to its existing Articles:

> "27. COMPLIANCE (OR INCONSISTENCY) WITH THE LISTING RULES OF ASX LIMITED
>
> 27.1 If the entity is admitted to the Official List of ASX Limited, the following clauses apply:
>
> (1) notwithstanding anything contained in these Articles, if the Listing Rules* of ASX Limited prohibit an act being done, the act shall not be done;
>
> (2) nothing contained in these Articles prevents an act being done that the Listing Rules of ASX Limited require to be done;
>
> (3) if the Listing Rules of ASX Limited require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
>
> (4) if the Listing Rules of ASX Limited require these Articles to contain a provision and it does not contain such a provision, these Articles are deemed to contain that provision;
>
> (5) if the Listing Rules of ASX Limited require these Articles not to contain a provision and it contains such a provision, these Articles are deemed not to contain that provision; and
>
> (6) if any provision of these Articles are or become inconsistent with the Listing Rules of ASX Limited, these Articles are deemed not to contain that provision to the extent of the inconsistency.
>
> * "Listing Rules" means the Listing Rules of ASX Limited and any other rules of ASX Limited which are applicable while the Company is admitted to the Official List of ASX Limited, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX Limited."

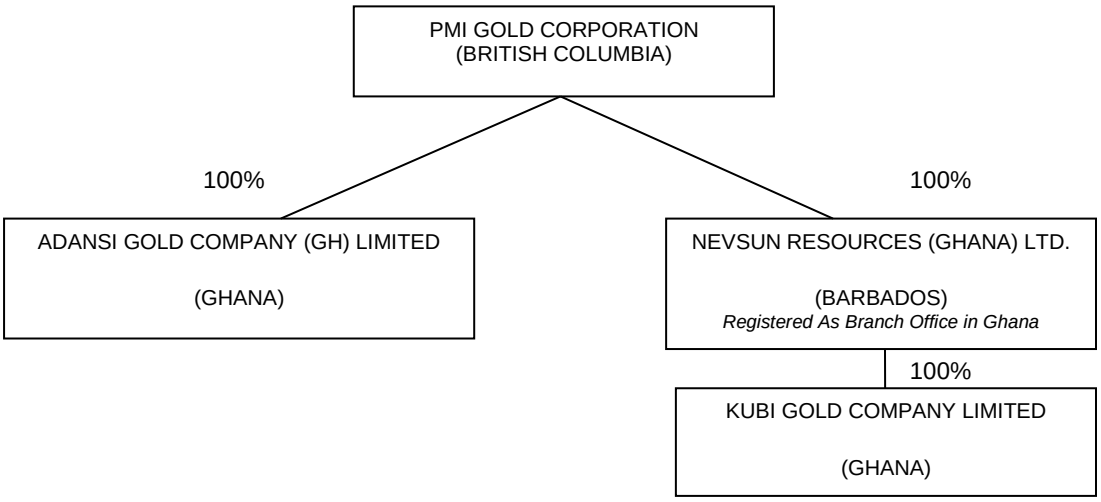
On October 22, 2010, the Company effected a consolidation of its outstanding common shares on a 2 for 1 basis (one post-consolidation share for every two pre-consolidation shares), and on such date the Company's common shares commenced trading on the TSXV on a post-consolidated basis.

The Company's registered and records office is located at 408 – 837 West Hastings Street, Vancouver BC V6C 3N6, Canada with offices located at 10 Quarcoo Lane, Roman Ridge, PMB CT471 Cantonments, Accra, Ghana, West Africa, and 680 Murray Street, West Perth, Australia. PMI Gold Corporation is registered in Australia as a foreign company.

Intercorporate Relationships

The Company has two wholly-owned subsidiaries: Adansi Gold Company (GH) Limited ("**Adansi**") and Nevsun Resources (Ghana) Ltd. ("**NRGL**"), a Barbados registered company that holds the two Kubi Project mining leases. NRGL is registered as a foreign company and has a branch office in Ghana and holds a 100% interest in Kubi Gold Company Limited, a Ghana registered company which will ultimately hold the Kubi mining leases after official transfer from NRGL.

The following shows the material subsidiaries of the Company:



GENERAL DEVELOPMENT OF THE BUSINESS

Overview

The Company is a resource exploration and development company which, through its wholly owned subsidiaries, holds exploration and mining leases on the Ashanti and Asankrangwa Gold Belts of Ghana. The Company's principal project is a gold development project known as the Obotan Gold Project. The Company also holds other exploration projects in Ghana.

Three Year History

Year Ended June 30, 2010

October 2009 Private Placement

On October 20, 2009, the Company closed a non-brokered private placement offering of 36,455,500 units at a price of $0.10 per unit for aggregate proceeds of $3,645,500. Each unit was comprised of one common share and one common share purchase warrant exercisable at $0.15 for two years.

March 2010 Private Placement

On March 16, 2010, the Company closed a private placement offering of 17,336,398 common shares at a price of $0.15 per share and 33,333,333 common shares at a price of $0.14 per share for aggregate proceeds of $7,267,127. As part of the private placement, Macquarie Bank Limited of Sydney, Australia, purchased 33,333,333 common shares representing 13.4% of the then issued shares of the Company on a partially-diluted basis.

Year Ended June 30, 2011

October 2010 Private Placement

On October 12, 2010, the Company closed a private placement of 27,777,778 common shares at a price of $0.18 per share for aggregate proceeds of $5,000,000.

Share Consolidation

On October 22, 2010, the Company effected a consolidation of its outstanding common shares on a 2 for 1 basis (one post-consolidation share for every two pre-consolidation shares).

November 2010 Special Warrant Financing

On November 29, 2010, the Company announced the completion of a special warrant financing pursuant to an underwriting agreement with Cormark Securities Inc., Haywood Securities Inc., Salman Partners Inc. and M Partners Inc. where the Company issued, on a private placement basis, 10,715,000 special warrants at a price of $0.70 per Special Warrant for aggregate gross proceeds of $7,500,500.

The gross proceeds of the private placement were placed in escrow pursuant to a special warrant indenture which provided that the proceeds would not be released until completion of the Australian Public Offering.

On March 8, 2011, the Company filed a final short form prospectus with Canadian securities regulators to qualify the 10,715,000 special warrants for distribution in Canada.

Australian Public Offering

On December 16, 2010, the Company completed a prospectus offering in Australia of 39,285,714 CDIs (as described below) at a price of AUS$0.70 per CDI for gross proceeds of AUS$27,500,000, to purchasers outside of Canada and the United States (the "**Australian Public Offering**").

On December 21, 2010, the Company was admitted to the Official List of the ASX.

Appointment of New Chief Executive Officer and Managing Director

On January 20, 2011, Mr. Collin Ellison was appointed as the new Chief Executive Officer of the Company. Following the Company's annual general meeting held on January 20, 2011, the directors of the Company appointed Mr. Ellison as a director (and Managing Director) of the Company.

Approval of New Stock Option Plan

The Company's amended and restated stock option plan was adopted by a resolution of the Board on January 19, 2011, and received shareholder approval on January 20, 2011. The new plan replaced the Company's previous stock option plan to ensure compliance with current ASX listing rules and Australian regulations following the Company's admission to the official list of the ASX. See "Description of Capital Structure - Options".

Appointment of New Chief Financial Officer

On June 1, 2011, the Company announced the appointment of Mr. Michael Allen as the new Chief Financial Officer of the Company. Mr. Allen commenced his formal duties as Chief Financial Officer following completion of the transition of the outgoing Chief Financial Officer, Mr. Philip Gibbs, who resigned on June 17, 2011.

Year-Ended June 30, 2012

Interim Mineral Resources Estimate

On October 13, 2011, the Company announced an interim mineral resource calculation undertaken by SRK Consulting of Perth for the Obotan Gold Project, representing a 270% increase from the previous resources estimate by Hellman & Schofield (2010). The interim mineral resources estimate comprises Measured resources of 14.67Mt at 2.66g/t Au for 1.22 million ounces, Indicated resources of 27.50Mt at 2.32g/t Au for 2.00 million ounces and Inferred resources of 17.54Mt at 2.35g/t Au for 1.29 million ounces. A NI43-101 technical report titled "Technical Report - Obotan Gold Project Mineral Resource Estimation by SRK Consulting (Australia)" prepared by Peter Gleeson of SRK Consulting, effective date October 13, 2011 was filed with SEDAR on November 28, 2011 (www.sedar.com).

Access Agreement & Infrastructure

In December 2011, PMI Gold reached an agreement with the Anglican Church to purchase property adjacent to but outside of the Nkran deposit and open pit, inclusive of former administration and accommodation buildings. The facilities provide the basis for future mine accommodation as well as immediate accommodation for ongoing exploration activities. Under the access agreement terms PMI is required to provide an initial US$500,000 payment allowing immediate access to all facilities and a later payment of US$4.5 million to be paid at the time of raising capital for Obotan, or 30 September 2012, whichever is earlier.

Exploration Update

On January 30, 2012, the Company reported further positive results from its +10,000 metres auger drilling program at the Kubi Gold Project. The program was designed to evaluate historical gold anomalous results along strike from the previously reported 513 Prospect and systematically test the entire Ashanti shear zone, surrounding country rocks and areas of alluvial cover. The results of the program have revealed a series of east-northeast trending structural corridors containing multiple near-surface anomalous gold targets (+40ppb), with anomalism extending over a 5km strike length, which will be followed up by diamond drilling.

Appointment of New Chief Operating Officer

On February 3, 2012, the Company announced the appointment of experienced mining executive, Mr. Michael Gloyne, to the position of Chief Operating Officer. Mr. Gloyne commenced his formal duties as Chief Operating Officer on March 13, 2012.

Completion of Pre-Feasibility Study and Maiden Reserve Estimate at the Obotan Gold Project

On February 15, 2012, the Company announced the filing of a NI 43-101 compliant technical report on the Obotan Gold Project outlining the mineral resources and reserves estimate and the result of a pre-feasibility study first announced by the Company on January 12, 2012. The pre-feasibility study resulted in a life-of-mine production of 2.097 million recovered ounces of gold over an initial 11.2 years (inclusive of 1 year pre-strip operations). The pre-feasibility study forecast annual gold production at 205,600oz at an estimated life-of-mine total cash operating cost of $690.20 per ounce including royalties, refining costs and pre-strip mining. Based on outcomes of the pre-feasibility study, a portion of the interim Mineral Resource (October 2011) was upgraded to Mineral Reserves comprising Proven 14.0Mt at 2.36g/t Au for 1.06 million ounces, Probable 16.3Mt at 2.28g/t Au for 1.20 million ounces, totalling 30.0Mt at 2.32g/t Au for 2.26 million ounces.

Bought Deal Financing

On March 16, 2012, the Company completed a bought deal short form prospectus offering of 28,000,000 common shares at a price of $1.25 per common share for gross proceeds of $35,000,000 through a syndicate of underwriters co-led by Clarus Securities Inc. and RBC Capital Markets Inc. and including GMP Securities L.P. and Raymond James Ltd.

Mineral Resources Estimate Update

On April 11, 2012 the Company announced an updated mineral resource calculation for the Obotan Gold Project taking into account a further 110 holes for 28,835 metres of primarily in-fill diamond drilling. The updated mineral resources estimate comprises Measured resources of 15.57Mt at 2.47g/t Au for 1.23 million ounces, Indicated resources of 29.21Mt at 2.00g/t Au for 1.88 million ounces and Inferred resources of 21.91Mt at 1.99g/t Au for 1.40 million ounces. The updated resources estimate is reported in the NI 43-101 technical report titled "Technical Report - Obotan Gold Project Mineral Resource Estimation Update March 2012 by SRK Consulting (Australia)" prepared by Peter Gleeson of SRK Consulting, effective date March 15, 2012, and filed with SEDAR on May 25, 2012 (www.sedar.com).

Regional Exploration Program

On April 16, 2012, PMI Gold announced an aggressive regional exploration program aimed at completing +100,000 metres of rotary air blast ("**RAB**"), reverse circulation ("**RC**"), aircore and diamond drilling to explore the highly prospective ground holdings within the Asankrangwa Gold Belt and the Ashanti Gold Belt. The regional program was designed to drill test a series of priority target areas identified by historical exploration at the Obotan Area of Influence (within 15km of the Nkran Deposit) and the Asanko Project, and drill test the multiple anomalous targets developed by the 2011/12 auger program at Kubi Gold Project.

Performance Rights Plan

On April 17, 2012, the shareholders of the Company approved implementation of a Performance Rights Plan for the employees, executive officers and directors of the Company or of a Company subsidiary who are declared eligible by the Board to receive grants of performance rights. See "Description of Capital Structure – Performance Rights Plan".

Board Appointment

On June 13, 2012, the Company announced the appointment of experienced mining finance executive, Dr. Michael Price, as a new London-based Non-Executive Director, further strengthening the Board in the key areas of project and corporate finance and equity related financing. Dr. Price has more than 30 years' experience in mining and mining finance.

Current Year Changes to the Business

Acquisition of Contiguous Mining Lease with the Obotan Gold Project

On July 9, 2012, the Company announced that Adansi had entered into an agreement with Midras Mining Company Ltd. to acquire the Datano mining lease, which covers an area of 50 square kilometers ("k**m**^{2}") and sits contiguous to the Company's Obotan Gold Project. The Company agreed to pay a purchase price for the Datano mining lease of US$6 million, subject to final regulatory approvals in Ghana in connection with the sale and transfer of the lease. Government approval was subsequently received and announced on August 16, 2012, and the transfer of the mining lease is in progress.

Obotan Gold Project Financing

On July 18, 2012, the Company announced that it had engaged Optimum Capital Pty Ltd. to assist the Company in identifying and securing appropriate project financing for the development of the Company's Obotan Gold Project.

Obotan Gold Project Feasibility Study and Updated Reserves Estimate

On August 28, 2012, the Company announced the results of its JORC/NI43-101 compliant feasibility study (the "**Feasibility Study**") and updated mineral reserve estimate e calculation by Orelogy Mining Consultants for the Obotan Gold Project. Details are outlined further in this Annual Information Form.

DESCRIPTION OF THE BUSINESS

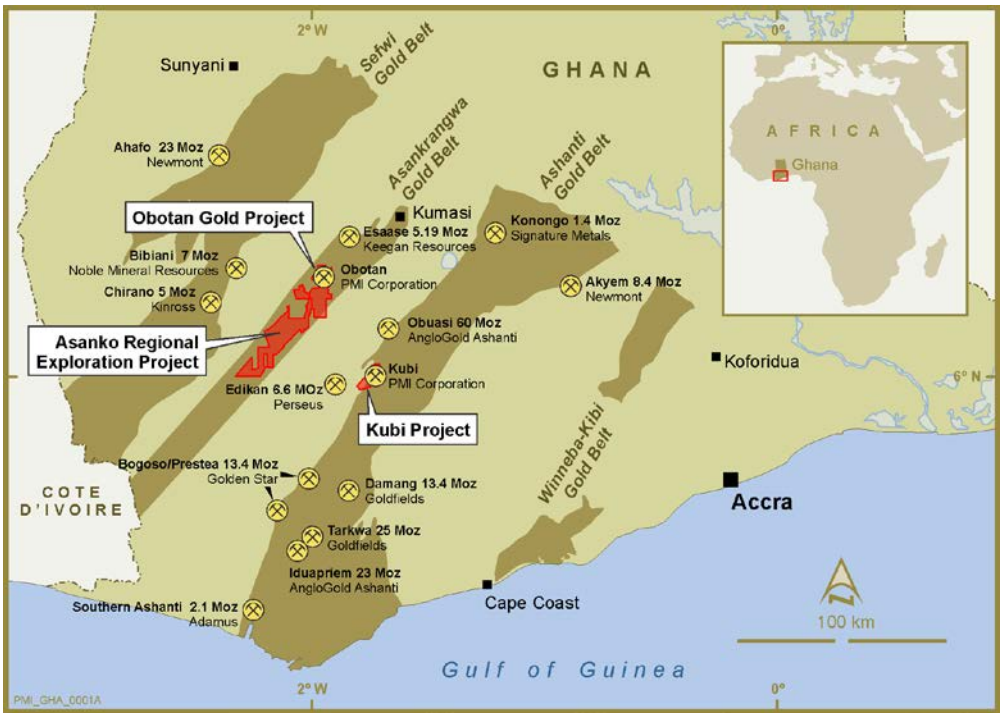
General

The Company is a resource exploration and development company which, through its wholly owned subsidiaries, holds exploration and mining leases on the Ashanti and Asankrangwa Gold Belts of Ghana. The Company's principal project is the Obotan Gold Project, a gold development project.

The Republic of Ghana ("**Ghana**"), formerly known as the Gold Coast, is located in West Africa on the Gulf of Guinea (as depicted in Figure 1) and shares borders with Côte d'Ivoire to the west, Togo to the east and Burkina Faso (Burkina, formerly Upper Volta) to the north. To the south are the Gulf of Guinea and the Atlantic Ocean. Ghana has a total land area of approximately 239,540 square kilometres or (approximately 23,954,000 ha) and is about the size of Britain. Ghana's capital city, Accra, is located along the south eastern coast (see Figure 1).

In March 1957, Ghana was the first country in sub-Saharan Africa to gain independence from Britain. Following a national referendum in July 1960, Ghana became a republic and now has a stable democratic government based on a British parliamentary model. Ghana has a population of approximately 24 million people, most of whom are English-speaking.

Figure 1:Ghana Project Location Plan showing the Gold Belts and Nearby Mines



Ghana is one of the world's leading gold producing regions. Ghana's accessibility, infrastructure and support for exploration and mining are among the best in Africa. Due to Ghana's long mining history, qualified persons trained in mining, engineering, geophysics and geology are locally available.

The Company, formerly operating as PMI Ventures Ltd., commenced operations in Ghana in November 2002, by entering into an option agreement with a private Ghanaian corporation, Goknet Mining Company Limited of Accra (referred to herein as "**Goknet**"), on a series of prospecting licenses it controlled on the Asankrangwa Gold Belt. A principal, founder and current director of Goknet, Mr. Douglas MacQuarrie, is the former President and CEO of the Company. Mr. Thomas Ennison is also a director of both the Company and Goknet.

All mining property interests held by the Company are subject to a NSR and a 10% carried net profits interest in right of the Government of Ghana. The current NSR rate is 5%.

There are three levels of mineral tenure in Ghana:

(a) *Reconnaissance Licenses* allow the holder to search for minerals using geophysical, geochemical and geological means. This does not necessarily include drilling and physical excavation, except where specifically allowed. A Reconnaissance License is granted for a period of 12 months and is renewable.

(b) *Prospecting Licenses* allow the holder to explore for minerals and determine their extent and economic value. This permit is granted for a period of 2 years and is generally renewable although the government may request a reduction (shed of 50%) of the permitted area. This permit allows for drilling, excavation and other activities. When the holder of a prospecting license has determined an economically viable project through a completed feasibility study, it may apply to the Minister for a mining lease.

(c) *Mining Leases* are granted for a period of up to 30 years, usually for an area not exceeding 5,000 hectares and are renewable. An Environmental Impact Statement is required.

The Company and its subsidiaries' property interests are primarily held under prospecting licenses. A summary of the Company's licences is set forth below.

The Company has applied for Mining leases on the Abore-Abirem and Adubea prospecting licences which comprise the Obotan Gold Project. The mineral tenures comprising the Kubi Project are held in two 20 year, renewable, mining leases with approximately 16 years remaining, plus prospecting licences (Dunkwa-Gyimigya and Gyimigya).

The Company has a strategy for growth through the acquisition, development and operation of former open pit gold producing mines in Ghana and exploring for additional surface mineable resources and high-grade gold deposits at depth, which could be amenable to new expanded open pit production and underground extraction.

The Company's Obotan Gold Project, Kubi Project and Asanko Regional Exploration Project are noted in the Figure 1.

Refer to "The Obotan Gold Project" and the technical reports refereed to therein for further details of the Company's Obotan Gold Project located within the Asankrangwa Gold Belt.

Refer to "Other Projects" and the technical reports referred to therein for further details of the Company's Kubi Project within the Ashanti Gold Belt, and the Asanko Regional Exploration Project and Obotan Area of Influence located within the Asankrangwa Gold Belt.

Business Objectives

The Company's strategic objective is to become a gold producer, initially by mining at its Obotan Gold Project. To achieve this objective the Company is focused in the near term on the following:

- Fulfilling its stated strategic plan for Obotan Gold Project by completing a feasibility study in Q3 2012 (see "The Obotan Gold Project" and the Obotan Report), which the Company expects to lead to a development decision and final investment decision in Q4, 2012;

- Commencement of Construction at the Obotan Gold Project in Q1 2013 to achieve first gold production in 2014 conditional upon obtaining all statutory, Board and financing approvals;

- Obtaining all statutory Project approvals required for development activities including, but not limited to, the submission of an Environmental Impact Study (EIS) and the applications for Mining Leases on the Obotan Gold Project concessions, Abore-Abirem and Adubea;

- Identifying and securing appropriate financing for development of the Obotan Gold Project by reviewing a full range of various financing options;

- Implementing a major exploration program to evaluate a large number of gold targets across its strategic tenement holdings in the Ashanti and Asankrangwa Gold Belts in southwest Ghana, to delineate new deposits to underpin the Company's future growth;

- Commencing an acquisition strategy in the Asankrangwa region to further consolidate the Company's strategic position for our long-term future;

- Reconfiguring the Company by putting in place the appropriate experienced personnel at the Board, management and operational levels to lead PMI into production; and

- Repositioning PMI Gold in global investment markets from explorer to emerging mid-tier producer.

Regional exploration on the Company's extensive tenement holdings will continue to be escalated in 2012 and 2013 to evaluate the potential of the tenements for additional discoveries that could positively impact on the Company. Of significance is the contiguous Asankrangwa Gold Belt land holding south of Obotan where previous explorers have identified numerous shallow depth "discovery" drill intersections which are undergoing follow-up drill testing by the Company. The Company's extensive geochemical and geophysical database and the presence of widespread historical and current artisanal mining are presently being employed for the identification of numerous drill targets.

Along the 70km strike length of the Asankrangwa Gold Belt concessions, the initial focus has been the delineation and development of the Obotan Gold Project resources and reserves and exploration projects that are located within a 15km radius of the Nkran Deposit.

At Kubi, only 9km of a total of 25km of Ashanti and Kubi shear zones have been partially drill tested to shallow depths. The Company will initially focus on the intersection of the Ashanti/Kubi shear zone with the interpreted 'Perseus' style north-northeast cross structures – in particular in the area of the extensive Dunkwa alluvial gold occurrences.

The exploration programs of the Company may need to be modified depending on several variables including progress and results of its exploration activities and changes in the Company's strategy and objectives. Expenditures may be reallocated amongst existing or new projects in accordance with exploration priorities.

It is not possible to accurately determine the outcome of exploration and considerable variation to the proposed exploration programs and budgets may be required as new data becomes available.

Offices and Employees

The Company's registered and records office is in Vancouver, Canada, with operational offices in Ghana and its corporate office in West Perth, Australia.

Two directors of the Company and the VP-Exploration West Africa reside in Accra, Ghana. The Corporate Secretary, and bookkeeping and compliance are located in Vancouver. The Company's external Canadian legal counsel is located in Sydney, Australia and its auditor is located in Vancouver. Two directors of the Company, the Chief Financial Officer and Chief Operating Officer reside in Western Australia.

Adansi Gold Company (a wholly-owned subsidiary of the Company) is headquartered in Accra, Ghana and is the administrative centre for all of the Company's Ghanaian operations. Adansi staff includes VP-Exploration, General Manager – Obotan Operations, Finance Manager, Office Manager, geologists, geophysicists, accounting, secretarial and support staff. Additional consultants, both expatriate and local, are employed as required at the various operational sites: Nkran exploration camp (Obotan); Dunkwa exploration camp (Kubi); and Diaso exploration camp (Asankrangwa regional exploration properties). All sites have combined office, canteen and housing facilities with diesel generator backup power generators.

As at the most recent financial year-end of the Company (June 30, 2012), the Company, including its subsidiaries, had a total of 196 employees and consultants.

Competitive Conditions

The Company has a major land position on two of the main gold belts in Ghana. Most of the geologically prospective land packages in the country have been tied up for years making it difficult for new players to obtain land directly. This enables the Company, which already has a significant land package, to grow organically without having to resort to potentially expensive acquisitions.

Environmental Protection

The Company does not currently have any mining operations. Environmental liabilities from previous mining operations at the Obotan Gold Project were grandfathered to the government of Ghana when the new mineral titles were issued. At the Kubi Project, under the terms of the previous mining lease, reclamation of the site is the responsibility of the former operator. In order to re-commence mining at either Kubi or Obotan, the Company will

likely be required to post reclamation bonds. These will be in the normal course of business and are not expected to materially impact the decision to proceed to mining.

Social or Environmental Policies

The Company is committed to improving the lives of the communities directly affected by its mining activities. This will include direct and indirect employment benefits, improved access to potable water and electricity.

Reorganizations

Other than the 2-for-1 share consolidation effected on October 22, 2010, there is not currently proposed nor has there within the three most recently completed financial years or during the current financial year been any material reorganization of the Company or any of its subsidiaries or bankruptcy, receivership or similar proceedings against the Company or any of its subsidiaries, or any voluntary bankruptcy, receivership or similar proceedings by the Company or any of its subsidiaries.

THE OBOTAN GOLD PROJECT

The following is a summary description of the Company's material mineral project, the Obotan Gold Project. Information in this section is derived from or based upon, and in some cases extracted directly from, the Obotan Report.

Project Description and Location

The Obotan Gold Project lies in the Amansie District of the Ashanti Region of Ghana, approximately 250km northwest of the capital Accra, and some 50 km south west of the regional capital of Kumasi (see Figure 2) at 6°19'40"N and 6°28'40" N, and longitudes 2°00'55 W and 1°55'00"W.

Figure 2: Project Location

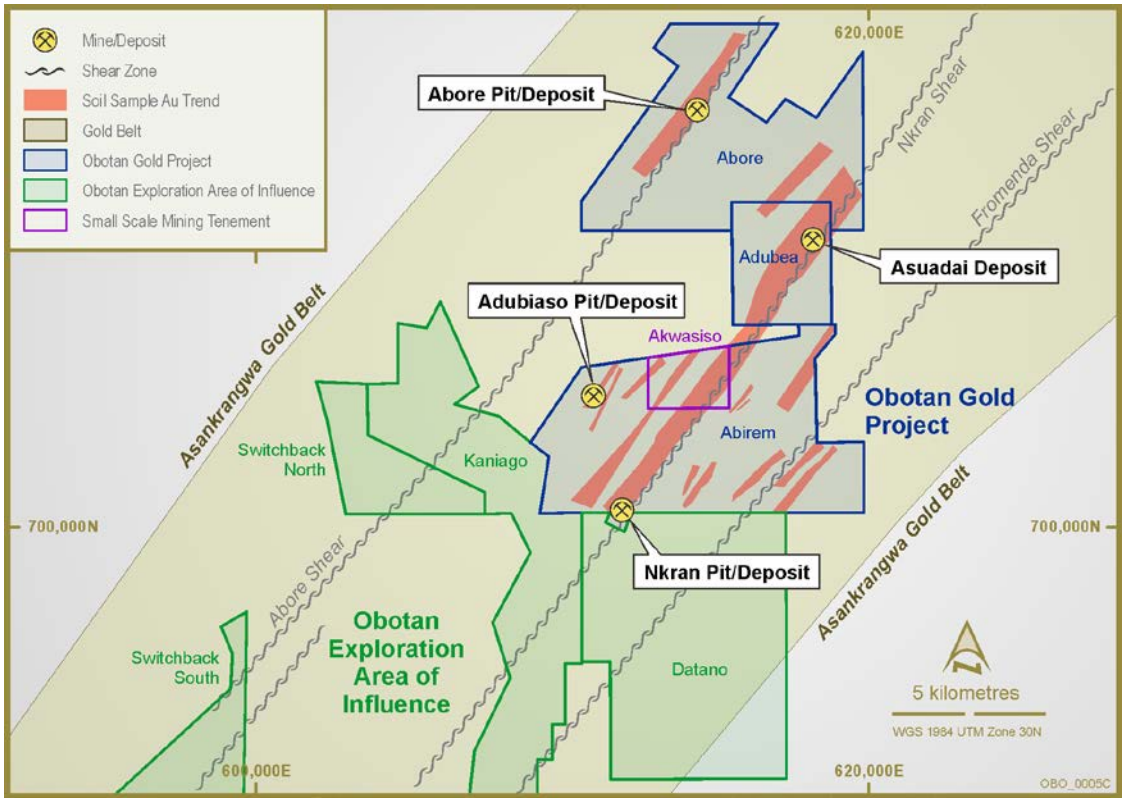
The Obotan Gold Project consists of two concessions which cover an area of approximately 102.59 km^2 and contain four deposits: Nkran, Abore, Adubiaso and Asuadai (see Figure 3). Details regarding the nature and extent of the Company's two concessions are summarized in Table 1 below.

Table 1: Tenement Details for Obotan Gold Project

Tenement Name	Mineral Commissions File	Current Grant Date	Current Expiry Date	Status of Licence	Mining Lease Status	Free Carried Interest – Govt.	NSR on Licence	3rd Party NSR on Licence
Abore-Abirem	PL 6/303	04/08/11	03/08/12	2nd 1 Year Extension	Application Submitted	10%	2%	
Adubea	PL 3/310	03/05/11	02/05/12	Extension	Application Submitted	10%	2%	0.5%

The Government of Ghana retains the right to a 10% free carried interest in the Obotan Gold Project under Section 8 of the Ghanaian Mining Act and the Company's concessions are also subject to a 5.0% royalty on gold production owed to the Government of Ghana. In addition, both concessions are subject to a 2.0% NSR owed to Goknet (see "Description of Business - General"). The Adubea concession is also subject to a 0.5% NSR to a third party.

Figure 3: Obotan Gold Project Location/Tenement Plan



Accessibility, Climate, Local Resources, Infrastructure and Physiography

Existing road access to the Obotan Gold Project site is available from the west, south and east, but the main access road to the site is from the southern ports of Tema and Takoradi via the towns of Kumasi or Obuasi. Total distance from Tema to the project site, via Kumasi, is approximately 400 km. There are several local villages near the Project site, the closest being the Nkran village.

The site is largely transformed and has experienced extensive degradation in recent years. The main land uses include secondary forest, subsistence and cash crop farming and artisanal mining. Current site infrastructure consists of an exploration office, core storage area and accommodation facility located just west of the Nkran village. Current site communications systems are limited.

The Obotan Gold Project is located in hilly terrain dissected by broad, flat drainages that typically form swamps in the wet season between May and late October. Hill tops are generally at very similar elevations, reflecting the elevation of a previous erosional peneplane that is now extensively eroded. Maximum elevations are around 80 metres above sea level but the areas impacted by the Obotan Gold Project generally lie at less than 50 metres elevation. Despite the subdued topography, hill slopes are typically steep. Ecologically the Obotan Gold Project area is situated in the wet evergreen forest zone.

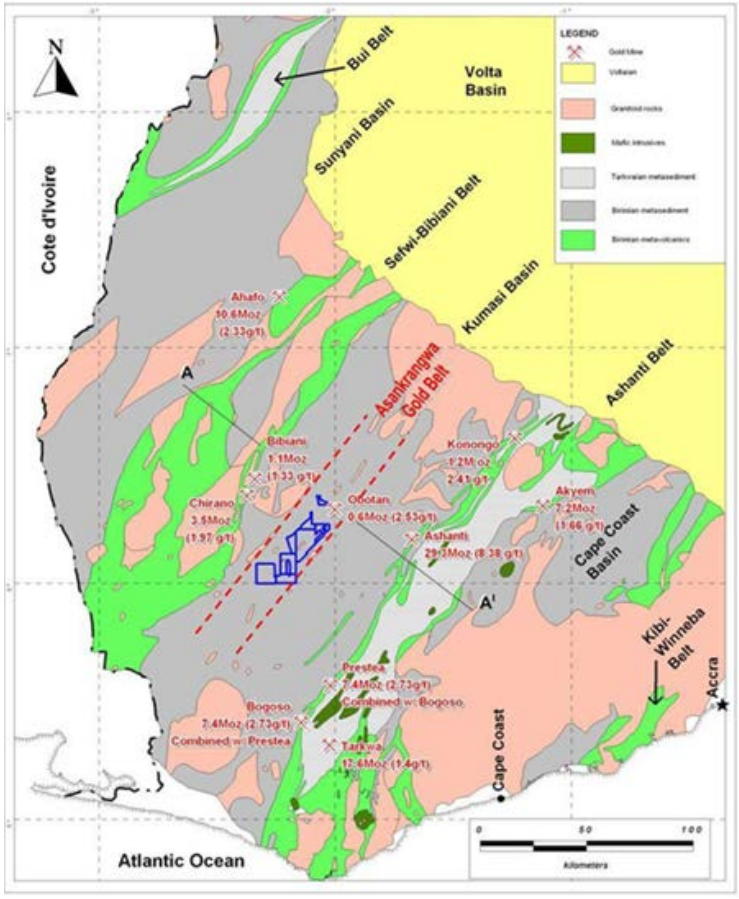
History

The Obotan Gold Project was previously owned and mined by Resolute Mining Limited's ("**Resolute Limited**") subsidiary Amansie Gold Company Limited ("**RAGC**") and the concessions were returned to the Government of Ghana after RAGC ceased operations. For more information regarding previous owners/operators, and historical exploration and production, see "The Obotan Gold Project – Historical Exploration".

Geological Setting

The Obotan Gold Project lies in the centre of the Kumasi Basin, equidistant between the northwest flank of the Ashanti Belt and the south east flank of the Sefwi-Bibiani Belt (Figure 4). The project area forms part of the Asankrangwa Gold Belt, a complex north east-trending shear system, situated along the central axis of the Kumasi Basin, bearing quartz reefs and granitic intrusives, within a zone that is about 15 km wide and can be traced for a NE-SW distance of some 150 km. Gold mineralization in the area is hosted in Birimian metasediments and basin-type granites.

Figure 4: Obotan Gold Project Location/Tenement Plan



The Asankrangwa Gold Belt straddles two broad domains of distinct magnetic character. The western portion is characterised by the low magnetic relief that is typical of the Kumasi Basin as a whole; whereas, the eastern portion exhibits a strong magnetic relief more akin to the magnetic texture of the Ashanti Belt further east. The only portion of the known Ghanaian stratigraphy that produces such a characteristic magnetic fabric is the infolded package of Lower Birimian metavolcanics and Tarkwaian metasediments that defines the Ashanti Belt. The magnetic intensity of the eastern Asankrangwa domain is more subdued than that of the Ashanti Belt, but it is interpreted to represent the same rock package based on its distinct magnetic fabric.

Historical Exploration

The Obotan Gold Project area has been explored, developed and mined by several companies since modern exploration for gold in the area commenced in 1988. Companies that have conducted gold exploration work on the area include Associated Gold Fields Pty. Ltd./Kiwi International Resources Limited ("**AGF/KIR**"), Leo Shield Exploration Ghana Limited ("**Leo Shield**"), Resolute Limited as well as the Company (see Table 2).

Table 2: Historical Exploration Activities

Company	Period	Exploration Activities
AGF/KIR	*Early 1990's to 1995*	*Geochemical soil sampling*
Leo Shield	1996 to 1998	Geochemical soil sampling, resource development drilling over Abore
Resolute Limited	1996 to 1999	Resource development drilling over Nkran, Adubiaso and Asuadai, ground magnetic survey
PMI (Adansi)	2003 to 2010	IP, VLF/chargeability and VTEM surveys, diamond drilling over Nkran, underground investigation over Nkran, base line water quality survey, confirmation drilling over Abore, Adubiaso, Asuadai and Nkran

To date, exploration activities have included magnetic, radiometric and electromagnetic geophysical surveys, geochemical sampling and shallow rotary air blast ("**RAB**") combined with more recent reverse circulation ("**RC**") and diamond drilling over all of the project areas inclusive of Abore, Adubiaso, Asuadai and Nkran.

Exploration by Previous Operators

AGF/KIR. In the early 1990s, the Obotan concession was examined by American consultant, Al Perry, working on behalf of two related Australian juniors, AGF and KIR. Perry negotiated an option on the concession and proceeded to focus on the known prospects at Nkran Hill and to carry out a regional soil geochemical survey that identified numerous anomalies around Nkran Hill.

AGF/KIR moved quickly to assess the open pit potential of the Nkran Hill prospect. They carried out an early stage RC drill program that returned very encouraging results over a wide zone of bedrock mineralization, which extended along strike for about 600 m. The broad, low-lying Nkran Hill had relief of only about 40 m and oxides extended to depths of about 40 to 50 m.

The first comprehensive resource estimate for the Nkran Hill deposit was prepared by AGF/KIR joint venture in early 1995, based on approximately 4,100 m of RC drilling and an additional 1,750 m of diamond drilling, with the resource estimate taken to depths of about 100 m below surface. By late 1995, a feasibility study was completed and a mining lease was granted.

Resolute Limited. The successful exploration work completed by AGF/KIR was noted by the emerging Australian gold producer, Resolute Samantha Limited (now Resolute Limited), who was keen to gain entry into the rapidly expanding gold mining sector of Ghana. A transaction was completed by May 1996 whereby the combined interests of AGF/KIR were acquired by Resolute Limited, who immediately reviewed and expanded the scope of the project with a ground magnetic survey. This was followed by further RC diamond drilling to increase resources to a depth of 150 m at Nkran Hill and to further assess the known mineralisation at the nearby Adubiaso prospect.

A revised mine development plan was completed by the end of July 1996 and a decision to produce at a rate of 1.4 Mtpa was made. Initial mining was started early in 1997 and the first gold was poured by May 1997.

During the late 1990s, the Nkran Hill plant started to process oxide ores from the Adubiaso gold deposit, located about 7.5 km NNW of Nkran Hill.

Leo Shield. The Abore area was covered in a prospecting concession granted to the Oda River Goldmining Company. In the mid-1990s, Leo Shield, in partnership with Mutual Resources Ltd. completed a joint venture with the Oda River Goldmining Company group and commenced a regional exploration program on the concession (covering approximately 73 km^2).

Prospecting in the area north of Abore revealed extensive artisanal mining in alluvial areas, as well as several old Ashanti pits in the saprolite along a low hill immediately adjacent to the alluvial workings.

Soil geochemistry revealed a strong NNE-trending gold anomaly over the area of artisanal mining (bedrock areas); the anomaly was several hundred metres wide and traceable along strike for about 3 km, well beyond the area of old workings. Extensive trenching in the area confirmed continuous bedrock mineralisation over a distance of at least 1,000 m with widths in the range 50 to 100 m. The mineralisation consists of a broad quartz stockwork system hosted mainly by a NNE-trending intermediate granitoid intrusion. The early artisanal pitting focused mainly on narrow quartz veins associated with the stockwork system. Extensive drilling in the area (mainly RC, but considerable diamond drilling as well) outlined a sizeable resource (now known as the Abore, Adubiaso, Asuadai and Akwasiso prospects).

Exploration by Adansi/PMI

Since its acquisition of the Obotan Gold Project, PMI has conducted a 5 km^2 Induced Potential ("**IP**") ground geophysical survey was carried out in the Nkran pit area by Geotech Airborne to determine its usefulness in this environment as an exploration tool to help resolve and map the subsurface. A total of 12,640 m (12.64 km) of baseline were cut and picketed by local crews, and 76,240 m (76.24 km) of cross-lines were cut, picketed, and GPS surveyed.

The Company purchased a local source Very Low Frequency ("**VLF**") transmitter and rented two analogue receivers in order to carry out conductivity surveys over target areas outlined by geochemical surveys (soil and stream sediment) and by structures interpreted from airborne resistivity surveys.

The 5 km^2 area surrounding the Nkran Pit that was surveyed with Adansi's in-house IP equipment and geophysical crew, was also surveyed with the in-house VLF equipment.

Condor Consulting Inc. has also completed the processing and analysis of a VTEM and magnetic survey flown for the Company by Geotech Airborne Ltd, centred over the Nkran Pit. The primary purpose of the current program of work was to test the VTEM response over the Nkran deposit to 400 m depths, and to assist in the identification of gold targets in close proximity to the Nkran mine through an interpretation of conductive and magnetic features. Two high priority target zones ("**TZ**"), based on the correlations observed in the magnetic and EM data have been identified and designated TZ-9 and TZ-11. TZ-9 is located under the pit, presumably an extension of the mined ore while TZ-11 is located along the same thrust fault, but further to the south west.

Mineralization

Gold mineralization in the area of the Obotan Gold Project is hosted in Birimian metasediments and basin-type granites and is associated with major north east-striking, 5 to 40 m wide graphite-chlorite-sericite fault zones. In particular, gold mineralization is developed where the north east fault zones intersect major E-NE striking fault zones, and especially where they are recognised to have influenced granite emplacement, alteration and gold geochemical trends.

Nkran

The gold mineralisation at Nkran is controlled by a very large complex system of structurally controlled NE-SW-striking vein and shear systems that combine to form a central stockwork zone. The best mineralisation is developed in the (Tarkwaian) greywacke sediments.

The Nkran deposit extends for some 700 m along strike (NE-SW) and to a depth of 550 m below surface (still open). The gold mineralisation itself is associated with highly altered (chloritised, silicified and sericitised) metasediments and occurs as mainly free gold (occasionally visible in core). Much of the gold occurs in narrow quartz veins. The Nkran deposit shows a generally higher grade core that appears to be plunging to the SW, and may be amenable to underground mining.

Adubiaso

At Adubiaso, the gold mineralisation occurs along the main NE-SW striking shear vein system in sub-vertically interbedded greywackes and phyllites intruded by later granitoids and porphyries. The ore body plunges shallowly to the NE (-20°) parallel to the intersection of ENE-dipping veins with the main strike direction.

The deposit extends for some 1,000 m along strike and extends down to a depth of 180 m below surface (based on current drilling information). Typically, the mineralised zones are 1 to 4 m wide and occasionally up to 20 m. The gold mineralisation occurs as free gold and is associated with the NE-plunging quartz veins and along the intersection of the metasediments and sheared porphyries.

Abore

At Abore, the gold mineralisation is controlled by a series of vertically stacked NW dipping (shallow to moderate dip) quartz veins contained within a NW-SE-trending shear zone. This zone is intruded by a large granite body. Much of the gold mineralisation occurs within the granite itself and along the granite metasediment contacts.

The mineralised zone extends for some 2,000 m along strike and down to a depth of 150 m. Typical ore grade intersections reported from drilling are 2 to 25 m wide.

Asuadai

The Asuadai deposit has its primary control from a NE-SW-trending shear zone within which a series of stacked quartz veins dipping at 45° to the NW host much of the gold mineralisation. These stacked vein arrays within the main shear zone extend along strike for some 750 m and extend to a known depth of 200 m below surface. These mineralised vein arrays are exposed in numerous artisanal mining pits around the main Asuadai hill. The mineralised zones vary from 2 to 5 m wide and occasionally up to 10 m or more.

Resource Expansion & Infill Drilling

To date, a total of 1,810 holes have been drilled in the four deposits (Nkran 877, Adubiaso 327, Asuadai 143 and Abore 463). Of these approximately 70% are RC (all RAGC drilling) and 30% are diamond core (mainly PMI drilling).

Over the last six months since the previous resource estimate for the Obotan Gold Project, PMI has drilled 110 diamond core holes for 28,835 m. All four deposits have been the focus of this drilling. Much of the drilling has been infill in nature with some extensional drilling especially at Nkran to follow the resource down plunge to the SW and close off the resource of the NE. Nkran continues to show wide, high grade intersections at depth to the SW. The other three deposits have been the focus of both extensional and infill drilling.

Overall, the combined resources (in terms of ounces) for the Obotan Gold Project remain similar to the previous resource estimate. Whilst some extensional drilling has added additional tonnes, some of the infill drilling especially at Nkran and Abore has resulted in lower grade intercepts, resulting in little additional metal. Little change was made to the resource categories from the additional infill drilling as it was not sufficient in coverage in any particular area to warrant upgrade to any parts of the resources.

Mineral Resource and Mineral Reserve Estimates

Table 3 below sets out the latest mineral resource estimates for the Obotan Gold Project effective as of 25 March 2012.

Table 3: Obotan Gold Project Mineral Resource Estimate

Deposit	Measured			Indicated			Inferred		
	Tonnes (millions)	**Grade (g/t Au)**	**Oz (millions)**	**Tonnes (millions)**	**Grade (g/t Au)**	**Oz (millions)**	**Tonnes (millions)**	**Grade (g/t Au)**	**Oz (millions)**
Nkran	11.74	2.55	0.96	20.41	2.12	1.39	14.74	2.21	1.05
Adubiaso	1.50	2.98	0.14	2.67	2.41	0.21	1.25	1.91	0.08
Abore	2.33	1.78	0.13	3.70	1.53	0.18	3.92	1.50	0.19
Asuadai	N/A	N/A	N/A	2.44	1.28	0.10	2.00	1.33	0.08
Total	**15.57**	**2.47**	**1.23**	**29.21**	**2.00**	**1.88**	**21.91**	**1.99**	**1.40**

The above mineral resource estimates have been constructed from the inclusion of all resource drillhole information available as of January 2012, including the 28,835 m of diamond core drilling completed by PMI in the last six months. The Obotan Gold Project resources were estimated by ordinary kriging using a variety of composite sizes varying from 5 m at Nkran, to 2 m at Adubiaso, depending on geology, possible mining methods and levels of selectivity for each deposit. All estimates were highly geologically constrained based on detailed structural and geological studies. All grade shells created and guided by geology were constructed at a lower cut-off grade of 0.5 ppm Au.

The quality, quantity and distribution of the current drill data are sufficient to allow the classification of Measured, Indicated and Inferred Resources within all four deposits, with the exception of Asuadai, where only Indicated and Inferred categories have been allocated. All resources reported are based on a minimum economic cut-off grade of 0.5 g/t Au. The lower cut-off grade chosen represents both geological and economic considerations. All resources are quoted with the depletion of previous open pit mining (where appropriate), and are considered to be in situ remaining resources. Some small artisanal workings occur in all areas. Local miners have clearly removed an unknown amount of ore down some 5 to 10 m, and in some instances potentially down to 20 m on isolated vein systems at surface. Nevertheless, these workings are not considered sufficiently extensive to have a material impact on estimates.

Table 4 summarises the current mineral reserve estimate based on the work undertaken as part of the Company's Feasibility Study (current as of 25 March 2012).

Table 4: Obotan Gold Project Mineral Reserve Estimate

Deposit	Classification	Tonnage (Mt)	Au Grade (g/t)	MOz
Nkran	Proven	11.5	2.47	0.92
	Probable	14.6	2.17	1.02
Adubiaso	Proven	1.2	2.80	0.10
	Probable	1.3	2.62	0.11
Abore	Proven	2.1	1.70	0.11
	Probable	1.9	1.70	0.10
Asuadai	Proven	0.0	0.00	0.00
	Probable	1.6	1.22	0.06
Total	Proven	14.8	2.39	1.14
	Probable	19.4	2.08	1.30
	Total	**34.2**	**2.21**	**2.43**

Optimised pit shells for the Obotan Gold Project based on the material reported as Measured and Indicated Mineral Resources were derived by Orelogy. The operating costs assumed for the optimisation were supplied from an in-country contractor and reviewed and agreed upon by Orelogy. Metallurgical recoveries have been provided by GRES based on analysis of past testwork, operational results and more recent testwork. Four separate designed pits were developed from the optimised pit shells, Nkran, Adubiaso, Abore and Asuadai.

The reported numbers are based on a gold price of US$1,300/oz. The grades and tonnes reported have been modified by mining recovery and dilution based on orebody geometry and mining methodology. Globally this generates a mining dilution and ore loss of approximately 4.8%.

Sampling and Analysis

All sampling is carried out under the direct supervision of PMI senior personnel - either the President, VP of Exploration, Project Manager or the Chief Geologist.

All crushing and grinding is carried out by the analytical laboratory. Sample pulps and coarse reject material is returned to PMI only after completion of both the initial sample analysis and any additional checks which PMI may require following receipt of the initial sample assays. All assays are carried out by fire assay on 50 gram samples with an atomic absorption ("**AA**") finish or as otherwise reported herein. The quality of analysis is monitored by the use of blanks, standards, duplicates and check assays and re-runs at alternate labs (in this instance ALS Kumasi). Historically, during 2008 to 2009, all analysis is carried out by SGS / Analabs in Bibiani, at present samples are being processed by SGS Tarkwa laboratories.

Currently all core samples are submitted to the SGS laboratory in Tarkwa, while check samples are submitted to the ALS laboratory in Kumasi. All samples are analysed for gold, either by 50-gram fire assay or by screen metallic fire assay with AA finish (AA26); or for cyanide leach depending on peculiar features and characteristics of the rock or the drill cuttings. Screen metallic fire assaying is often used for samples suspected of being gold "ore" grade where coarse gold is anticipated. Remaining samples, expected to represent "waste" or non-ore mineralised are analysed using straight fire assay

PMI typically inserts random blank samples into the assay stream. These blanks have consistently returned very low assays. Additionally, any samples in which visible gold has been noted, during the logging or in the case of panning RC drill chips, or any samples that return high gold grades, are routinely submitted for either screened metallics or a bulk cyanide leach assay.

For the most part, comparison of the results from the various different assays and laboratories indicate a high measure of confidence in the assay data. In general, every batch of 50 solutions contains two standards positioned randomly, two replicas positioned at the end of the rack, two duplicates selected randomly and positioned immediately under the original, and, one blank positioned randomly. Inter-laboratory checks to monitor the reliability of the main SGS laboratory in Tarkwa have now commenced. "Round Robin" samples are now routinely sent to ALS laboratories in Kumasi.

Security of Samples

Individually bagged core and RC drilling samples are packed in polyweave or heavy plastic sacks (5-10 samples per sack), tied with binding wire and made ready for transport to the laboratory. All samples are firmly secured and locked in a designated sample room at the Company's field office. The Company's geologist, responsible for core logging and RC sampling, holds the only key to the room where samples are secured. The geologist is responsible at all times for their secure shipment to the laboratory.

In the opinion of SRK, the sample preparation, security and analytical procedures adopted by PMI provide an adequate basis for the current Mineral Resource estimates

Mining Operations & Development

Proposed Mining Operations

A life of mine ("**LOM**") schedule has been developed to supply a three million tonnes per annum (Mtpa) mill feed rate from the four Obotan deposits. A mining contractor will be used for all earthmoving activities.

All deposits will be mined utilising conventional truck and shovel method. Ore and waste will be drilled and blasted, then loaded and hauled to either the Nkran run-of-mine pad, directly tipped into the crushing facility at Nkran, placed on pit rim stockpiles (for the remote deposits) or placed on waste rock storage facility with 90-tonne haul trucks. A single fleet of mining equipment will be shared between all deposits. The project is to be mined utilising modern technology with proven success, with no requirement for untried or untested technology. For the Adubiaso, Abore and Asuadai pits, a fleet of road trucks will be utilised to haul ore from the respective pit rim stockpiles to the central processing facility at Nkran.

Adubiaso will commence production first closely followed by Nkran. This assists in keeping the pre-stripping volumes low and delivering higher mill feed grades early in the project life. This is different than the information provided in the Company's pre-feasibility study, which mines only Nkran for the first five years. Consequently, the schedule provided in the Company's Feasibility Study does not provide the opportunity to use Adubiaso to store pit water from Nkran or as a mill water supply during the early years of the Project.

Approximately one year of waste stripping will be required to expose sufficient ore to maintain a constant ore feed rate of 3 Mtpa once the mill has been commissioned. During this first year, ore that is mined will be stockpiled. This material has been utilised in the production schedule, however it is expected once the processing facility is constructed this material will be utilised as commissioning material.

Abore will commence operation in year eight, with Asuadai commencing the year after.

The mining of all four deposits will run for a period of approximately 12.5 years based on the current production schedule. The peak production requirements are 34.8 Mtpa (total material movement).

The deposits are treated as a single mining operation for the purposes of equipment scheduling and staffing due to their close proximity to each other. Approximately 39 direct employees will be employed by Adansi to oversee the mining contractor.

Metallurgical Process

Metallurgical testwork was initially carried out by AMMTEC Pty. Ltd., AMDEL Ltd., Supaflo Technologies Pty. Ltd., Analabs Pty. Ltd. and METCON Research Inc. as part of the pre-feasibility study produced for Resolute Limited. The testwork program was conducted on composite samples of drill core and RC Chips from Nkran oxide and primary ore ores to obtain design comminution, gravity and leaching parameters.

A new metallurgical test work program was completed in February 2012. The results from this program included:

- Additional comminution and leaching characteristics of the Nkran primary ore at greater depth;
- Quantification of the cyanide detoxification requirements;
- Thickener sizing data;
- The investigation and subsequent value engineering of the primary ore's susceptibility to pre-concentration using sulphide flotation techniques as a means to reduce specific energy requirements. It was determined that flotation did not provide sufficiently high recoveries to justify the reduction in capital cost.

The metallurgical design has been based on the results of the recent testwork and on testwork carried out by Resolute Limited, in addition to Resolute Limited's operational results.

Gold Recovery

Based on previous testwork, operational experience during the period the project was owned and operated by Resolute Limited and from the most recent testwork results the overall predicted gold recoveries for the conventional gravity/CIL flowsheet are shown below:

Table 5: Predicted Gold Recovery

Ore Source	Recovery %
Nkran Primary	93.1
Abore Primary	90.3
Adubiaso Primary	91.4
Asuadai Oxides	92.1
Asuadai Primary	94.4

Process Plant Design

The Obotan carbon-in-leach ("**CIL**") plant design is based on a typical single stage crushing, SABC, CIL flowsheet. It includes single stage jaw crushing to a surge bin with reclaim from a dead stockpile. Crushed ore will be fed to a SAG mill operating in open circuit with cyclones and closed circuit with a pebble crusher. Cyclone underflow will be ground in a ball mill operating in closed circuit with the cyclones to achieve the final product size of 106 µm. A gravity circuit will be utilised to treat a portion of the cyclone feed stream to recover coarse free gold from the recirculating load. The milled product will gravitate to a trash screen before entering a pre-leach conditioning tank. A seven stage carbon-in-leach (CIL) circuit will be used to leach and adsorb gold from the milled ore onto activated carbon. An AARL elution circuit will be used to recover gold from loaded carbon. Cyanide in the CIL tailings will be detoxified using the SO_2 /air process prior to thickening. The thickened tailings will then be pumped to the tailings storage facility.

This process flow sheet is well known in the industry, historically proven as a successful processing route for the Obotan region ores during Resolute Limited operations from 1998 to 2002, and is therefore considered low risk.

The ore specific and project criteria are:

- milling capacity of 3,000,000 tpa of primary ore;
- mechanical availability of 85% for the crushing plant and 91.3% for the wet plant, supported by crushed ore storage and standby equipment in critical areas; and
- sufficient automated plant control to minimise the need for continuous operator interface while allowing manual override and control when required.

Infrastructure

Current Infrastructure. Current site infrastructure at the Obotan Gold Project consists of:

- an exploration office, core storage area and accommodation facility located just west of the village of Nkran;
- infrastructure remaining from the operations of RAGC consisting of administrative buildings, a mine village that is partially habitable and a 33 kV power supply from the ECG sub-station at Gyagyatreso; and
- communication systems currently available at the site are poor.

Some upgrade works are required on the road between Wiekyi and the project site to be able to divert large loads around several villages on the road between Wiekyi and Nkran. These roads diversions will be designed and constructed by third parties.

Electricity. Investigations completed into the existing 33 kV power supply infrastructure have revealed it to be in poor condition and of insufficient capacity to support the proposed operation. The selected power supply option is to run a new 161 kV power line from Asawinso to the project site. The proposed upgrade work includes:

- installation of a 161 kV power line from the GridCo substation at Asawinso to the site;
- transformers on site to provide 11 kV to the plant; and
- transformers on site to step up 11 kV to feed existing 33 kV circuits.

Water. A groundwater assessment of the planned Nkran and Adubiaso pits was conducted based on an investigation that took place from April to June 2012 and included the drilling of eight investigation holes and the pump testing of six bores.

The results of this programme indicates that the base load process raw water requirement of 7 L/s could be supplied by two of the bores operating on a duty and standby basis with a third equipped as a spare. It was found that the predicted water demand for a 1 in 100 year recurrence interval dry year rainfall sequence exceeds the installed bore capacity for months 1 to 4 of Year 1, and for Year 1 months 1 and 2 for average and wet conditions. The short-term high water demand months during the early stages of operation (months 1 and 2 for average and wet conditions, and months 1 to 4 for 1 in 100 year recurrence interval dry conditions) could potentially be supplied from either bore water or pit dewatering water pumped in advance, and stored in the tailings storage facility ("**TSF**"). The suitability of these options will be reviewed during the Project design phase. Groundwater will be used to supplement the process water supply as well as to provide a supply to the potable water treatment plant.

Tailings. The TSF will consist of a multi-zoned downstream perimeter embankment, comprising a total footprint area (including the basin area) of approximately 86 ha for the Stage 1 TSF increasing to 309 ha for the final TSF. The TSF is designed to store total 33 Mt. Tailings will be discharged into the TSF by sub-aerial deposition methods, using a combination of spigots at regularly spaced intervals from the embankment.

The design incorporates an upstream toe drain and basin underdrainage system in low-lying basin areas to improve performance of the TSF. The underdrainage system comprises a network of collector and finger drains. The toe drain and underdrainage system drain by gravity to a collection sump located at the lowest point in the TSF.

Supernatant water will be removed from the TSF via submersible pumps located on a floating barge located within the supernatant pond throughout operation. Solution recovered from the decant system will be pumped back to the plant for re-use in the process circuits.

A downstream seepage collection system will be installed within and downstream of the TSF embankment, to allow monitoring and collection of seepage from the TSF in the collection sump located downstream of the final TSF.

Monitoring bores will be installed downstream of the TSF, and subjected to constant monitoring and analysis of the samples withdrawn from them. This will allow any seepage or contamination to be detected, and will trigger the mitigation measures to be outlined in the TSF management plan.

The TSF embankment will be constructed in stages to suit storage requirements and the availability of suitable mine waste. It is envisaged that the upstream portions of the embankment will be raised annually by an earthworks contractor with the bulk embankment fill being placed as part of the mining operations on an ongoing basis.

The TSF design utilises a beach angle that has been verified by laboratory testing, and the overall design is regarded as conservative, with no unique or unusual design parameters or methodologies utilised in the design. The use of downstream raise construction methods promote embankment stability, which has been demonstrated by the high factors of safety obtained for the stability assessment.

Environmental and Social

The Company contracted the services of African Environmental Research and Consulting ("**AERC**") to complete the scoping study and Environmental and Social Impact Assessment ("**ESIA**") of the Project and develop the Environmental and Social Impact Statement ("**ESIS**") to be submitted to the Ghana Environmental Protection Agency ("**EPA**") for approval. In March 2012, the scoping study for Abore-Abirem was submitted to the EPA, and work has continued on advancing the environmental and social studies and baselines for the Obotan Gold Project.

Detailed baseline studies have been completed to provide the required level of information for development of the ESIA. Air quality, noise, surface water hydrology, groundwater hydrogeology, water quality, soil, fauna and flora baseline studies have been completed and reports are currently being generated. Traffic, socio-economic and medical surveys have also been completed.

Results from the various surveys and baselines have indicated:

- dust levels will increase, requiring monitoring and mitigation by spraying roads and other dust generation surfaces;

- noise levels close to the project site will increase, a noise monitoring regime will be established to assess the exposure of employees and the local population to noise generated from the project activities and, if necessary, to take corrective action promptly by intensifying or changing the mix of the mitigation measures;

- metal contamination in the environment has been assessed, and the results indicate no long-term effects from previous mining activities. Closure of the site and prevention of access to some areas will be carried out so as to minimise any potential impacts;

- cyanide in the environment will be mitigated by detoxification prior to release to the TSF, all waters arising from the TSF will be returned to the plant;

- there is no evidence of acid formation from the wastes generated during the previous operation, and therefore it is reasonable to conclude that the project wastes are unlikely to have an effect on the surrounding area's soil;

- effects on local suspended solids and turbidity will be mitigated by the use of suitable sedimentation structures together with an effective monitoring program to assess efficiency of those measures;

- significant local contamination of water with coliform exists. Adequate ablution facilities will be constructed for the project with all sewage treated before discharge. This discharge will also be monitored to ensure that coliform water discharge levels are met;

- the current phosphate concentrations in the Nkran and Adubiaso pits are higher than the EPA guideline for phosphate. These pits need to be dewatered and the phosphate levels downstream of the Project may be elevated for a limited period;

- damage from drilling and blasting activities will be limited by carefully developed drilling and blasting designs together with blasting practices (evacuation and guarding) that will be deployed to minimise damage and eliminate safety risks;

- effects on flora and fauna will be negligible, the results of the baseline fauna and flora study indicate that the project area is presently degraded and lacks the characteristic feature of the original vegetation of the areas following years of intense farming and mining operations. Because of the extensive habitat alteration, the associated fauna and flora species are mainly common and widespread habitat

generalists that are able to tolerate the current level of disturbances. The separate aquatic flora assessment does not identify any species or areas that require specific attention or actions. The areas affected by mining and processing are only 8% of the total licence areas, and the vast majority of the areas (waste dumps and TSF) will be rehabilitated to current levels or better;

- similarly the soil in the area has been degraded by previous activities. Waste from the plant will be sequestered and rehabilitated to ensure that it does not further contribute to the soil contamination;

- heritage sites have been identified and will be protected;

- famers will be compensated if their land is to be affected by the operation, and after rehabilitation the land will be returned to the landowners;

- the effect of the project on the galamsey activities will be minimal, limited to the need for the galamsey to vacate the areas required for pits, waste dumps, roads and the TSF and changes to surface water supplies (used by galamsey) by dewatering the current pits and alterations to surface water supplies due to topographic changes; and

- trade will be positively affected, and it is likely that local trade will flourish due to the increased income levels in the area and accompanying increase in discretionary spending.

Community Consultation. Adansi has engaged in the first round of community consultation. A public forum was held on 4 July 2012, where, in general, it was noted that the Obotan Gold Project has the support of the local people.

Adansi's Community Relations, Environment and Health & Safety Manager will lead the approvals and notifications strategy with communications to the national government. The Adansi Environmental and Community Relations Departments will communicate notifications at a local government level and through the Community Consultation Committee ("**CCC**"). The CCC was established in early 2012 with representatives from local villages, the Ghanaian Government and Adansi. The intention is to have Adansi meet regularly with the CCC to provide a forum to address community concerns and project proposals.

Government Consultation. Various items of the Obotan Gold Project involve a consultation process with local government and village leaders. The infrastructure items include the supply of water to the site, waste water treatment and disposal, mining workshops and waste dumps, materials handling areas, the process plant and TSF.

The following governmental stakeholders have been contacted:

- Amansie West District Assembly;
- Ministry of Food and Agriculture;
- Ghana Health Service;
- Land Valuation Board;
- Environmental Protection Agency (EPA);
- Forestry Commission;
- Minerals Commission;
- Inspectorate Division of Minerals Commission;
- Water Resources Commission.

Some of the main outstanding permits to be obtained from these departments are:

- Water abstraction permit;
- Mining leases;
- Mining permits;
- Environmental permit.

In all cases, consultation will occur at a local Government level and with village leaders as well as through the CCC in advance of any works and with detailed plans and timing being available. Compromise and compensation according to the laws of Ghana will occur for any disturbances.

All new accommodation buildings, storage facilities and warehousing will be designed and constructed in accordance with current local regulations.

Economic Analysis

Production Forecast. The Obotan Gold Project is expected to mine a total of 253Mt of material over a 13 year period, including 1 year prior to production. Peak mining will occur in Year 2 with 34.8Mt and decline to 1.8Mt in the final year of mining. This results in 2.26 million recovered oz Au over the 11.5 year mine life.

Operating Cost Estimate. A summary of operating costs to an accuracy of ±10- 15% is presented in Table 6.

Table 6: Operating Cost Summary

Operating Costs	**US$M**	**US$/t mined**	**US$/t milled**	**US$/oz. sold**
Mining	850,401,609	3.36	24.84	376
Process	473,090,406	1.87	13.82	209
Administration	90,551,397	0.36	2.65	40
Sub Total	**1,414,043,412**	**5.59**	**41.31**	**626**
Royalties	205,603,496	0.81	6.01	91
Bullion & Refining	12,072,925	0.05	0.35	5
Sub Total	**217,676,421**	**0.86**	**6.36**	**96**
TOTAL	**1,631,719,833**	**6.45**	**47.67**	**722**

Capital Cost Estimate. The capital cost estimate is based upon an Engineering, Procurement, and Construction Management ("**EPCM**") approach where the owner assumes the contractor's construction risk. As a result, the capital estimate does not include a contractor's margin. The capital cost estimate has been prepared to an accuracy level of ± 10 to 15%. Table 7 provides a summary of the capital costs and Table 8 shows the pre-production mining and mining capital breakdown for the Obotan Gold Project.

Table 7: Capital Cost Summary

Cost Area	**Capital Cost (US$)**
Pre-Production Mining & Mining Capital	102,485,498
Process Plant Direct	83,652,118
Infrastructure	49,248,874
Process Plant Indirect	26,098,686
Spares & First Fills	8,920,778
Owners Costs	26,185,706
Total Upfront Capital Expenditure	**296,591,658**
Sustaining Capital	35,613,946
Ongoing Mining Capital	20,724,988
Total Capital Expenditure	**352,930,591**

Table 8: Pre-Production Mining & Mining Capital Breakdown

Cost Area	**Capital Cost (US$)**
Pre-Strip	**82,189,014**
Mining Establishment	
Mining Capital	17,273,025
Mining Owners Cost	3,023,459
Total	**20,296,484**
Total Pre-Production Mining & Mining Capital Breakdown	**102,485,498**

The following are not included in the capital cost estimate set out above.

- no allowance has been made for escalation of prices;
- no allowance has been made for financing costs or interest;
- no allowance has been made for currency exchange rate variations;
- no allowance has been made for GST or VAT;
- no allowance has been made for sunk costs incurred by Adansi prior to project implementation;
- no allowance has been made for closure costs or any potential revenue from sale of the plant at the end of project life.

A preliminary high-level cashflow based financial evaluation has been undertaken based on a spot gold price of US$1,300/oz., the summary of which is presented in Table 9 below.

Table 9: Summary of Financial Outcomes

Key Project Physicals				
Ore Mined	**Mt**	34.2		
Average Grade	**g/t**	2.21		
Gold Sold	**ounces**	2,258,944		
Mine Life	**Yrs**	11.5		
Key Project Financials		**Downside Case[(1)]**	**Base Case**	**Upside Case[(2)]**
Gold Price	**US$/oz.**	1040	1300	1560
Net Revenue	**US$M**	2,173	2,719	3,265
Operating Cost	**US$M**	1,414		
Capital Cost	**US$M**	353		
Cashflow before tax	**US$M**	407	953	1,500
NPV_5 pre-tax ungeared	**US$M**	217	614	1010
IRR pre-tax ungeared	**%**	17%	35%	52%
NPV_5 post tax ungeared	**US$M**	126	387	646
IRR post tax ungeared	**%**	13%	28%	41%
Payback	**Years**	4.8	2.9	2.0

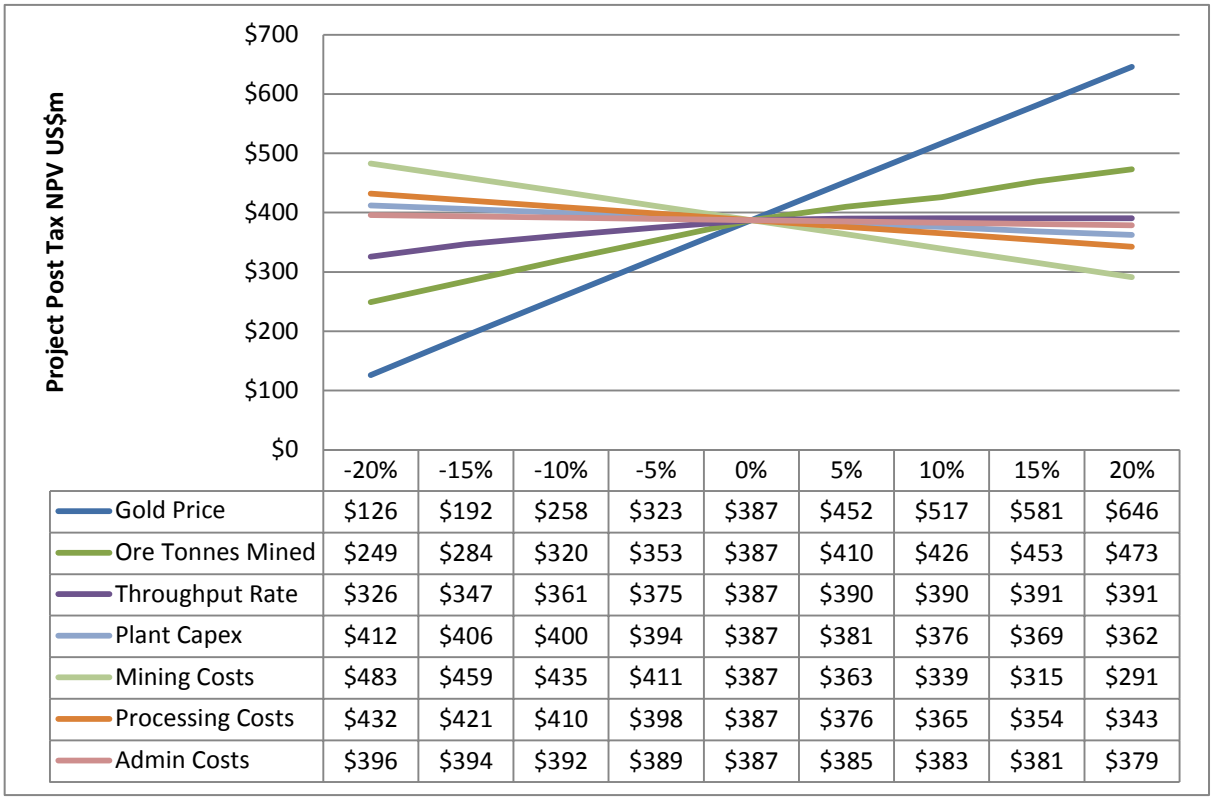
Notes (1) and (2) = base case assumption ± 20%

Project revenue based on the selected base case gold price of US$1,300 is estimated to be such that a total of US$336m in corporate taxes and total royalties of US$206m (US$147m government royalties) is paid.

Payback is estimated at 2.9 years for the base case.

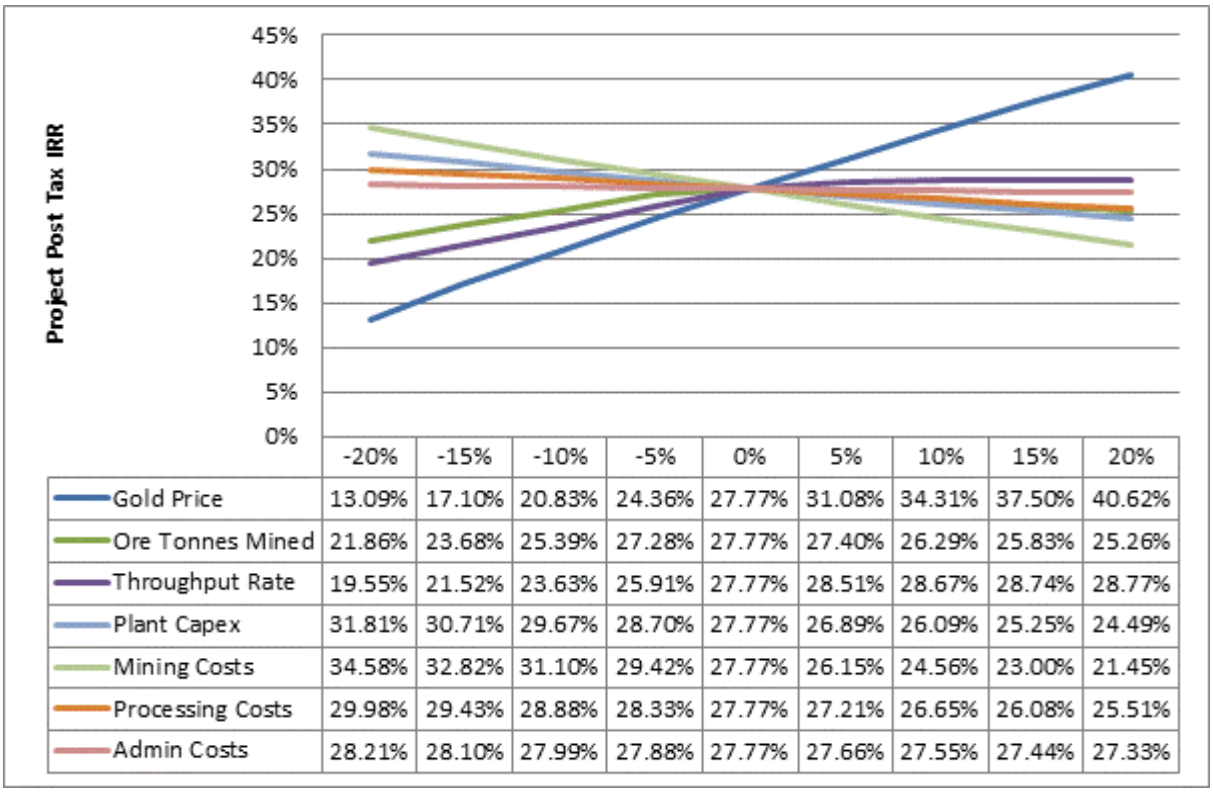
The Project sensitivity analysis, at 5% interest rate is shown in Figures 5 and 6.

Figure 5: Preliminary Economic Analysis post-tax NPV



	-20%	-15%	-10%	-5%	0%	5%	10%	15%	20%
Gold Price	$126	$192	$258	$323	$387	$452	$517	$581	$646
Ore Tonnes Mined	$249	$284	$320	$353	$387	$410	$426	$453	$473
Throughput Rate	$326	$347	$361	$375	$387	$390	$390	$391	$391
Plant Capex	$412	$406	$400	$394	$387	$381	$376	$369	$362
Mining Costs	$483	$459	$435	$411	$387	$363	$339	$315	$291
Processing Costs	$432	$421	$410	$398	$387	$376	$365	$354	$343
Admin Costs	$396	$394	$392	$389	$387	$385	$383	$381	$379

Figure 6: Preliminary Economic Analysis post-tax IRR



	-20%	-15%	-10%	-5%	0%	5%	10%	15%	20%
Gold Price	13.09%	17.10%	20.83%	24.36%	27.77%	31.08%	34.31%	37.50%	40.62%
Ore Tonnes Mined	21.86%	23.68%	25.39%	27.28%	27.77%	27.40%	26.29%	25.83%	25.26%
Throughput Rate	19.55%	21.52%	23.63%	25.91%	27.77%	28.51%	28.67%	28.74%	28.77%
Plant Capex	31.81%	30.71%	29.67%	28.70%	27.77%	26.89%	26.09%	25.25%	24.49%
Mining Costs	34.58%	32.82%	31.10%	29.42%	27.77%	26.15%	24.56%	23.00%	21.45%
Processing Costs	29.98%	29.43%	28.88%	28.33%	27.77%	27.21%	26.65%	26.08%	25.51%
Admin Costs	28.21%	28.10%	27.99%	27.88%	27.77%	27.66%	27.55%	27.44%	27.33%

The Obotan Gold Project sensitivity to gold price is also summarised in Table 10 below.

Table 10: Obotan Gold Project Sensitivity to Gold Price

	USD/oz 1200	USD/oz 1300	USD/oz 1400	USD/oz 1500	USD/oz 1600	USD/oz 1700	USD/oz 1800	USD/oz 1900	USD/oz 2000
Project Net Revenue	$2,509m	$2,719m	$2,929m	$3,139m	$3,349m	$3,559m	$3,769m	$3,979m	$4,190m
Pre-tax Cashflow	$743m	$953m	$1,164m	$1,374m	$1,584m	$1,794m	$2,004m	$2,214m	$2,424m
NPV before tax at 5%	$461m	$614m	$766m	$916m	$1,071m	$1,224m	$1,376m	$1,528m	$1,681m
NPV before tax at 8%	$344m	$472m	$600m	$728m	$856m	$984m	$1,113m	$1,241m	$1,369m
NPV after tax at 5%	$288m	$387m	$487m	$586m	$686m	$785m	$884m	$984m	$1,083m
NPV after tax at 8%	$206m	$290m	$374m	$458m	$542m	$625m	$709m	$792m	$876m
IRR before tax	28%	35%	41%	48%	54%	61%	67%	73%	79%
IRR after tax	22%	28%	33%	38%	43%	47%	51%	56%	61%
Payback Period (yrs)	3.5	2.9	2.5	2.25	1.9	1.75	1.5	1.5	1.5

OTHER PROJECTS

Overview

With completion of resource definition and infill drilling in early 2012 at the Obotan Gold Project, exploration focus shifted from Obotan to PMI's extensive tenement portfolio totalling 580 km^2 to delineate new resources. In April 2012, the Company announced an extensive regional exploration push aimed at completing +100,000 metres of aircore, reverse circulation and diamond drilling over its highly prospective ground holdings within the Ashanti Gold Belt (Kubi Gold Project) and the Asankrangwa Gold Belt (Obotan Area of Influence and Asanko Gold Project).

The objectives of this multipronged exploration program are to: (1) identify additional oxide resources within trucking distance of the Obotan Gold Project (termed the Obotan Area of Influence); (2) discover new standalone gold deposits within the adjoining Asanko concessions (includes all tenements south of the Obotan Area of Influence) within the Asankrangwa Gold Belt; and (3) drill test multiple gold targets delineated by airborne magnetics and near-surface geochemical sampling undertaken previously at the Kubi Project.

A number of exploration efficiency measures were also introduced during the year including the contracting of additional drill rigs due to a shortage of rigs in Ghana, the recruitment of in-country geological personnel, and the installation of a portable, containerised sample preparation facility, constructed by Ausdrill (AMS)/MinAnalytical Laboratory Services Australia Limited, for PMI Gold's exclusive use, to address the slow turnaround of analytical results processed through commercial laboratories.

ASHANTI GOLD BELT

Kubi Gold Project

The following is a summary description of the Company's Kubi Project. Information in this section is derived from or based upon, and in some cases extracted directly from, the Kubi Report, other than information contained under the heading "Recent Developments on Kubi Project."

Location

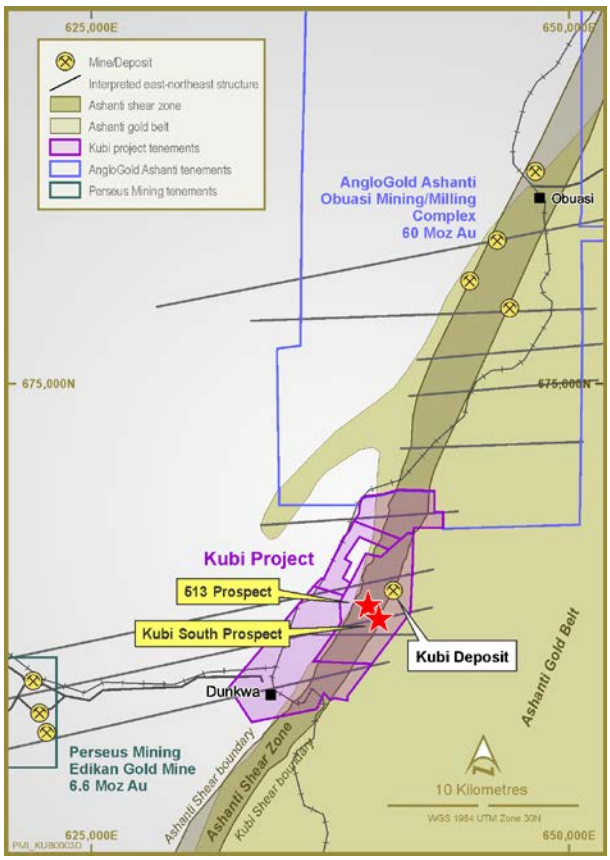
The Kubi Project is located 65 km east of the Obotan Gold Project, 15 km immediately south along strike from the Obuasi gold mining complex (owned by AngloGold Ashanti) and 12 km north east of the Edikan Gold Mine (owned by Perseus Mining). The Kubi tenements cover the intersection of two major regional geological structures – the north-south trending Ashanti shear zone and the east-west trending structures associated with Perseus Mining's Edikan Gold Mine. (See Figure 7).

The Kubi Project comprises two mining leases which cover a total of 19.34 km² and prospecting licenses which covers 32.83 km². The Kubi Project is predominantly located in the Adansi South District of the Ashanti Region and a portion of the Upper Denkyira District of the Central Region of Ghana. Dunkwa is the closest major town to the concession. The Supuma Shelter Belt forest reserve covers approximately 10% of the project area.

Ownership - The Kubi Mining Leases

The Kubi mining leases, which expire on September 17, 2028, are held by NRGL for the exploitation of gold only and cover a combined area of 19.34 km^2. Royal Gold, Inc. of Denver has a 3% net proceeds of production royalty interest.

Figure 7: Kubi Project Location/Tenement Plan



Geology and Mineralization

The Kubi deposit is situated at the intersection of regional NE-SW trending shear zones, which represent reactivated thrust faults that form the Birimian-Tarkwaian contact, and a major N-S trending basement fault. Gold mineralization occurs in a 1.0 to 15.0 metre thick garnetiferous horizon within Birimian age metasediments which are contained within a north-northeast trending Kubi shear zone, forming the eastern boundary of the Ashanti shear zone close to the Birimian-Tarkwaian contact. This garnetiferous horizon contains fine grained gold associated with minor (5-15%) pyrite and pyrrhotite as well as some coarser gold which is associated with relatively narrow quartz veins.

The 'Garnet Zone' constitutes 85% of the Kubi Main resource. It is a distinct, laterally persistent, rock unit located within the major boundary shear zone and characterized by dense garnet and amphibole development,

pyrrhotite, arsenopyrite and free gold within quartz veins. Within the Kubi Main Deposit, it can be traced for two kilometres along a consistent 020° strike, and with a steep westerly dip of 85° to 75°.

Prior Exploration

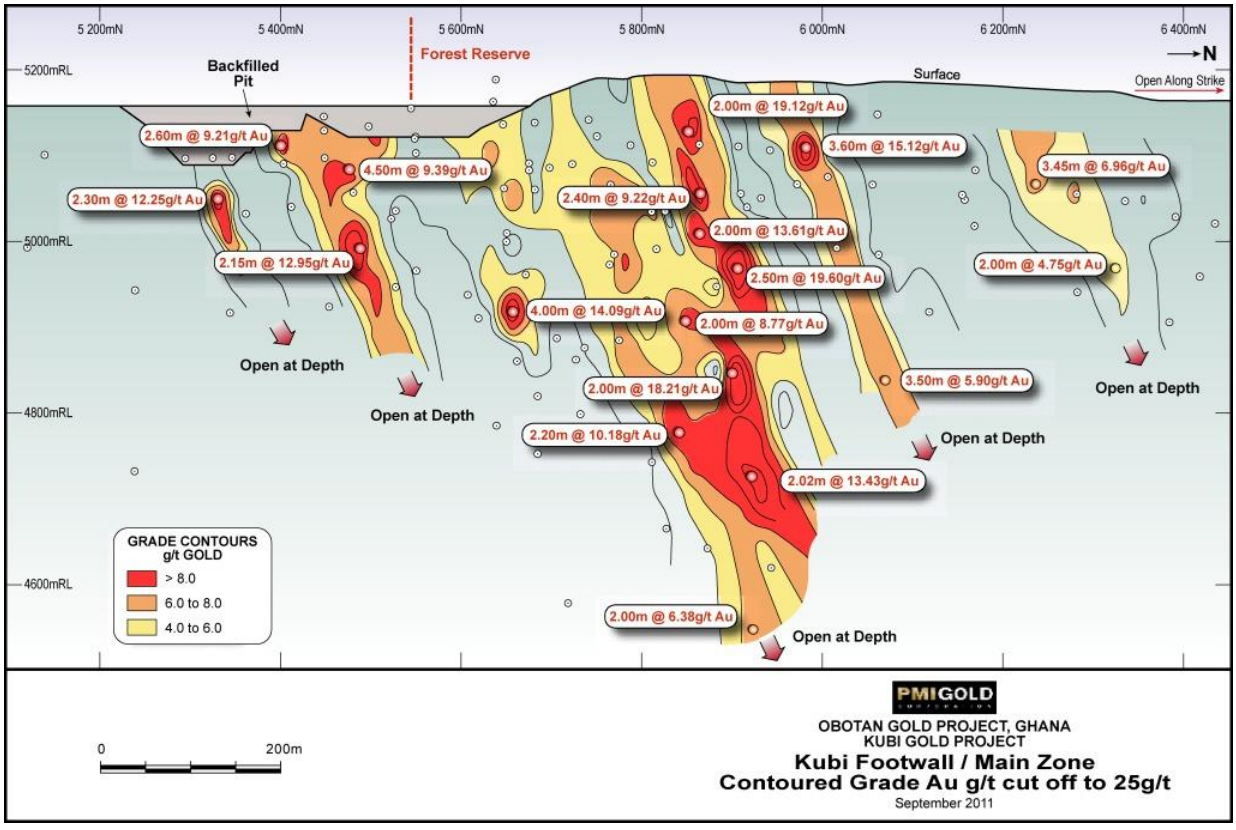
Most exploration work within the Kubi Project was completed by NRGL between 1997 and 1998. During this time over 35,500 metres of RAB, reverse circulation and diamond core drilling was completed and almost 14 km of trenches excavated.

Previous exploration at Kubi principally focussed on the Kubi Main Deposit on the Kubi shear and on geophysical anomalies. Exploration by previous explorers at Kubi indicated that near-surface gold anomalism is extensively distributed along the Ashanti and Kubi shears the bounding structures of the belt dominant Ashanti Shear Zone; however deeper drilling has only been carried out at isolated locations, and was principally focused at the Kubi Main Deposit on the Kubi shear and on geophysical anomalies, and none of the previous deeper drilling tested the recent anomalous auger targets.

The Company commenced exploration activities on the Kubi Project in 2009. The focus of the Company's work was to further assess target areas outside the limits of the defined mineral resource. Work included airborne magnetic and radiometrics, ground VLF-EM, induced polarization surveys, soil and auger geochemical sampling in selected parts of the concession area followed by 2,559 metres of diamond drilling in 22 holes.

A total of 66,312 metres of diamond core drilling in 226 drill holes in the Kubi Main Deposit area was used for the mineral resource estimate in the Kubi Report.

Figure 8: Kubi Footwall Main Zone



Mineral Resources

The Company commissioned SEMS Exploration Services Ltd. (SEMS), Ghana in November 2010 to prepare a revised independent mineral resource estimate for the Kubi Project that was to better reflect the proposed underground mining methods suitable for a narrow, high grade, gold deposit such as Kubi.

The methodology employed in the current estimation process utilized a 3-dimensional wireframe model of mineralization interpreted with 2.0 g/t Au sample cut-off grade, defined on cross sections at approximately thirty meter intervals.

Summary statistics and semi-variograms were constructed using one metre sample composites of gold values that locate within mineralised domains. An inverse distance squared method was used to interpolate grades into the model. Resource classification was carried out using solid wireframes to flag blocks as measured, indicated and inferred.

Table 11(a) summarizes the mineral resource estimates at 2.0 g/t Au block cut-off grades within the Kubi Main Deposit. Table 11(b) below sets forth the mineral resource estimates by material type (at 2.0 g/t Au block cut-off grades) within the Kubi Main Deposit.

Table 11 (a): Kubi Main Resources

Kubi Gold Project – N43-101/JORC Code Compliant Mineral Resource Estimate Effective December 10, 2010			
Category	**Tonnage**	**Grade**	**Contained Gold**
	Tonnes (million)	*Au g/t*	*Ounces*
Measured	0.66	5.30	112,000
Indicated	0.66	5.65	121,000
Total Measured & Indicated	1.32	5.48	233,000
Inferred	0.67	5.31	115,000

Table 11 (b)

Material Type	*Tonnes (million)*	*Au g/t*	*Ounces*
Oxide	0.12	5.07	19,000
Fresh	1.88	5.44	329,000

Identified Mineral Resource (2.0g/t Au Cut-off). Mineral Resource Estimates by Material Type (2.0g/t Au Cut-off)

SEMS recommended that the Company continue with exploration activities such as ground geophysical and geochemical surveys as well as RC and core drilling over other portions of the Kubi Project that lie outside of the current resource extent.

Prior Operations

The Kubi Main open pit gold mine was operated by Ashanti Goldfields and AngloGold Ashanti in two phases between 1999 and 2005. The Kubi Main open pit produced approximately 60,000 ounces of gold from 500,000 tonnes of oxide ore grading 3.65 g/t gold.

Recent Developments on Kubi Project

Auger Geochemical Sampling

The Company's exploration activities in 2011/2012 focussed on completing the second phase of a 10,000 metres auger drilling program over the Ashanti and Kubi shears. The program was designed to evaluate historical gold anomalous results along strike from the previously reported 513 Prospect and systematically test the entire Ashanti Shear Zone, surrounding country rocks and areas of alluvial cover.

The auger drilling program was undertaken on an initial line spacing of 200 metres apart, with holes drilled at a 25 metres online spacing to depths of 3-5 metres, depending on the depth of overburden. Additional in-fill auger drilling was carried out on 100 metres spaced lines in areas of anomalism. The saprolite horizon was sampled to overcome the masking and spurious effects of the transported overburden. Samples were assayed by 'bottle–roll' technique using up to 2kg samples with a 24-hour residence time at SGS laboratories. Results were reported with a detection limit of 2 parts per billion ("**ppb**"). Results were contoured using 20, 40 and 80 divisions with several values over 1,000ppb.

As part of Phase 1 drilling, a total of 38 lines were drilled comprising 1,048 holes for a total of 4,832 metres from the planned 5,000 metre auger program. A new significant gold anomaly was defined by a 40ppb Au threshold over a total strike length of up 1.2 km along the Ashanti Shear. Within this anomaly, peak zones of greater than 200ppb Au, with maximum gold concentrations of up to 2,000ppb (2g/t Au), were delineated over strike intervals of 100-200 metres.

Additional assay results received from Phase 2 drilling further revealed more than ten 100-400 metres long, +2,000ppb (+2g/t Au) gold anomalies within several broader +80ppb NE-SW trending anomalous zones enveloping the Ashanti and Kubi shears, internally within the shears and to the west of the Ashanti Shear. Of particular interest were:

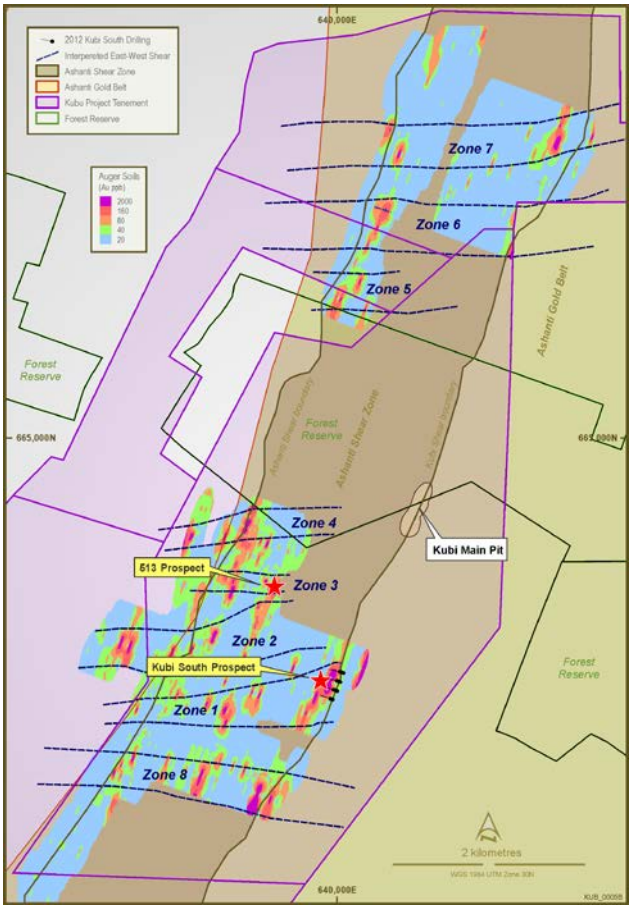
- An open +200 metres long 2000ppb anomaly corresponding to the Ashanti Shear;
- A 1km southerly extension of the 513 Prospect;
- A complex anomalous zone 500 metres west of the Ashanti Shear;
- A strong +500 metres, 2000ppb anomaly corresponding to the Kubi shear about 300 metres south of the Kubi Main Deposit; and
- Possible E-NE trending structures which appear to control the distribution of the anomalies.

Anomalous gold results were also received from auger drilling to the north of the Kubi Forest Zone. Consistent with the results reported further south, around 513 Prospect, the new anomalies have maximum gold concentrations in excess of 2g/t Au in saprolite clays, well-defined NE trends coinciding with the Ashanti and Kubi shears and extend semi-continuously over strike extents of up to 2km and widths of 50 to 100 metres.

The auger drilling has proved successful in defining extensions to the 513 Prospect, delineating multiple series of gold in auger anomalies over a 5km strike extent of the NE trending Ashanti and Kubi shears, and a series of ENE trending structure corridors (8 in total), considered to be a favourable control for gold mineralisation in Ghana, interpreted from aeromagnetic data to regularly cut across the gold anomalous corridor (Figure 9).

The positive results have provided a series of drill targets for followed up by a combination of aircore/RAB, RC and diamond drilling.

Figure 9: Gold Geochemical Anomalies from Auger Sampling Results at Kubi Project



513 Prospect

The 513 Prospect is located on the Ashanti Shear which hosts the world class AngloGold Ashanti Obuasi Mine located approximately 15 km to the north of the Kubi Gold Project. The mineralization at 513 is hosted within a garnetized metagabbro, near the contact of a sequence of meta-sedimentary rocks, and strikes north-east parallel to the Ashanti and Kubi Shears. A series of cross-cutting east-northeast structures have been identified from airborne and ground geophysical surveys in association with the auger geochemical anomalism. The host rock alteration mineralogy is identical to the Kubi Main Deposit, supporting the wider potential for this style of mineralization along the Ashanti and Kubi shear zones.

Diamond drilling at the 513 Prospect was designed to infill a 500 metres strike length of anomalous gold values intersected in auger drill holes completed in late 2010, and to also test the down-dip extent of previous intersections. A total of 17 diamond drill holes were drilled for 2,311 metres on a nominal 100 metres spacing 25 metres apart. Drilling results are summarized under “Appendix B”.

Diamond drilling has intersected multiple zones of gold mineralization and confirms that mineralization at the 513 Prospect is continuous over a strike length of over 500 metres, open along strike to both the north and south, and also down dip. Results further confirm the broader extent of gold mineralization in the project area and indicate the occurrence of a higher grade zone within a broad, continuous, lower grade envelope at the southern extent of the prospect (Figure 10 & 11). Many of the larger gold deposits in Ghana have a short strike extent with substantial steep plunging deep roots. The presence of this higher grade shoot provides another valuable exploration target in the Kubi Project.

Figure 10: 513 Prospect – Zone of Defined Mineralisation

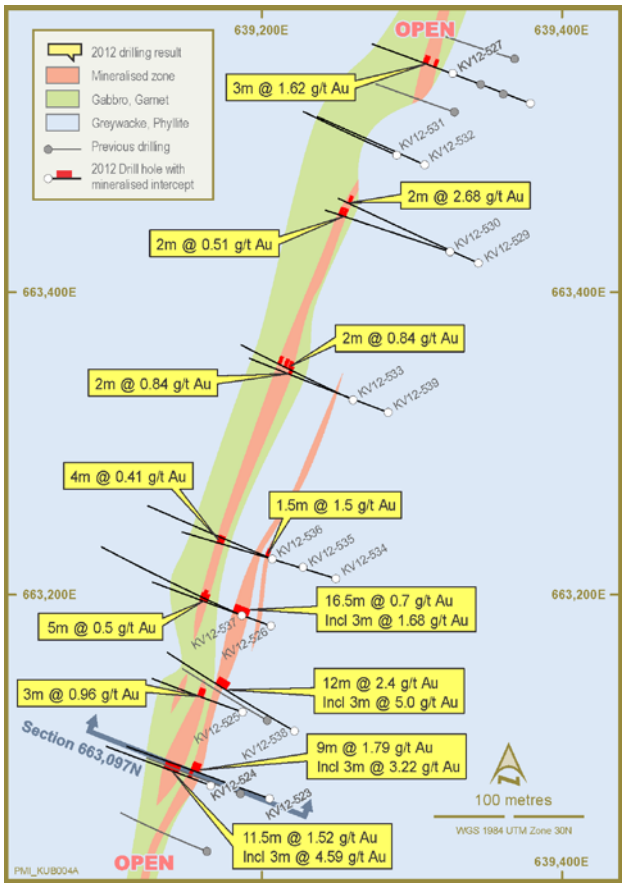
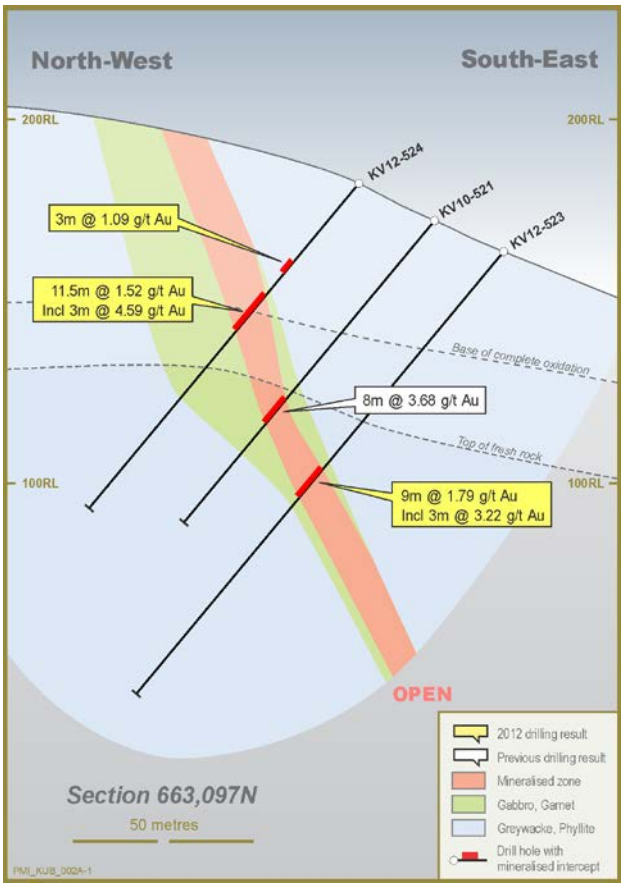


Figure 11: 513 Prospect – Cross Section 663,079N



Kubi South Prospect

The Kubi South Prospect is strategically located 1.5 km south of the Kubi Main Deposit, both of which form along the highly prospective north-east trending Kubi Shear, which forms the eastern boundary of the Ashanti Shear Zone.

The program of 12 diamond drill holes for 2,164.5 metres, drilled on a nominal 100 metres line spacing 25 metres apart, was designed to follow up historical mineralized intercepts and test the continuity of known mineralization along strike and down dip. Drilling intersected multiple zones of significant gold mineralization ranging in strike length from 150 metres to 300 metres, open along strike to both the north and south, and also down dip. Drilling results are summarized under "Appendix B".

Table 12: Kubi Proposed Exploration Schedule 2012/2013

EXPLORATION ACTIVITIES	2012		2013	
KUBI PROJECT	Q3	Q4	Q1	Q2
KUB I				
Aircore drilling				
RC drilling				
Diamond drilling				
Soil Sampling				
DUNKWA-GYIMIGYA				
Aircore drilling				
RC drilling				
Soil Sampling				
GYIMIGYA				
Aircore drilling				
RC drilling				

ASANKRANGWA GOLD BELT

Asanko Regional Exploration Project & Obotan Area of Influence

PMI's dominant 70 km contiguous landholding within the Asankrangwa Gold Belt covers an area of approximately 480 km^2 (excluding the recent Midras tenement acquisition). The Belt includes the Obotan Gold Project which is situated in the northern part of the Company's tenements (located within the Abore-Abirem and Adubea prospecting licences, covering a 15 km strike of the Asankrangwa Gold Belt), and the Asanko Regional Exploration Project (previously referred to as the Asankrangwa or Ashanti II projects) which covers 55 km strike located immediately south of Obotan (see Figure 12). Combined, the contiguous Obotan and Asanko Gold Projects represent the largest strategic ground package to have been successfully consolidated by a single company in the Asankrangwa Gold Belt.

Outside of the Obotan Gold Project, the Company's exploration approach on the Asankrangwa concessions is on two fronts: the development of oxide resource targets within trucking distance to the Obotan Gold Project (within 15 km of the Nkran Deposit); and the exploration of resource targets within the southern 40 km of the Asankrangwa tenements, with a focus on the establishment of a new stand-alone mining operation.

Until recent times, the gold potential of the Asankrangwa Belt was not widely recognised, as previous exploration was undertaken by several junior companies over a relatively short period during the mid-1990s and early 2000s. Notwithstanding strongly positive field results achieved, regional gold exploration was not sustained due to the lower prevailing gold prices (average price of <US$300/oz), fragmented tenement holdings and funding constraints.

With the concessions consolidated under PMI's umbrella, it has enabled the Company to systematically evaluate the Belt through an extensive body of historical work where previous explorers identified numerous gold geochemical and structural/geophysical targets, a number of which have undergone limited drilling.

A strategic review of the historical data was carried out by PMI and a number of target areas were recommended for detailed follow-up exploration. The target areas are located along three regional shear zones (Abore, Nkran and Fromenda shears) that also host the Obotan deposits and the occurrence of known gold mineralisation along these three regional structures enhances the potential for new discoveries.

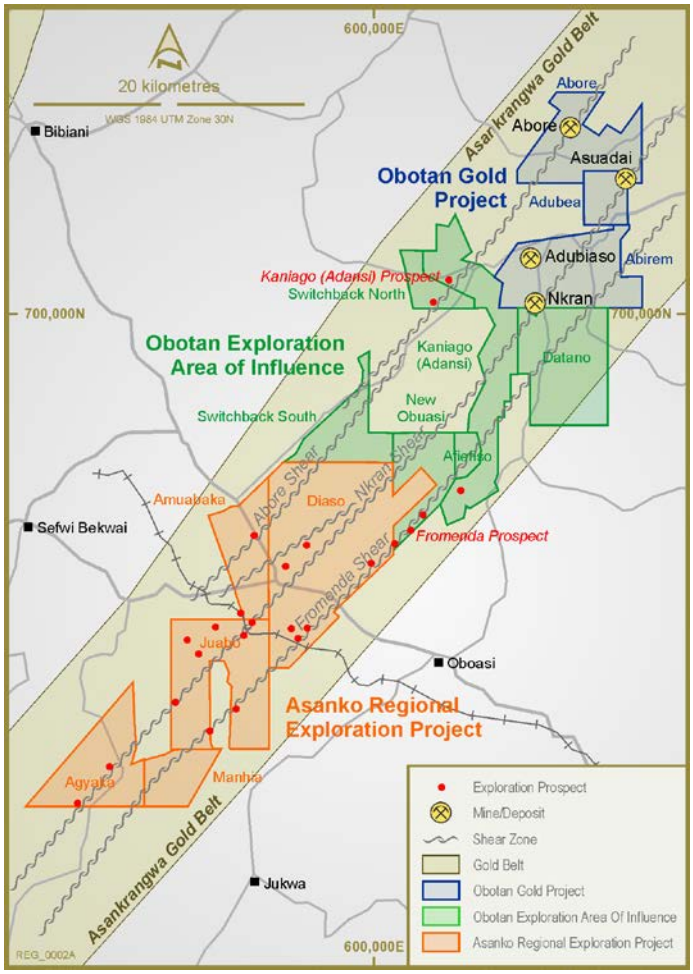
The gold endowment of the Asankrangwa Gold Belt has recently been reinforced by the delineation of major mineral resource extensions at the Obotan Gold Project and Keegan Resources' Esaase gold deposit (located 12.5 km north of Obotan on the Abore shear at the northern end of the Asankrangwa Belt).

Following the evaluation and prioritization of targets within the concessions, all target areas within the 15 km zone have been redefined as the Obotan Area of Influence. These include the following concessions: Kaniago (Adansi), New Obuasi, Switchback North and South, and the Afiefiso portion of the Diaso-Afiefiso concession

The Obotan Area of Influence also includes the Datano mining lease which covers an area of 50 km^2 and sits contiguous to the Obotan Gold Project. The Company entered into an agreement with Midras Mining Company Ltd. to acquire the Datano mining lease for a purchase price of US$6 million, subject to regulatory approvals in Ghana in connection with the sale and transfer of the lease. The tenement in-fills a major gap in PMI's tenement coverage of the gold mineralized structures in the Belt, and provides greater flexibility in the design of infrastructure within the Obotan Gold Project feasibility study.

All remaining target areas south of the Obotan Area of Influence are defined as the Asanko Regional Exploration Project and include the following concessions: Diaso portion of the Diaso-Afiefiso concession, Amuabaka, Juabo, Agyaka Manso and Manhia.

Figure 12: Asankrangwa Gold Belt - Project Location/Tenement Plan



Recent Developments at the Obotan Area of Influence

Target areas within 15 km of the Nkran Deposit was the main focus of regional exploration drilling during the year. First drilling campaigns by PMI were commenced on the Kaniago (Adansi) Prospect (7 km west), the Fromenda Prospect (15 km south-west) and the Afiefiso Prospect (12 km south-west), all high priority targets located within an economic haulage distance of a proposed processing facility at Nkran.

Kaniago (Adansi) Prospect

The Kaniago (Adansi) Prospect represents one of a series of exploration targets along the Abore Shear generated by geological mapping and a low-level detailed airborne magnetic survey previously undertaken by PMI. A reconnaissance aircore drilling program of 133 holes were drilled for 7,349 metres. Drilling results are summarized under “Appendix B”.

Drilling targeted a brittle greywacke unit where the north-east trending Abore Shear zone intersects with cross-cutting east-northeast striking structures, which are interpreted to be the main structural control for gold mineralization at Obotan (PMI) and Esaase (Keegan Resources Inc.). A series of narrow, sub-parallel, north-east trending gold anomalies of greater than 0.1 g/t Au have been delineated from the drilling.

The strike lengths of individual anomalies range from 400 metres to 1,200 metres and all are open along strike and down dip, increasing the ongoing exploration potential of the area. The results clearly confirm the broader gold potential of the Abore, Nkran and Fromenda Shears to host significant gold mineralization and provide a focal point for planned target drilling due to commence in the latter half of 2012.

Fromenda Prospect

The Fromenda Prospect is located on the north-east striking Fromenda Shear, which is interpreted from geophysical data to form the eastern margin of a regional north-east trending structural corridor. The corridor comprises a parallel series of at least three continuous, shear zones interpreted to control the regional distribution of gold mineralization, particularly at intersections with cross-cutting ENE structures, as characterises the Company’s Obotan Gold Project deposits to the north. At the Obotan Gold Project the gold mineralization is located on the Nkran and Abore shears located to the west of the Fromenda Shear. Based on historical exploration results the Fromenda Shear, and in particular the Fromenda Prospect, is considered by the Company to represent a high priority exploration target.

Regionally, gold mineralization was intersected in 1990s drilling by a range of companies along the entire strike extents of all NE trending structures comprising the corridor.

Drilling at the Fromenda Prospect commenced in February 2012, with 68 RC holes drilled for a total of 6,775 metres. The drilling program was planned to evaluate the broader extent of the mineralized system at shallow depths, with some infilling of the historical drill pattern over a previously delineated gold in soil anomaly. Drilling results are summarized under “Appendix B”.

Drilling results have confirmed the internal continuity of known mineralization and extended it to depths in excess of 100 metres. Gold mineralization is open along strike to both the north and south, and is open down-dip offering the potential to be a more extensive system than presently drilled.

Afiefiso Prospect

Subsequent to year end, PMI Gold announced drilling results at its Afiefiso Prospect, a high priority target within the Obotan Area of Influence. Drilling undertaken in March 2012 was designed as a first-pass test of a strong (>100ppb) gold in soil geochemical anomaly, defined by previous explorers, which extends over a length of 2 km striking north-east and is 200-500 metres wide.

The program comprised broadly spaced reconnaissance aircore traverses (145 holes on four traverses at 200-800 metres intervals. A total of 10,018 metres has been drilled into the prospect. Drilling intersected multiple zones of anomalous gold at shallow depths (<100m), striking parallel to the Fromenda Shear over a length of up to 1,600 metres and downhole widths of 2-12 metres. Drilling results are summarized under “Appendix B”.

The Afiefiso results further highlight the potential of the Fromenda Shear.

Table 13: Asankrangwa Projects Proposed Exploration Schedule 2012/2013

EXPLORATION ACTIVITIES	2012		2013	
ASANKRANGWA EXPLORATION	Q3	Q4	Q1	Q2
OBOTAN (ABORE-ABIREM/ADUBEA)				
Nkran				
Soil Sampling				
Aircore Drilling				
RC Drilling				
Asuadai				
Trenching				
Aircore Drilling				
RC Drilling				
OBOTAN AREA OF INFLUENCE				
Kaniago (Adansi)				
Trenching				
RC Drilling				
Diamond Drilling				
Afieifiso				
RC Drilling				
New Obuase (Fromenda)				
Trenching				
Soil Sampling				
RC Drilling				
Diamond Drilling				
Aircore Drilling				
ASANKO REGIONAL EXPL. PROJECT				
Diaso				
RC Drilling				
Diamond Drilling				
Nkronua-Atifi				
Aircore Drilling				
Amuabaka				
Soil Sampling				
Aircore Drilling				
Juabo				
Soil Sampling				
Aircore Drilling				
Manhyia				
Trenching				
Aircore Drilling				
Agyaaka Manso				
Aircore Drilling				

RISK FACTORS

Prospective investors in the Company should be aware that investing in the securities of the Company involves a number of risks. The risk factors outlined in this section and elsewhere in this Annual Information Form should be carefully considered by investors when evaluating an investment in the Company. In addition, investors should appreciate that the value of the securities of the Company may rise or fall depending on a range of factors beyond the control of the Company. Any of the factors set out in this section may materially affect the financial condition and performance of the Company, its business and mineral properties, and the market price of the common shares.

If any of the following risks actually occur, the Company's business could be materially harmed. The risks and uncertainties described below are not the only ones that the Company faces. Additional risks and uncertainties, including those of which the Company is currently unaware or that it deems immaterial, may also adversely affect the Company's business.

Risks Related to the Company and Mineral Exploration, Development and Production

The Company cannot guarantee that the Obotan Gold Project, or any other mineral property, will ever become a commercially viable mine.

Gold exploration, development, and operations are highly speculative and are characterized by a number of significant inherent risks, which even a combination of careful evaluation, experience and knowledge may not eliminate and may result in the inability to develop a project. These risks include, among other things, unprofitable efforts resulting not only from the failure to discover mineral resources or mineral reserves but from finding mineral resources and mineral reserves, which, though present, are insufficient in quantity and quality to return a profit from production. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, flooding, fires, power outages, labour disruptions and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in mining operations and the conduct of exploration and development programs, as well as the inability to obtain required capital. There is no assurance that the foregoing risks will not occur and inhibit, delay or cease the development of the Obotan Gold Project or other exploration or development activities, all of which would have a material adverse impact on the Company's business, results of operations and financial condition. Estimates of mineral resources and mineral reserves are, to a large extent, based upon the interpretation of geological data obtained from drill holes and other sampling techniques and technical report studies. This information is used to calculate estimates of the capital costs, operating costs, and other financial parameters, based upon anticipated tonnage and grades of ore to be mined and processed, the configuration of the mineral resource or mineral reserve, expected recovery rates, comparable facility and equipment operating costs and other factors. As a result, it is possible that the actual capital cost, operating costs, other economic parameters and economic returns of any proposed mine may differ from those estimated and such differences could have a material adverse effect on the Company's business, financial condition, results of operations and prospects. There can be no assurance that the Company will be able to complete development of the Obotan Gold Project or other any future development project on time, on budget or at all due to, among other things, and in addition to those factors described above, a decline in the price of gold or other metal, changes in the economics of the Obotan Gold Project, delays in receiving required consents, approvals, permits and licenses, the delivery and installation of plant and equipment, failure of plant and equipment to work as anticipated, pit slope failures, unusual or unexpected rock formations, poor or unexpected geological or metallurgical conditions, poor or inadequate ventilation, cost overruns, changes in input prices, governmental regulations, including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of commodities and environmental protection, or that the Company's personnel, systems, procedures and controls will be adequate to support operations. Should any of these events occur, it would have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

The Company may not meet production and cost estimates, and this will impact the Company's financial condition, cash flow and profitability.

From time to time, the Company provides forecasts of its future production and future capital and operating costs, including in this short form prospectus and the documents incorporated by reference. These production estimates are dependent on, among other things, the accuracy of resource estimates, the accuracy of assumptions regarding gold composition and yields, ground conditions and physical characteristics of ores, such as hardness and the presence or absence of particular metallurgical characteristics and the accuracy of estimated rates and costs of mining and processing. The Company cannot therefore guarantee that actual future production or actual future costs will not differ materially from forecasts for any number of reasons, including operational difficulties, unexpected changes in the cost of key inputs, labour disruption, permitting issues, opposition to mining activities, adverse operating conditions (such as unexpected geological conditions, fire, weather, accidents), compliance

with governmental requirements, labour and safety issues, delays in installing or repairing plant and equipment, and the other risks described in, or incorporated by reference into, this short form prospectus. Problems may also arise due to interruptions to essential services (such as power, water, fuel, equipment or transport capacity) or technical support which results in a failure to achieve expected target dates for production.

A decrease in the amount of, or a change in the timing of the production, or in the prices realized for, metals produced by the Company, or an increase in actual capital or operating costs, particularly in relation to the production of gold will directly affect the amount and timing of the Company's cash flow from operations, its revenue and its profitability. The actual effect of such a decrease on the Company's cash flow from operations or profitability would depend on the timing of any changes in production and on actual prices and costs. Any change in the timing of receipt of revenue and cash would result in delays in using such cash to fund capital expenditures, including capital for the Company's development projects in the future. Any such financing requirements could adversely affect the Company's ability to access capital markets in the future to meet any external financing requirements or increase its debt financing costs.

The failure of the Company to achieve its production estimates could have a material and adverse effect on any or all of its future cash flows, results of operations and financial condition.

Gold price volatility may affect the production, profitability, financial position and financial condition of the Company.

Gold prices historically have fluctuated widely and are affected by numerous external factors beyond the Company's control. Between 2000 and 2011 the price of gold as quoted in London ranged between a low of US$255 and a high of US$1,900 per ounce. There are numerous factors outside of the Company's control that may affect the price of gold including industrial and jewellery demand, central bank lending or purchases or sales of gold bullion, forward or short sales of gold by producers and speculators, future level of gold production, and rapid short-term changes in supply. demand due to speculative or hedging activities by producers, individuals or funds, the strength of the U.S. dollar (the currency in which the price of gold is generally quoted), and global or regional political or economic conditions or events, including economic conditions or events in major gold producing countries.

The profitability of any future gold mining operation will be directly related to the then prevailing price of gold. If gold prices decline for a substantial period below the cost of production at the Company's mines, it may not be economically feasible to start or continue production at such mines. A decline in the prevailing price of gold may also require the Company to write-down its mineral resources or any mineral reserves, which would have a material and adverse effect on its earnings and profitability.

If the Company's projects achieve exploration success leading to commencement of commercial mining operations, it is anticipated that any revenues from mining will primarily be derived from the sale of gold. Consequently, any future earnings are likely to be closely related to the price of gold.

The Company's exploration activities and any current and future mining operations are, and will be, subject to operational risks and hazards inherent in the mining industry.

The Company's exploration activities and current and future mining operations are, and will be, subject to risks and hazards inherent in the mining industry, including but not limited to, variations in grade, deposit size, density and other geological problems, hydrological conditions, metallurgical and other processing problems, mechanical equipment performance problems, the unavailability of materials and equipment including, but not limited to, fuel, labour force disruptions (whether lawful or unlawful), reliance upon one or more mining contract companies to perform their contracted for duties in a timely manner, unanticipated failure of any mining contract companies to perform for any reason whatsoever, unanticipated regulatory changes, unanticipated or significant changes in the costs of supplies including, but not limited to, petroleum, and adverse weather conditions. Should any of these risks and hazards affect any of the Company's exploration activities or current or future mining operations, it may cause the cost of exploration or cost of development of mining operations or production to increase to a point where it would no longer be economic to carry out these activities which would have a material and adverse effect on the Company's business, financial condition, results of operations and prospects.

The estimates of costs to conduct further exploration work by the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realized in practice, which may materially and adversely affect the Company's exploration projects and its financial condition.

Estimates of mineral resources and mineral reserves are uncertain.

The Company's mineral resources and mineral reserves are estimates only and no assurance can be given that the anticipated tonnages and grades will be achieved, that the indicated level of recovery will be realized or that mineral reserves will be mined or processed profitably. Such estimation is a subjective process, and the accuracy of any mineral resources or mineral reserve estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. However, such figures are estimates, and no assurance can be given that the indicated level of mineral reserves will be produced. Moreover, short-term operating factors relating to the mineral deposits, such as the need for orderly development of the deposits or the processing of new or different grades of ore, may cause any mining operation to be unprofitable in any particular accounting period. Additionally, estimates may change over time as new information becomes available. There are numerous uncertainties inherent in estimating mineral resources or mineral reserves, including many factors beyond the Company's control. Fluctuation in the gold price, results of drilling, metallurgical testing and production and the evaluation of mine plans subsequent to the date of any estimate may require revision of such estimate. Any material reductions in estimates of mineral resources or mineral reserves, or of the Company's ability to extract these mineral resources or mineral reserves, could have a material adverse effect on the Company's operations and financial condition.

The results of the Feasibility Study on the Obotan Gold Project may not be realized.

The Company announced the results of the Feasibility Study on the Obotan Gold Project on August 28, 2012. The results of the Feasibility Study are dependent on, among other things, the accuracy of mineral reserve estimates, the accuracy of assumptions regarding gold composition and yields, the accuracy of the estimated rates and cost of mining and processing at the Obotan Gold Project, the accuracy of the estimates of the initial capital costs for the Obotan Gold Project and a price of gold of at least US$1,300. The Company cannot therefore guarantee that the results of the Feasibility Study on the Obotan Gold Project will be realized. The actual future production and actual future costs may differ materially from the results of the Feasibility Study on the Obotan Gold Project for any number of reasons, including, but not limited to, material changes to the Company's mineral resources and mineral reserves estimates due to the actual results of current exploration activities, changes in gold prices, changes in exchange rates, the possibility of equipment breakdowns, delays and availability, changes in mine plans, exploration cost overruns, unexpected increases in the costs of equipment, steel, cement and consumables such as diesel and fuel oil, unexpected environmental liabilities or social charges, the unknown impact of the 10% windfall profit tax announced by the Government of Ghana, title defects, the failure of contract parties to perform, the unavailability of capital and financing, adverse general economic, market or business conditions, regulatory changes and permitting issues. The occurrence of any of these events may have a material adverse effect on the Company's ability to achieve the results of the Feasibility Study.

Equipment shortages may adversely impact the Company's exploration, development and future production activities.

The Company's ability to undertake mining and exploration activities is dependent upon its ability to source and acquire appropriate mining equipment. Equipment is not always available and the market for mining equipment experiences fluctuations in supply and demand. If the Company is unable to source appropriate equipment economically or at all, then this would have a material adverse effect on the Company's ability to explore, develop and/or mina project, and its financial position.

The Company has a history of net losses and negative operating cash flow and cannot assure that it will ever be profitable.

The Company has received no revenue to date from the exploration activities on its properties and has negative cash flow from operating activities. The Company incurred a loss of for the year ended June 30, 2011. In the event the Company undertakes development activity on any of its properties, there is no certainty that the Company will produce revenue, operate profitably or provide a return on investment in the future.

Government regulations may have an adverse effect on the Company's exploration activities, development projects and future mining operations.

The Company's exploration activities, development projects and any future mining operations are subject to laws and regulations in Ghana governing the acquisition and retention of title to mineral rights, mine development, health and worker safety, employment standards, waste disposal, protection of the environment, local title, heritage matters, and protection of endangered and protected species and other matters. It is possible that operations could be impacted as a result of compliance with these laws and regulations. It is also possible that future changes in applicable laws, regulations, and agreements, or changes in their enforcement, regulatory interpretation or application could result in changes to legal or practical requirements or the terms of existing permits, rights and agreements applicable to the Company or its projects, which could have a material and

adverse impact on the Company's current exploration activities, planned development projects or future mining operations, including by requiring the Company to cease, materially delay or restrict exploration, development or mining operations.

Where required, obtaining necessary permits or rights to conduct exploration or mining operations can be a complex and time consuming process and the Company cannot assure whether any necessary permits or rights will be obtainable on acceptable terms, in a timely manner, or at all. The costs and delays associated with obtaining necessary permits or rights and complying with these permits or rights and applicable laws and regulations could stop, delay or restrict the Company from proceeding with exploration activities or with development or mining operations. Any failure to comply with applicable laws, regulations, permits or rights, even if inadvertent, could result in the material interruption or restriction of exploration activities, development or mining operations, or fines, penalties or other liabilities.

All mining property interests held by the Company are subject to a net smelter royalty ("NSR") and a 10% carried net profits interest in right of the Government of Ghana. The current NSR rate is 5%.

Adverse changes in community and local support will impact the Company's ability to explore, develop and mine.

Advancing a mineral deposit to commercial production involves the acceptance of local communities many of whom own the surface rights overlying the deposit or mineral rights which the Company controls and upon which the Company is performing feasibility studies. "Social License" is a broad term used to describe community acceptance of the proposed development project, a condition that is commonly required for the issuance of final permits and project financing. The Company dedicates considerable efforts towards community relations, providing information, labour opportunities, and open forums for discussion. While the Company believes that it currently has strong community support for the Obotan Gold Project and Kubi Project, there is no certainty that the permitting processes, the granting of licenses, permits and approvals, and field work will not be delayed or suspended due to a change in attitude by the communities, their authorities, or outside influence. Any such delays may have an adverse impact on the Company's exploration, development and/or future mining activities.

Mineral exploration may not be successful.

Mineral exploration is highly speculative in nature. The Company's exploration projects involve many risks and success in exploration is dependent upon a number of factors including, but not limited to, quality of management, quality and availability of geological expertise and availability of exploration capital. The Company cannot give any assurance that its current or future exploration efforts will result in the discovery of mineral resources or mineral reserves, or that its current and future exploration programs will result in the expansion or replacement of current mineral resources with new resources and reserves. The Company cannot give assurance that its exploration programs will be able to extend the life of any future mines or result in the discovery of new deposits.

Currency fluctuations and changes in exchange rates may adversely affect the financial position of the Company.

The Company's main business undertakings will be in Ghana, and as a result, revenues, cash flows, expenses, capital expenditures and commitments will be primarily denominated in Ghanaian cedis or US dollars. This results in the income, expenditure and cash flows of the entities being exposed to fluctuations and volatilities in exchange rates, as determined in international markets. The amount of revenue generated by the Company in Canadian dollars to pay dividends and operating costs will fluctuate with changes in exchange rates. Changes in exchange rates are outside the Company's control, and adverse changes may impact the Company's financial condition and results of operations.

The Company will require additional funding in the future, and the availability of such funding cannot be guaranteed.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company has no source of revenue, and has significant cash requirements to meet its exploration commitments, administrative overhead and maintain its mineral interests. The Company will need to raise sufficient funds to fund ongoing exploration, advance pre-feasibility and feasibility studies, provide for capital costs of building its mining facilities (including the Obotan Gold Project) and provide for administration expenses.

The Company's ability to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities and to meet any unanticipated liabilities or expenses which the Company may incur may depend in part on its ability to raise additional funds.

The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of exploration, development or production on the Company's properties or even loss of a property interest. There can be no assurance that additional financing will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to shareholders.

Loan agreements and other financing arrangements such as debt facilities, convertible note issues and finance leases (and any related guarantee and security) that may be entered into by the Company may contain covenants, undertakings and other provisions which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance that the Company would be able to repay such loans in the event of an acceleration. Enforcement of any security granted by the Company or default under a finance lease could also result in the loss of assets. The Company is exposed to risks associated with its financial instruments (consisting of cash, receivables, accounts payable and accrued liabilities due to third parties from time to time). This includes the risk that a third party to a financial instrument fails to meet its contractual obligations, the risk that the Company will not be able to meet its financial obligations as they fall due and the risk that market prices for gold may vary which will affect the Company's income.

A loss of key personnel may adversely impact the Company.

The Company's business depends on its ability to attract and retain the services of key personnel who are qualified and experienced. The success of the Company is, and will continue to be to a significant extent, dependent on the expertise and experience of the directors and senior management. While the Company has contracts of service or employment with its key personnel and in respect of key resources, the retention of their services cannot be guaranteed. The resources industry is largely driven by fluctuations in commodity prices which, when high, can lead to a large number of projects being developed which in turn increases the demand for skilled personnel, contractors, material and supplies. Accordingly, there is a risk to the Company of losing or being unable to secure enough suitable key personnel or key resources and, as a result, being exposed to increased capital and operating costs and delays, which may in turn adversely affect the development of new and existing projects, the expansion of existing operations, the results of those operations and the Company's financial condition and prospects.

The Company does not insure against all risks.

The Company does not take out insurance to protect its assets. However, any insurance coverage that may be taken out in the future could prove inadequate to satisfy potential claims and losses. Further, the Company may become subject to liabilities that cannot be insured against or against which it may elect not to be insured fully or at all because of high premium costs.

The Company may become subject to litigation.

The Company may become involved in, named as a party to, or the subject of, various legal proceedings, as well as contract disputes, regulatory proceedings, tax proceedings and legal actions relating to property damage, property taxes, land rights, and the environment, title claims, land tenure disputes, environmental claims, and occupational health and safety claims. The outcome with respect to future proceedings cannot be predicted with certainty and may be determined adversely to the Company and as a result, could have a material adverse effect on the Company's assets, liabilities, business, financial condition and results of operations. Even if the Company prevails in any such legal proceedings, the proceedings could be costly and time-consuming and would divert the attention of management and key personnel from the Company's business operations, which could adversely affect the Company's financial condition and results of operations.

Risks Relating to the Political and Economic Climates of Countries in which the Company Operates

The Company is subject to the risks associated with operating in a single foreign jurisdiction.

The Company's underlying business interests are located and carried out in a single foreign jurisdiction, Ghana. As a result, the Company is subject to significant political and other uncertainties, including but not limited to, changes in politics or the personnel administering them, nationalization or expropriation of property, cancellation or modification of contractual rights, foreign exchange restrictions, currency fluctuations, royalty and tax increases and other risks arising out of governmental sovereignty over the areas in which the Company's operations are conducted.

The Company may not be able to explore and/or develop projects that are located on forestry reserve lands.

Certain sections of the Kubi Project and Asanko Regional Exploration Project (Juabo concession) are within forest reserves. The further development of these sections may be subject to delays associated with the Company obtaining permission to access the sections of the Kubi and Juabo concessions that are within forest reserves, and any such delays may impair and/or halt the exploration and future development of such projects.

Title to mineral projects may be challenged, and future tenement applications may not be granted or renewed.

The Company cannot guarantee that additional applications for tenements made by the Company will ultimately be granted, in whole or in part. Further, the Company cannot guarantee that renewals of valid tenements will be granted on a timely basis, or at all. With the exception of the Kubi mining leases, the Company has yet to receive regulatory and environmental approval to convert its exploration licenses into production concessions. There is a risk that these approvals may not be obtained. Several of the Company's mining tenements are also subject to applications for extension. While the Company considers the renewal and extension applications to be in the normal course of business and expects the applications to be granted, there can be no assurance that they will be granted on a timely basis, or at all.

Interests in tenements in Ghana are governed under the Minerals and Mining Act by the Ministry of Lands Forestry and Mines and are evidenced by the granting of licenses or leases. Each license or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if license conditions are not met or if insufficient funds are available to meet expenditure commitments. Any loss of title or interest in a mineral project, would have a material and adverse effect on the Company's businesses, financial condition and results of operations.

Environmental regulations and requirements may have an adverse impact on the Company.

Inherent in mining and exploration operations is a real environmental risk. The legal framework governing this area is constantly developing. Accordingly, the Company is unable to fully ascertain any future liability that may arise from any new laws or regulations. Mineral exploration and production can be environmentally sensitive activities which can give rise to substantial costs for environmental rehabilitation, damage, control and losses. Further, if there are environmental rehabilitation conditions attached to the tenements, failure to meet such conditions could lead to forfeiture of these tenements.

The Ministry of Lands Forestry and Mines of Ghana from time to time reviews the environmental bonds that are placed on tenements in Ghana. The Company is not in a position to state whether a review in respect of any of the Company's projects is imminent or whether the outcome of such a review would be detrimental to the funding needs of the Company. Some previous trenching was not backfilled by the previous operators or owners on concessions now held by the Company. Ultimately these trenches may require backfilling. The Company has a policy to backfill any unfilled trenches that it locates during its ongoing drilling operations, provided the local land owners are in agreement as bringing heavy machinery in to backfill the trenches may result in additional damages to the local farms. Outstanding liabilities with respect to unfilled trenches are not considered material by the Company.

Rehabilitation on the Kubi mining lease and Kubi forest reserve lease by the previous owner has not yet received final approval from the Ghanaian Environmental Protection Agency. Under the previous mining lease, these environmental liabilities are the responsibility of the previous owner.

The Company's exploration programs will, in general, be subject to approval by various governmental authorities including the Ministry of Lands Forestry and Mines, the Mines Department and the Minerals Commission of Ghana. Development of any of the Company's properties will be dependent on the project meeting environmental guidelines set by the Ghana Environmental Protection Agency and, where required, other governmental authorities.

Artisanal Mining.

The artisanal mining sector in Ghana may interfere with and potentially cause delays to the Company's mineral exploration and development activities.

Changes in tax law may adversely impact the Company.

Any change in the Company's tax status or the tax applicable to holding its Common Shares or in taxation legislation or its interpretation, could affect the value of the investments held by the Company, affect the Company's ability to provide returns to shareholders and/or alter the post-tax returns to shareholders.

Global financial and economic conditions may negatively impact the Company and the price of the Common Shares.

In recent years financial markets globally have been subject to increased volatility and numerous financial institutions have either gone into bankruptcy or have had to be rescued by governmental authorities. Access to financing has been negatively impacted by liquidity crises throughout the world. Ongoing solvency and debt extension crises with certain European countries and the United States of America also have the potential to negatively impact the stability of global market conditions. These factors may impact the ability of the Company to obtain loans and other credit facilities in the future and, if obtained, on terms favourable to the Company. If these increased levels of volatility continue and if market turmoil returns, the Company may not be able to secure appropriate debt or equity financing, any of which could affect the Company's ability to advance its mineral projects and affect the trading price of the Company's shares in an adverse manner.

Changes in both Ghanaian and global economic conditions may affect the financial performance of the Company. These factors over which the Company has no control include general market, political and economic conditions, including inflation rates, interest rates and foreign currency exchange rates, changes in market valuations of listed stocks in general and gold, structural changes to the global mining industry, supply and demand conditions for gold, and fluctuations in the gold price. In addition, factors such as political movements, stock market trends, commodity prices, industrial disruption, environmental and adverse weather impacts, taxation changes and legislative or regulatory changes may all have an adverse impact on the Company's operating costs, profit margins and share price. These factors are beyond the control of the Company and the Company cannot, to any degree of certainty, predict how they will impact on the Company.

DESCRIPTION OF CAPITAL STRUCTURE

Common Shares

The authorized capital of the Company consists of an unlimited number of common shares without par value. As at September 25, 2012, 275,505,084 common shares of the Company were issued and outstanding, including common shares underlying outstanding CDIs listed on the ASX (see "General Development of the Business – Three Year History – Australian Public Offering" for further information in relation to the CDIs).

All of the authorized common shares of the Company are of the same class and, once issued, rank equally as to dividends, voting powers and participation in assets and in all other respects, on liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, or any other distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs after the Company has paid out its liabilities. The issued common shares are not subject to call or assessment by the Company nor are there any pre-emptive, conversion, exchange, redemption or retraction rights attaching to the common shares.

All registered shareholders are entitled to receive a notice of any general meeting to be convened by the Company. At any general meeting, subject to the restrictions on joint registered owners of common shares, on a show of hands every shareholder who is present in person and entitled to vote has one vote and on a poll, every shareholder has one vote for each common share of which it is the registered owner and may exercise such vote either in person or by proxy. The Company's Articles provide that the rights and provisions attached to any class of shares, in which shares are issued, may not be modified, amended or varied unless consented to by special resolution passed by a majority of not less than 66 2/3% of the votes cast in person or by proxy by holders of shares of that class.

Dividends

The Company has not paid any dividends on its common shares since its incorporation. Any decision to pay dividends on common shares in the future will be made by the Board of Directors on the basis of the earnings, financial requirements and other conditions existing at such time.

Stock Options

The Company's amended and restated stock option plan (the "**New Plan**") was originally adopted by a resolution of the Board on January 19, 2011, and received shareholder approval on January 20, 2011. The New Plan was adopted to replace the Company's previous stock option plan (the "**Old Plan**") in order to ensure compliance with current ASX listing rules and Australian regulations following the Company's admission to the official list of the ASX. The New Plan is a "rolling" stock option plan whereby a maximum of 10% of the issued shares of the Company, from time to time, may be reserved for issuance pursuant to the exercise of options. Under the policies of the TSXV, "rolling" stock option plans are required to be approved by ordinary resolution of the shareholders at each annual shareholders' meeting of the Company and submitted to the TSXV thereafter for acceptance.

The stated purpose of the New Plan is to give Eligible Participants (as defined below), as additional compensation, the opportunity to participate in the success of the Company by granting to such individuals options, exercisable over periods of up to five years as determined by the Board, to buy shares of the Company at a price equal to the Market Price (as defined below) prevailing on the date the option is granted less applicable discount, if any, permitted by the policies of the TSXV and the ASX.

The New Plan has the following features:

(a) *Eligible* participants under the New Plan include directors, senior officers, employees, management company employees and consultants of the Company and its subsidiaries (collectively, the "**Optionee**").

(b) The optio*n* price under each option shall not be less than the Market Price on the grant date. The Market Price of shares *at* any grant date means the last closing price per share on the trading day immediately preceding the day on which the Company announces the grant of the option or, if the grant is not announced, on the grant date.

(c) The number of shares reserved for issuance under the New Plan and all of the Company's other previously established or proposed Share compensation arrangements:

    a. in aggregate shall not exceed 10%; and

    b. to any one Optionee within a 12 month period shall not exceed 5%

of the total number of issued and outstanding shares on a non-diluted basis.

(d) The number of shares which may be issuable under the New Plan and all of the Company's other previously established or proposed share compensation arrangements, within a one-year period:

    a. to any one Optionee shall not exceed 5% of the total number of issued and outstanding shares on the grant date on a non-diluted basis;

    b. to any one consultant (as defined in TSXV policies) shall not exceed 2% in the aggregate of the issued and outstanding shares on the grant date on a non-diluted basis; and

    c. to all Optionees who undertake investor relations activities (as defined in TSXV policies) shall not exceed 2% in the aggregate of the issued and outstanding shares on the grant date on a non-diluted basis.

(e) Where the Board authorizes the issue of options to Optionees situated in Australia or for sale in Australia, the maximum number of shares which may be allocated for subscription under the New Plan shall not exceed 5% of the Company's issued shares as at the time of the offer or invitation to grant the option.

(f) Notwithstanding any terms of any option or any provisions of the New Plan to the contrary, Options may only be issued within the limitations imposed by the *Corporations Act 2001* (Cth), the ASX listing rules and the TSXV policies.

(g) The term during which the option can be exercisable shall be set by the Board at the time of issue of the option and shall not be more than five years after the grant date.

(h) If an Optionee ceases to be a director, officer or service providers of the Company or one of its subsidiaries, his or her option shall be exercisable as follows:

a. If the Optionee ceases to be an eligible participant due to his or her death or disability, the option then held by the Optionee shall be exercisable at any time up to but not after the earlier of: (i) 365 days after the date of death or disability; and (ii) the expiry date of the Optionee's options;

b. If the Optionee ceases to be an eligible participant as a result of termination for cause, any outstanding option held by such Optionee on the date of such termination, whether in respect of option shares that are vested or not, shall be canceled as of that date;

c. If the Optionee ceases to be an eligible person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force, or due to his or her termination by the Company other than for cause, or due to his or her voluntary resignation, the option then held by the Optionee shall be exercisable to acquire vested unissued option shares at any time up to but not after the earlier of: (i) the date which is 90 days (30 days if the Optionee was engaged in investor relations activities) after the Optionee ceases to be an eligible participant; and (ii) the expiry date of the Optionee's options.

An option that had not become vested in respect of certain unissued option shares at the time of the relevant event that led the Optionee to cease being an eligible participant shall not be or become vested or exercisable and shall be cancelled.

(i) In the event of a Change of Control (as defined in the New Plan), all option shares subject to each outstanding option will become vested, whereupon such option may be exercised in whole or in part by the optionee. Any acceleration of vesting is subject to the prior written approval of the TSXV and the ASX.

(j) In the event of any reorganization (including consolidation, sub-division, reduction or return) of the issued capital of the Company at any time before the expiry date of the options, all rights of the Optionee are to be changed in a manner consistent with the ASX listing rules.

(k) There are no participating rights or entitlements inherent in the options and the Optionee will not be entitled to participate in new issues of capital which may be offered to holders of shares before the expiry date of the options without exercising their options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least seven (7) business days after the issue is announced. This will give the Optionees the opportunity (where available) to exercise their options prior to the date for determining entitlements to participate in any such issue.

(l) If there is a bonus issue ("**Bonus Issue**") to holders of share on or before the expiry date of the options, then the number of shares over which an option is exercisable will be increased by the number of shares which the Optionee would have received if the option had been exercised before the record date for the Bonus Issue.

(m) In the event that the Company makes a pro rata issue of securities (except a Bonus Issue), the exercise price of the options will be adjusted in accordance with the formula set out in ASX listing rule 6.22.

(n) The Board, subject to the Corporations Act 2001 (Cth), the ASX listing rules and the TSXV policies may determine and impose terms upon which each option shall become vested in respect of the option shares.

(o) The Company must obtain shareholder approval before options may be granted to any Optionee who is a director of, or otherwise a related party of, the Company or to any person who in the ASX's opinion requires shareholder approval.

(p) The Company must obtain disinterested shareholder approval of any decrease in the exercise price of options previously granted to an Insider (as defined in the TSXV policies).

(q) The Board may, from time to time, subject to applicable law and to the prior approval, if required, of the TSXV and/or the ASX or any other regulatory body having authority over the Company or the New Plan, suspend, terminate or discontinue the New Plan at any time, or amend or revise the terms of the Plan or of any option granted under the New Plan and the option agreement relating thereto, provided that no such amendment, revision, suspension, termination or discontinuance shall in any manner adversely affect any option previously granted to an Optionee under the New Plan without the consent of that Optionee. Any amendments to the New Plan or options granted thereunder will be subject to the approval of the shareholders.

(r) The Optionees may not assign or otherwise transfer their options.

The full text of the New Plan may be found under the Company's profile on SEDAR at www.sedar.com.

As at September 25, 2012, the Company has an aggregate of 14,837,500 options outstanding, which are governed by the New Plan. Each option is exercisable to purchase one common share of the Company. Details of the Company's outstanding options are set forth below.

Options	Number
Exercisable at $0.20 on or before Mar 26, 2013	87,500
Exercisable at $0.30 on or before Sept 9, 2014	400,000
Exercisable at $0.40 on or before Oct 28, 2014	500,000
Exercisable at $1.05 on or before Dec 15, 2015	2,000,000
Exercisable at $0.90 on or before Jan 20, 2016	5,000,000
Exercisable at $0.90 on or before Feb 18, 2016	500,000
Exercisable at $0.80 on or before Jun 1, 2015	2,000,000
Exercisable at $0.80 on or before Jun 1, 2016	560,000
Exercisable at $0.77 on or before Oct 2, 2016	240,000
Exercisable at $1.17 on or before Nov 19, 2016	200,000
Exercisable at $1.75 on or before Nov 19, 2016	550,000
Exercisable at $2.00 on or before Mar 11, 2016	1,750,000
Exercisable at $1.28 on or before Jun 7, 2017	750,000
Exercisable at $0.86 on or before Jun 12, 2017	300,000
TOTAL	**14,837,500**

Warrants

As at September 25, 2012, the following share purchase warrants of the Company (the "**Warrants**") are outstanding, with each warrant exercisable to purchase one common share:

Warrants	Number
Exercisable at AUS$0.60 on or before Dec 17, 2013	1,000,000
TOTAL	1,000,000

The Warrants are governed by the terms and conditions set forth in the certificates representing the respective Warrants (the "**Warrant Certificates**"). The summary below of terms and conditions attaching to the Warrants does not purport to be complete and is qualified in its entirety by reference to the provisions of the Warrant Certificates.

The Warrants rank pari passu, notwithstanding the actual date of issuance. The Warrants do not entitle the holder to any rights as a shareholder, including, without limitation, voting rights or attendance at annual general or special meetings.

The Warrants may be exercised in whole or in part from time to time prior to the expiry thereof. The exercise price and the number of shares issuable upon exercise of the Warrants will both be subject to adjustment if, prior to the exercise of any of the rights of the Warrant holder there is a reorganization of the authorized capital of the Company by way of consolidation, merger, subdivision, amalgamation, reclassification or otherwise, or the payment of any stock dividends (subject to the consent of the TSXV) in either or both the number of shares which may be purchased pursuant to a Warrant Certificate or the price at which such shares may be purchased, by corresponding amounts, so that the rights evidenced by the Warrant Certificate shall thereafter be as reasonably as possible equivalent to those originally granted thereby.

Performance Rights Plan

The Company's Performance Rights Plan (the "**PRP**") received shareholder approval on April 17, 2012. The PRP permits the grant of performance rights ("**Performance Rights**") to employees, executive officers or directors (within the meaning of NI 45-106) of the Company or of a Company subsidiary and who are declared by the Board to be eligible (collectively, "**Eligible Participants**").

To support the Company's recruitment and retention strategy for management and key operational staff as the Company transitions into mine development and operations in connection with the advancement of the Obotan Gold Project in Ghana, and in the light of adverse taxation consequences with respect to stock option grant for Australian based employees, the Board decided to implement a structured, performance based competitive long

term incentive plan, and engaged Ernst & Young to provide advice regarding a competitive incentive plan that meets the needs of the Company and the expectations of both the Australian and Canadian markets. The Company decided to adopt the PRP to reward Eligible Participants for long term performance.

In the case of the PRP, an Eligible Participant will have to satisfy the Performance Conditions in order to be entitled to the underlying common share (or CDI). As such, the PRP provides long-term incentives to staff while aligning potential incentive outcomes with the interests of Shareholders. A PRP structure is also recognised as being an effective means of attracting and retaining staff by providing them with the opportunity to participate in the creation of a valuable personal asset – a financial stake in the company on a performance tensioned 'at risk' basis.

The PRP has the following features:

(a) Eligible Participants under the PRP include directors, executive officers, and employees of the Company or of a Company subsidiary.

(b) The Board may, in its discretion, grant Performance Rights to an Eligible Participant upon the terms set out in the PRP and upon such terms and Performance Conditions as the Board determines. On satisfaction of the Performance Conditions an Eligible Participant will be entitled to receive one fully paid common share in the capital of the Company or CDI (each a "**Performance Share**") for each Performance Right. The number of Performance Rights granted will be equivalent to the Board's determination as to the value of the services to be provided by the Eligible Participant in satisfying the Performance Conditions divided by the then Market Price (as defined under TSXV policies).

(c) The number of Performance Shares reserved for issuance under the PRP and all of the Company's other previously established share compensation arrangements is equal to 10% of the outstanding common shares less the number of common shares issuable under grants made under any other Security Based Compensation Arrangement of the Company (and for greater certainty, the number of Performance Shares which may be issued under the PRP pursuant to Performance Rights shall not, when combined with Shares issuable at any time upon exercise of options granted under any stock option plan of the Company, exceed 10% of the issued and outstanding Shares).

(d) No money is required to be paid by the participant for the issuance of a Performance Share on vesting of the Performance Right, except if the Board is not satisfied that the past services provided by the participant are not the same equivalent to the money that the Company would have received had the Performance Share been issued for money.

(e) The number of Performance Rights which may be issued under the PRP and all of the Company's other share compensation arrangements, within a one-year period:

    a. to any one individual shall not exceed 5% of the total number of issued and outstanding shares;

    b. to any one consultant (as defined in TSXV policies) shall not exceed 2% in the aggregate of the issued and outstanding shares on the grant date on a non-diluted basis; and

    c. to an employing undertaking investor relations activities (as defined in TSXV policies) shall not exceed 2% in the aggregate of the issued and outstanding shares on the grant date on a non-diluted basis.

(f) The term during which a Performance Right can vest cannot be more than five (5) years from the date of grant of the Performance Right.

(g) If a holder of a Performance Right ceases to be an Eligible Participant before vesting of a Performance Right by reason of death, disability or bona fide redundancy, the Board may determine the extent to which the Performance Right shall vest, and if no determination is made within 2 months, the Performance Rights shall lapse. In the case of fraud, dishonesty, or breach of obligations, the Board may deem any unvested Performance Rights to have lapsed.

(h) The Company will not apply for official quotation of the Performance Rights on the ASX or TSXV.

(i) In the event of a Take-over Bid, the Board may determine that all or a specific number of Performance Rights vest where the Board is satisfied that the Performance Conditions have been satisfied on a pro rata basis, and any Performance Rights that are not deemed vested, shall lapse.

(j) In the event of any reorganization, recapitalization, stock split, stock dividend, combination of shares, merger, consolidation, rights offering or any other corporate change involving a change to the shares at any time after the grant of any Performance Rights and prior to the vesting or lapsing of such Performance Rights, the Company shall deliver to such Eligible Participant at the time of any subsequent vesting of Performance Rights in lieu of the number of Performance Shares to which the Eligible Participant was entitled upon such vesting, such number of Performance Shares as such Eligible Participant would have held as a result of such change if on the record date thereof the Eligible Participant had been the registered holder of the number of Performance Shares to which he was theretofore entitled to upon such vesting.

(k) There are no participating rights or entitlements inherent in the Performance Rights and participants will not be entitled to participate in new issues of shares which may be offered to holders of shares before the vesting of Performance Rights.

(l) A Performance Right confers no right to vote, attend meetings, participate in any dividend, distribution of profit or a return of capital or any other rights or entitlements as a holder of a share unless and until the Performance Right vests and a Performance Share has been issued.

(m) Subject to the PRP, the ASX Listing Rules and the prior approval of the TSXV, the Board may, from time to time, amend or add to ("Amend" or "Amendment") the terms of the PRP or the terms and conditions of any Performance Rights granted under the PRP, provided that no such Amendment, reduces the rights of an Eligible Participant. As well, the Company shall obtain Disinterested Shareholder Approval to Amend any Performance Right that is granted to an Insider of the Company.

(n) Performance Rights Holders may not transfer their Performance Rights except by operation of law, and then only in compliance with any other legal requirements.

The full text of the New Plan may be found under the Company's profile on SEDAR at www.sedar.com.

MARKET FOR SECURITIES

Trading Price and Volume

The Company's common shares are listed and traded in Canada on the TSXV under the symbol "PMV". The shares (CDIs) are also listed on the ASX under the symbol "PVM", and are quoted on the Frankfurt Stock Exchange (Open Market) under the symbol "PN3N".

The following table sets forth the closing price ranges and total trading volume of the common shares, on a monthly basis, on the TSXV during the Company's most recently completed financial year and subsequently to the end of August, 2012:

Period	High	Low	Volume
July 2011	$0.55	$0.52	21,850
August 2011	$0.49	$0.48	39,250
September 2011	$0.54	$0.48	798,500
October 2011	$1.17	$1.10	622,360
November 2011	$1.08	$1.03	229,298
December 2011	$0.96	$0.90	379,350
January 2012	$1.20	$1.16	581,956
February 2012	$1.42	$1.28	897,440
March 2012	$1.22	$1.18	29,030
April 2012	$0.94	$0.89	346,900
May 2012	$0.77	$0.71	1,107,848
June 2012	$0.78	$0.74	317,240
July 2012	$0.80	$0.75	48,700
August 2012	$0.87	$0.85	377,903

The following table sets forth the closing price ranges and total trading volume of the common shares, on a monthly basis, on the ASX during the Company's most recently completed financial year and subsequently to the end of August, 2012:

Period	High	Low	Volume
July 2011	$0.53	$0.50	344,084
August 2011	$0.48	$0.48	10,000
September 2011	$0.57	$0.54	190,730
October 2011	$1.12	$1.07	742,595
November 2011	$1.04	$.099	538,094
December 2011	$0.95	$0.90	71,124
January 2012	$1.13	$1.09	698,027
February 2012	$1.32	$1.30	565,270
March 2012	$1.18	$1.14	493,886
April 2012	$0.92	$0.86	388,413
May 2012	$0.78	$0.74	75,226
June 2012	$0.80	$0.73	149,940
July 2012	$0.76	$0.74	181,388
August 2012	$0.84	$0.83	234,500

DIRECTORS AND OFFICERS

Name, Occupation and Security Holding

The name, province or state, country of residence, position or office held with the Company and principal occupation during the past five years of each director and executive officer of the Company are described below. The directors are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are appointed. The Board of Directors appoints the Company's executive officers annually to serve at the discretion of the Board.

Name, Address and Position	Principal Occupation during past five years	Director Since
Collin Ellison, B.Sc. (Mining), C. Eng. Perth, Australia *Managing Director & Chief Executive Officer and Director*	Partner at PLC Partners, April 2009-January 2010; President/CEO/Director of Asian Mineral Resources (Ban Phuc Nickel Project, Vietnam), Toronto, Canada (TSX listed), June 2008-April 2009; COO of Wega Mining ASA, Oslo, Norway, January 2008 – June 2008 and NED of Wega Mining, June 2008 – December 2008; Goldbelt Resources Ltd., President/CEO/ Director (TSX listed) March 2005 – December 2007.	January 20, 2011
Michael Allen, B.Com., ACA Perth, Australia *Chief Financial Officer*	Principal within the Corporate Finance division of accounting firm RSM Bird Cameron in Perth Western Australia from 2007 to 2011.	N/A
Mike Gloyne, B.Sc (Mining Engineering) Perth, Australia *Chief Operating Officer*	General Manager Operations**,** Brockman Resources Ltd September 2011 – March 2012; General Manager Operations, Moly Mines Limited 2007 – 2011; General Manager/GM Business Development, Brambles Industrial Services 2004 – 2007.	N/A

Name, Address and Position	Principal Occupation during past five years	Director Since
Thomas Ennison Accra, Ghana *Executive Director*	Director and Corporate Secretary, Adansi Gold Company (GH) Limited since October 2003; Principal of Tennison Chambers law firm since 1969; Director of Goknet Mining Company Limited since January 2002; Director of Kubi Gold Company Ltd. since July 2008; Director of Switchback Mining Company Limited since September 2009.	August 10, 2007
Dr. John Clarke[(2)(3)] Vancouver, British Columbia, Canada *Non-Executive Director*	Vice-Chairman of Nevsun Resources Ltd. from August 2008 to September 2009 and President and CEO of Nevsun from 1997 to August 2008; Currently director of Banro Corporation (gold exploration and development company), Mediterranean Resources Ltd. (a mineral exploration company) and Great Quest Metals Ltd. (a mineral exploration company).	October 28, 2009
The Honourable Joseph H. Mensah[(1)] Accra, Ghana *Non-Executive Director*	Former Chairman of National Development Planning Commission (a Government Advisory Board) Ghana, from 2005 to 2008; Former member of Parliament, Ghana, for Sunyani East Riding from 1992 to 2008 (4th Republic); Minister of Finance and Economic Planning, Ghana, from 1969 to 1973 (2nd Republic); Senior Minister from 2000 to 2008 (4th Republic); Director of AngloGold Ashanti Limited from 2005 to 2009.	June 21, 2007
Peter Buck[(1)(2)(3)], M.Sc (Geology), M.AusIMM Perth, Australia *Non-Executive Chairman & Director*	Non-executive director, Breakaway Resources, 2006 to 2009; Exploration Manager and subsequently Director of Exploration and Geology, LionOre Mining International (previously Forrestania Gold), 1994 to 2006; variety of senior exploration and production roles for WMC Resources, 1971to1994.	December 17, 2010
Ross Ashton[(2)(3)], B.Sc (Geol), M.A.I.M.M. Perth, Australia *Non-Executive Director*	Non-executive director of Brockman Resources Limited, 2004 to 2011; Non-executive director, GB Energy Ltd., 2006 to 2010; Managing Director and subsequently Chair of Red Back Mining Inc., 1996 to 2005.	December 17, 2010
Dr. Michael Price [(1)(3)] London, United Kingdom *Non-Executive Director*	Currently non-executive director of Eldorado Gold Corporation, Central Asia Metals plc, Q Resources plc and Lincoln Mining Corporation. Former Managing Director, Joint Global Head of Mining and Metals, Barclays Capital, 2003 to 2006, Managing Director, Global Head of Mining and Metals, Societe General in London, 2001 to 2003, and Executive Director, Head of Resource Banking and Metals Trading, NM Rothschild and Sons Ltd.,1989 to 2001.	June 13, 2012

(1) Member of Audit Committee
(2) Member of the Nomination and Compensation Committee
(3) Member of the Special Committee

Based on information provided by such persons, as at the date of this Annual Information Form, the directors and executive officers of the Company as a group beneficially own, or control or direct, directly or indirectly, an aggregate of 5,255,588 common shares and CDIs of the Company, representing approximately 1.91% of the issued and outstanding common shares of the Company.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as disclosed below, none of the Company's directors or executive officers is, as at the date of this Annual Information Form, or was, within 10 years before the date of this Annual Information Form, a director, chief executive officer or chief financial officer of any company (including the Company) that:

(a) was subject to an Order (as defined below) that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

"Order" means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation and, in each case, that was in effect for a period of more than 30 consecutive days.

On April 19, 2005, Mediterranean Resources Ltd. ("**MRL**") was cease-traded as a result of the failure to file its consolidated financial statements for the year ended December 31, 2004 on time. This was due primarily to the inability to obtain financial results from MRL's Peruvian subsidiaries, which had ceased active operations and closed their Peruvian offices as of July 1, 2004. On July 21, 2005, the British Columbia, Alberta and Manitoba Securities Commissions revoked the cease trade order. The cease trade order was subsequently revoked by the Ontario Securities Commission on August 17, 2005. John Clarke, a director of the Company, was a director of MRL during this period.

None of the Company's directors or executive officers or, to the Company's knowledge, any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

(a) is, as at the date of this Annual Information Form, or has been within the 10 years before the date of this Annual Information Form, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(b) has, within the 10 years before the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director, executive officer or shareholder; or

(c) has been subject to:

(i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board of Directors, any director in a conflict is required to disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, that director will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

To the best of the Company's knowledge, and other than disclosed in this Annual Information Form, there are no known existing or potential conflicts of interest among the Company, its promoters, directors, officers or other members of management of the Company as a result of their outside business interests, except that certain of the directors, officers, promoters and other members of management serve as directors, officers, promoters and members of management of other public mineral resource companies, and therefore it is possible that a conflict may arise between their duties to the company and their duties as a director, officer, promoter or member of management of such other companies. See "Directors and Officers". A director of the Company is also a

director, officer and/or shareholder of companies that hold interests in the Company's mineral projects through NSRs and/or existing option agreements, including MIA Investments Ltd., Switchback Mining Company Limited and Goknet.

The directors and officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers. Such directors or officers, in accordance with the *Business Corporations Act* (British Columbia), are required to disclose all such conflicts and are expected by the Company to govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

There are no legal proceedings to which the Company is a party or, to the best of the Company's knowledge, to which any of the Company's property is or was during the last financial year subject, and there are no such proceedings known by the Company to be contemplated.

Regulatory Actions

There are no: (a) penalties or sanctions imposed against the Company by a court relating to securities legislation or by a securities regulatory authority during the Company's most recently completed financial year and up to the date of this Annual Information Form; (b) other penalties or sanctions imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor in making an investment decision; or (c) settlement agreements the Company entered into with a court relating to securities legislation or with a securities regulatory authority during the Company's most recently completed financial year and up to the date of this Annual Information Form.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

To the knowledge of the Company, except as disclosed in this Annual Information Form, none of the directors, executive officers or shareholders that beneficially own, control or direct, directly or indirectly, more than 10% of the Company's shares, nor any associate or affiliate of the foregoing, has any material interest, direct or indirect, in any transactions in which the Company has participated within the three most recently completed financial years or in the current financial year prior to the date of this Annual Information Form, which has materially affected or is reasonably expected to materially affect the Company.

TRANSFER AGENTS AND REGISTRARS

The registrar and transfer agent in Canada for the common shares of the Company is Computershare Investor Services Inc. at its principal office in Vancouver, British Columbia.

MATERIAL CONTRACTS

The following are the material contracts entered into by the Company within the last financial year which are still in effect and that are required to be filed under section 12.2 of National Instrument 51-102:

(a) Underwriting Agreement, dated February 28, 2012, among the Company, Clarus Securities Inc., RBC Capital Markets Inc., GMP Securities L.P. and Raymond James Ltd.

INTERESTS OF EXPERTS

Names of Experts

The following sets forth each person or company named as having prepared or certified a report, valuation, statement or opinion described or included in a filing (including this Annual Information Form), or referred to in a filing, made under National Instrument 51-102 by the Company during, or relating to, its most recently completed financial year and whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company:

Obotan Gold Project – "Obotan Gold Project, Amansie District, Ghana – National Instrument 43-101 Technical Report", dated September 17, 2012, prepared by GR Engineering Services Limited, and co-authored by P. Gleeson, B.Sc. (Hons), M.Sc, MAIGS, MGSA, J. Price, FAusIMM(CP), FGS, MIE(Aust.), R Cheyne, BEng. (Mining), FAusIMM, CEng (IEI), and G. Neeling, BAppSc. (Multidisciplinary) FAusIMM**.**

Kubi Project – "Kubi Gold Project, Ghana, West Africa, Independent Mineral Resource Estimation", dated December 3, 2010, compiled by Mr. Andrew Netherwood, BMinTech, Mr. Simon E. Meadows Smith, BSc Geology, and Mr. Joe Amanor, MSc Geology.

KPMG LLP, Chartered Accountants prepared the auditors' report in respect of the annual financial statements of the Company for the year ended June 30, 2012.

Interests of Experts

Based on information provided by the experts, none of the experts named under "Names of Experts" above (excluding the Company's auditors), when or after they prepared the statement, report or valuation, has held, or received or will receive, any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of one of the Company's associates or affiliates (based on information provided to the Company by such experts) or is or is expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company.

KPMG LLP, Chartered Accountants, has advised the Company that it is independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

AUDIT COMMITTEE INFORMATION

The Audit Committee's Charter

The text of the charter (the "**Charter**") of the audit committee of the Company's Board of Directors (the "**Committee**") is attached as Appendix "A" to this Annual Information Form.

Retention and Funding of Independent Advisors

The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent auditor for the purpose of issuing an audit report and performing related work. The Committee shall also have the authority to retain such other independent advisors as it may from time to time deem necessary or advisable for its purposes and the payment of compensation therefore shall also be funded by the Company.

Composition of the Audit Committee

The following are the members of the Committee:

Michael Price [(1)] (Chair)	Independent [(3)]	Financially literate [(3)]
Ross Ashton [(2)] (Former Chair)	Independent [(3)]	Financially literate [(3)]
Honourable Joseph H. Mensah	Independent [(3)]	Financially literate [(3)]
Peter Buck [(1)]	Independent [(3)]	Financially literate [(3)]

(1) Michael Price joined the Audit Committee as the chair on the date of his commencement, June 13, 2012.
(2) Ross Ashton joined the Audit Committee as the chair on December 15, 2010 and resigned from the Audit Committee on June 13, 2012, following the appointment of Michael Price.
(3) As defined by NI 52-110.

Relevant Education and Experience

Michael Price has more than 30 years' experience in mining and mining finance. He has arranged, structured and advised on numerous mining-related financings around the world and advised mining companies, governments, multi-lateral institutions, corporates and banks on all aspects of mining and metals-related financings. Michael has held a number of senior investment banking positions in global mining finance including Managing Director, Joint Global Head of Mining and Metals at Barclays Capital, Managing Director, Global Head of Mining and Metals for Societe General in London and Executive Director, Head of Resource Banking and Metals Trading for NM Rothschild and Sons Ltd, and has advised several international and Canadian companies including Lubel Coal Company, First Nickel Inc., Riversdale Mining, Goldbelt Resources and Cluff Gold plc, as a mining and finance consultant.

Ross Ashton, graduated from Sydney University in 1972 with a Bachelor of Science and since then has been involved in the exploration, consulting, financing and development of mining projects in Australia and Africa. He is currently a member of the audit committee of ASX-listed Brockman Resources Ltd. and a not-for-profit tourism organization in Western Australia.

The Honourable Joseph H. Mensah is a trained Economist and past Chairman of the National Development Planning Commission of Ghana, an advisory board which reports directly to the President and to the Parliament of Ghana. He formerly held the post of Minister of Finance and Economic Planning; Head of Economic Management Team; and latterly as Leader of Government Business, Head of Economic Management Team and Senior Minister of the Government of Ghana. He was also a member of the African Advisory Council of the African Development Bank, and until December 2008 the Member of Parliament for Sunyani East riding. He is currently resident in Accra, Ghana.

Peter Buck is a geologist with 37 years' experience who gained his Bachelor of Science in Australia and his Masters of Science in Canada. Peter worked for 23 years in a variety of senior exploration and production roles both in Australia and Brazil. Mr. Buck has a strong business background and is aware of good business practices and public company accounting procedures.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "External Auditors".

External Auditors Service Fees (By Category)

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	*Audit Fees*	*Audit Related Fees*	*Tax Fees* [(1)]	*All Other Fees*
June 30, 2012	$199,535	$86,000	$51,616	Nil
June 30, 2011	$101,835	$251,841	Nil	$15,765

(1) The amount of tax fees billed by the Company's external auditors is included in the amount set out in the "Audit Fees" column.

Exemption

As the Company was a "venture issuer" as at the end of its most recently completed financial year, the Company is relying on the exemption in Section 6.1 of National Instrument 52-110 – Audit Committees from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of that instrument.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.sedar.com.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, and securities authorized for issuance under equity compensation plans, where applicable, is contained in the Company's information circular for its most recent annual general meeting of shareholders that involved the election of directors.

Additional financial information is provided in the Company's consolidated financial statements and management's discussion and analysis for its most recently completed financial year.

Appendix A

AUDIT COMMITTEE CHARTER

1. Purpose

The Audit Committee (in this charter, the "**Committee**") shall assist the Board in its oversight of the financial reporting process, the independent auditors, risk management and compliance with applicable laws, rules and regulations.

2. Structure and Operations

The Committee shall be composed of not less than three directors, all of whom shall be independent and financially literate as defined in Multilateral Instrument 52-110, *Audit Committees (Canada)*.

Members of the Committee shall be appointed or reappointed at the meeting of the Board, immediately following the AGM, and in the normal course of business will serve a minimum of three years. Each member shall continue to be a member of the Committee until a successor is appointed, unless the member resigns, is removed or ceases to be a director. The Board may fill a vacancy that occurs in the Committee at any time.

The Board or, in the event of its failure to do so, the members of the Committee, shall appoint or reappoint, at the meeting of the Board immediately following the AGM, a chairman among their number. The chairman shall not be a former officer of the Company and shall serve as a liaison between the Committee and Management.

Meetings of the Committee shall be held at least quarterly, provided that due notice is given and a quorum of the majority of the members is present. Where a meeting is not possible, resolutions in writing which are signed by all members of the Committee are as valid as if they had been passed at a duly held meeting. The frequency and nature of the meeting agendas are dependent upon business matters and affairs which the Company faces from time to time.

The Committee shall report to the Board on its activities after each of its meetings. In addition, it shall review and assess the adequacy of this charter annually and, where necessary, recommend changes to the Board for approval. The Committee shall undertake and review with the Board an annual performance evaluation of the Committee.

3. Specific Duties

Oversight of the Independent Auditor

1. Recommend to the Board the independent auditor to be nominated and the compensation to be paid for preparing and issuing an auditor's report or performing related work.

2. Direct responsibility for overseeing the work of the independent auditor (including resolution of disagreements between Management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Committee.

3. Sole authority to pre-approve all audit services as well as non-audit services (including the fees, terms and conditions for the performance of such services) to be performed by the independent auditor.

4. Evaluate the qualifications, performance and independence of the independent auditor, including:

    a. reviewing and evaluating the lead partner on the independent auditor's engagement with the Company, and

    b. considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence.

5. Obtain and review a report from the independent auditor at least annually regarding: the independent auditor's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm; any steps taken to deal with any such issues; and all relationships between the independent auditor and the Company.

6. Review and discuss with Management and the independent auditor, prior to the annual audit, the scope, planning and staffing of the annual audit.

7. Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law.

8. Review, as necessary, policies for the Company's hiring of partners and employees or former partners and employees of the independent auditor.

Financial Reporting

1. Review and discuss with Management and the independent auditor the annual audited financial statements and quarterly financial statements prior to publication.

2. Review and discuss with Management the Company's annual and quarterly disclosures made in Management's Discussion and Analysis. The Committee shall approve any reports for inclusion in the Company's Annual Report, as required by applicable legislation.

3. Review and discuss with Management and the independent auditor management's report on its assessment of internal controls over financial reporting and the independent auditor's report on management's assessment.

4. Review and discuss with Management and the independent auditor at least annually significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.

5. Review and discuss with Management and the independent auditor at least annually reports from the independent auditors on: critical accounting policies and practices to be used; significant financial reporting issues, estimates and judgments made in connection with the preparation of the financial statements; alternative treatments of financial information within generally accepted accounting principles that have been discussed with Management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor; and other material written communications between the independent auditor and Management, such as any management letter or schedule of unadjusted differences.

6. Discuss with the independent auditor at least annually any “Management” or “internal control” letters issued or proposed to be issued by the independent auditor to the Company.

7. Review and discuss with Management and the independent auditor at least annually any significant changes to the Company's accounting principles and practices suggested by the independent auditor, internal audit personnel or Management.

8. When applicable, discuss with Management the Company's earnings press releases, including the use of “pro forma” or “adjusted” non-GAAP information, as well as financial information and earnings guidance (if any) provided to analysts and rating agencies.

9. Review and discuss with Management and the independent auditor at least annually the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.

10. Review and discuss with the President and CEO and the Chief Financial Officer (“CFO”) the procedures undertaken in connection with the CEO and CFO certifications for the annual filings with applicable securities regulatory authorities.

11. Review disclosures made by the Company's President and CEO and CFO during their certification process for the annual filing with applicable securities regulatory authorities about any significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data or any material weaknesses in the internal controls, and any fraud involving Management or other employees who have a significant role in the Company's internal controls.

12. Discuss with the Company's General Counsel at least annually any legal matters that may have a material impact on the financial statements, operations, assets or compliance policies and any material reports or inquiries received by the Company or any of its subsidiaries from regulators or governmental agencies.

Oversight of Risk Management

1. Review and approve periodically the Company's risk philosophy and risk management policies.

2. Review with Management at least annually reports demonstrating compliance with risk management policies.

3. Review with Management the quality and competence of Management appointed to administer risk management policies.

4. Review reports from the independent auditor at least annually relating to the adequacy of the Company's risk management practices together with Management's responses.

5. Discuss with Management at least annually the Company's major financial risk exposures and the steps Management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.

Oversight of Regulatory Compliance

1. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

2. Discuss with Management and the independent auditor at least annually any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Company's financial statements or accounting.

3. Meet with the Company's regulators, according to applicable law.

4. Exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board

Appendix B

ASHANTI GOLD BELT: Kubi Gold Project

513 Prospect – Significant Gold Intercepts (>0.5 g/t Au)

Note : True widths are approximately 60% to 70% of the length of the stated intersection lengths.

Hole ID	Easting (UTM)	Northing (UTM)	RL (UTM)	Dip	Azimuth	Depth From (m)	Depth To (m)	Interval (m)	Weighted Avg. Grade (g/t)
KV12-523	639204.8	663064.5	163.4	-50	290	78.0	87.0	9.0	1.79
Including						83.0	86.0	3.0	3.22
KV12-524	639165.8	663073.5	182.0	-50	290	28.5	31.5	3.0	1.09
						40.5	52.0	11.5	1.52
Including						48.0	51.0	3.0	4.59
KV12-525	639187.2	663121.8	189.0	-50	290	43.5	46.5	3.0	0.96
KV12-526	639205.8	663179.2	188.2	-50	290	25.5	42.0	16.5	0.70
Including						25.5	28.5	3.0	1.68
						74.0	81.0	7.0	0.79
KV12-527	639327.4	663545.0	130.9	-50	290	NSR			
KV12-528	639379.4	663525.4	140.7	-50	290	107.0	109.0	2.0	1.33
						116.0	119.0	3.0	1.62
KV12-529	639344.7	663419.7	154.4	-50	290	138.0	140.0	2.0	2.68
KV12-530	639325.9	663426.9	156.7	-50	290	121.0	123.0	2.0	0.51
						125.0	127.0	2.0	0.37
KV12-531	639290.4	663491.1	145.8	-50	290	NSR			
KV12-532	639308.4	663484.3	144.7	-50	290	NSR			
KV12-533	639260.7	663328.7	133.1	-50	290	77.0	79.0	2.0	0.84
						81.0	82.0	1.0	0.70
						87.0	89.0	2.0	0.53
KV12-533A	639260.7	663328.7	133.1	-50	290	NSR			
KV12-534	639249.1	663210.7	158.4	-50	290	NSR			
KV12-535	639227.0	663217.8	163.7	-50	290	39.0	40.5	1.5	1.50
KV12-536	639206.7	663222.8	168.0	-50	290	NSR			
KV12-537	639186.7	663185.6	191.2	-50	290	24.00	27	3	0.52
						47.0	48.0	1.0	1.85
KV12-538	639221.4	663109.4	172.9	-50	290	78.0	80.0	2.0	2.50
						85.0	97.0	12.0	2.40
Including						85.0	88.0	3.0	5.00
KV12-539	639283.8	663320.3	132.3	-50	290	104.0	106.0	2.0	0.84

Kubi South Prospect – Significant Gold Intercepts (>0.5 g/t Au)

Note : True widths are approximately 60% to 70% of the length of the stated intersection lengths.

Hole ID	Easting (UTM)	Northing (UTM)	RL (UTM)	Dip	Azimuth	Depth From (m)	Depth To (m)	Interval (m)	Weighted Avg. Grade (g/t)
KV12-540	639952	662280	132	-50	290	103.0	108.0	5.0	3.33
including						103.0	105.0	2.0	5.30
KV12-541	639932	662287	135	-50	290	74.0	78.0	4.0	0.68
						138.0	140.0	2.0	1.00
KV12-542	639969	662274	130	-50	290	128.0	129.0	1.0	1.51
						136.0	138.0	2.0	1.50
KV12-543	640002	662367	149	-50	290	123.0	133.0	10.0	0.67
KV12-544	640067	662553	140	-50	290	130.0	131.0	1.0	2.72
						136.0	137.0	1.0	1.96
KV12-545	640046	662561	147	-50	290	59.0	60.0	1.0	1.38
KV12-546	640030	662567	149	-50	290	120.0	122.0	2.0	2.42
including						121.0	122.0	1.0	4.10
KV12-547	640017	662466	157	-50	290	133.0	136.0	3.0	1.01
						140.0	142.0	2.0	0.64
KV12-548	640031	662460	152	-50	290	NSR			
KV12-549	639998	662473	164	-50	290	116.0	124.0	8.0	1.39
including						119.0	121.0	2.0	2.56
KV12-550	639964	662380	162	-50	290	NSR			
KV12-551	639983	662374	157	-50	290	101.0	102.0	1.0	5.23

ASANKRANGWA GOLD BELT: Obotan Area of Influence

Kaniago (Adansi) Prospect – Significant Gold Intercepts (>0.1 g/t Au)

Note : True widths are approximately 60% to 70% of the length of the stated intersection lengths.

Hole ID	Easting (UTM)	Northing (UTM)	RL (UTM)	Dip	Azimuth	Depth From (m)	Depth To (m)	Interval (m)	Weighted Avg. Grade (g/t)
KAAC12-001	605632.7167	702396.9247	181.8979	-50	135	22.0	26.0	4.0	1.25
KAAC12-003	605557.4756	702463.9326	190.3114	-50	135	8.0	15.0	7.0	0.73
KAAC12-004	605523.1432	702513.8611	193.1578	-50	135	23.0	26.0	3.0	0.26
KAAC12-005	605498.2971	702554.3935	186.0882	-50	135	3.0	8.0	5.0	0.27
And						37.0	39.0	2.0	0.28
KAAC12-006	605446.6	702593.0	181.9	-50	135	48	51	3	0.13
KAAC12-007	605410.9388	702620.3598	181.6027	-50	135	5.0	19.0	14.0	0.61
KAAC12-008	605565.7808	702301.5006	176.3687	-50	135	30.0	44.0	14.0	0.32
KAAC12-009	605519.0816	702210.3233	175.7895	-50	135	21.0	30.0	9.0	1.24
KAAC12-012	605573.5667	701916.0615	178.0048	-50	135	1.0	28.0	27.0	0.95
And						37.0	43.0	6.0	0.85
KAAC12-015	605534.434	701831.457	187.266	-50	135	0.0	9.0	9.0	0.39
And						30.0	32.0	2.0	0.53
KAAC12-016	605482.926	701832.571	189.221	-50	135	48.0	50.0	2.0	0.92
And						55.0	71.0	16.0	0.51
KAAC12-024	605340.9005	702052.257	189.9032	-54	135	28.0	32.0	4.0	0.13
And						47.0	51.0	4.0	0.42
KAAC12-026	605331.5	702135.6	201.5	-50	135	8	11	3	0.24
KAAC12-027	605288.1517	702162.7782	211.6806	-50	135	15.0	19.0	4.0	1.02
And						24.0	31.0	7.0	0.18
KAAC12-028	605205.9867	702200.8237	182.9274	-50	135	10.0	18.0	8.0	0.16
And						33.0	38.0	5.0	0.32
KAAC12-030	605162.6	702284.4	173.3	-50	135	44	48	4	0.13
KAAC12-035	605355.0	701667.6	185.8	-50	135	0	3	3	0.21
						6	13	7	0.37
						36	38	2	0.56
						52	58	6	1.22
KAAC12-036	605375.3	701608.0	183.8	-50	135	0	5	5	0.22
KAAC12-040	605812.0	702801.8	153.0	-50	135	19	24	5	0.1
KAAC12-042	605901.691	702717.879	150.638	-50	135	10.0	20.0	10.0	0.95
KAAC12-044	606013.5261	702604.2758	149.5368	-50	135	1.0	3.0	2.0	0.13
KAAC12-046	606187.3975	702612.7637	169.0572	-50	135	31.0	33.0	2.0	0.16
KAAC12-059	606135.0748	702638.6871	160.8123	-50	135	21.0	31.0	10.0	0.24
KAAC12-069	605568.6	702400.1	183.1	-50	135	39	41	2	0.18
KAAC12-071	605531.0	702260.4	176.7	-50	135	36	38	2	0.34
KAAC12-075	606310.6	701854.8	162.7	-50	135	21	23	2	0.15
KAAC12-080	606145.6	702030.1	165.7	-50	135	11	15	4	0.82
KAAC12-088	605846.6	702282.2	173.0	-50	135	28	31	3	0.3
						34	44	10	0.79
						47	49	2	0.36
KAAC12-089	605810.4	702319.0	175.0	-50	135	0	5	5	0.16
						36	42	6	0.79
KAAC12-108	606864.5	701360.9	162.7	-50	135	12	14	2	0.13
KAAC12-114	607073.0	701144.2	147.3	-50	135	56	58	2	0.2
KAAC12-119	607251.3	700975.0	151.6	-50	135	4	5	1	26.71
KAAC12-126	607516.9	700750.4	172.1	-50	135	61	62	1	0.79
						73	74	1	1.35

Fromenda Prospect – Significant Gold Intercepts (>0.5 g/t Au)

Note: True widths are approximately 60-70% of the length of the stated intersection lengths.

Hole ID	Easting (UTM)	Northing (UTM)	RL (UTM)	Dip	Azimuth	Depth From (m)	Depth To (m)	Interval (m)	Weighted Avg. Grade (g/t)
NBRC12-001	602553.9	684827.1	215.4	-55	135	35	38	3	1.35
						67	90	23	1.17
Including						*81*	*85*	*4*	*3.39*
NBRC12-002	602542.1	684837.3	215.9	-50	135	0	21	21	2.28
Including						*3*	*5*	*2*	*13.65*
NBRC12-002	602542.1	684837.3	215.9	-50	135	45	54	9	4.56
						45	48	3	10.22
						92	98	6	0.7
						109	111	2	1.11
NBRC12-003	602290.3	684503.4	154.3	-50	135	50	51	1	2.06
						58	66	8	0.8
						76	81	5	1.03
NBRC12-004	602309.3	684477.3	155.8	-50	135	0	7	7	0.51
						31	53	22	0.22
Including						*45*	*46*	*1*	*12.5*
NBRC12-004	602309.3	684477.3	155.8	-50	135	78	80	2	0.75
NBRC12-005	602391.6	684399.4	162.7	-50	135	26	28	2	1.08
NBRC12-006	602356.8	684447.2	163.3	-50	135	NSR			
NBRC12-007	602146.5	684710.5	162.5	-50	135	NSR			
NBRC12-008	602176.1	684678.2	157.2	-50	135	21	23	2	1.23
NBRC12-009	602219.2	684648.1	152.4	-50	135	NSR			
NBRC12-010	602249.4	684611.6	152.7	-50	135	NSR			
NBRC12-011	602282.3	684582.9	155.7	-50	135	NSR			
NBRC12-012	602460.6	684398.1	165.4	-50	135	NSR			
NBRC12-013	602431.8	684430.3	167.7	-50	135	8	9	1	1.33
NBRC12-014	602400.1	684467.1	170.8	-50	135	4	6	2	0.55
NBRC12-015	602326.6	684543.1	170.7	-50	135	24	40	16	1.08
						52	76	24	1.48
Including						66	68	2	8.92
NBRC12-015	602326.6	684543.1	170.1	-50	135	106	108	2	0.99
						120	123	3	2.81
						134	139	5	0.56
NBRC12-016	602213.4	684790.5	152.1	-50	135	2	3	1	0.90
						47	48	1	0.98
NBRC12-017	602251.6	684753.7	159.5	-50	131	78	80	2	0.56
NBRC12-018	602285.5	684723.0	164.3	-50	135	NSR			
NBRC12-019	602321.2	684681.9	172.0	-50	135	5	6	1	1.04
						43	46	3	0.77
NBRC12-020	602367.8	684642.9	192.3	-50	135	NSR			
NBRC12-021	602394.7	684608.3	198.7	-50	135	36	41	5	1.33
NBRC12-022	602421.7	684572.8	192.6	-50	135	23	24	1	3.68
						27	28	1	0.96
						43	46	3	1.61
						72	74	2	1.14
NBRC12-023	602458.3	684543.7	188.2	-50	135	58	62	4	1.86
NBRC12-024	602526.0	684473.1	171.6	-50	135	NSR			
NBRC12-025	602493.9	684506.0	176.4	-50	135	48	49	1	1.30
NBRC12-026	602545.0	684619.7	206.7	-50	136	NSR			
NBRC12-027	602578.8	684585.2	198.2	-50	135	NSR			
NBRC12-028	602607.5	684553.0	191.1	-50	135	NSR			
NBRC12-029	602476.2	684695.4	210.3	-50	135	NSR			
NBRC12-030	602799.3	684914.7	150.9	-50	135	0	2	2	0.87
						21	23	2	3.94
NBRC12-031	602830.4	684878.7	151.5	-50	135	48	49	1	1.11
NBRC12-032	602865.8	684845.1	155.2	-50	135	NSR			

Hole ID	Easting (UTM)	Northing (UTM)	RL (UTM)	Dip	Azimuth	Depth From (m)	Depth To (m)	Interval (m)	Weighted Avg. Grade (g/t)
NBRC12-033	602673.1	684851.9	190.5	-60	135	12	16	4	0.80
						53	57	4	0.61
NBRC12-034	602683.9	684891.4	194.7	-60	135	16	17	1	1.75
						24	27	3	2.21
						58	59	1	1.18
						72	73	1	1.97
						117	118	1	1.52
NBRC12-035	602610.1	684882.8	206.0	-60	135	16	17	1	1.29
						82	108	26	1.74
including						***86***	***87***	***1***	***11.78***
NBRC12-036	602640.1	684889.0	201.5	-60	135	116	119	3	2.07
NBRC12-037	602630.0	684864.9	202.3	-60	135	57	61	4	0.61
						73	75	2	3.19
NBRC12-038	602599.5	684852.7	207.6	-60	135	55	95	40	2.06
						128	131	3	0.93
NBRC12-039	602569.9	684870.7	210.3	-60	135	30	31	1	2.02
						88	96	8	0.73
						133	134	1	1.02
NBRC12-040	602367.6	684792.7	168.1	-50	135	76	81	5	1.60
NBRC12-041	602392.0	684763.3	174.3	-50	135	9	11	2	0.95
NBRC12-042	602424.0	684715.7	191.7	-50	135	NSR			
NBRC12-043	602512.2	684886.4	197.3	-60	135	NSR			
NBRC12-044	602690.9	684944.8	185.3	-60	135	35	36	1	1.8
						69	72	3	1.86
NBRC12-045	602533.3	684882.8	202.3	-60	135	NSR			
NBRC12-046	602143.3	684364.5	164.5	-50	135	NSR			
NBRC12-047	602185.2	684347.5	175.7	-61	139	NSR			
NBRC12-048	602247.8	684260.1	236.7	-50	135	NSR			
NBRC12-049	602214.3	684297.4	180.8	-50	135	NSR			
NBRC12-050	602309.2	684339.7	156.4	-50	135	NSR			
NBRC12-051	602234.9	684406.6	163.0	-50	135	NSR			
NBRC12-052	602272.1	684369.7	227.3	-55	135	15	18	3	0.99
						61	62	1	1.29
						84	88	4	0.57
NBRC12-053	602207.1	684445.5	166.1	-50	135	NSR			
NBRC12-054	602640.5	684854.1	197.7	-60	135	8	9	1	3.57
						18	26	8	6.8
including						***25***	***26***	***1***	***38.18***
NBRC12-054	602640.5	684854.1	197.7	-60	135	56	57	1	2.19
						83	84	1	1.34
NBRC12-055	602617.0	684821.3	198.2	-55	135	4	21	17	4.28
including						***12***	***15***	***3***	***15.58***
NBRC12-056	602782.9	684949.0	152.0	-50	135	49	50	1	2.98
NBRC12-057	602747.6	684993.1	154.0	-55	135	49	51	2	0.63
NBRC12-058	602694.8	685020.9	151.8	-50	135	NSR			
NBRC12-059	603006.8	684843.5	156.4	-50	135	NSR			
NBRC12-060	602974.2	684877.6	154.7	-60	135	NSR			
NBRC12-061	602936.1	684916.6	152.5	-50	135	NSR			
NBRC12-062B	602907.1	684941.9	213.7	-50	135	NSR			
NBRC12-063	602868.3	684995.5	149.9	-50	135	27	28	1	3.02
NBRC12-064	602841.8	685035.9	148.9	-50	135	47	48	1	0.86
NBRC12-065	602764.6	685095.2	148.6	-50	135	NSR			
NBRC12-066	602803.1	685064.2	148.8	-50	135	NSR			
NBRC12-067	601937.4	683865.5	153.4	-60	135	3	4	1	0.79
NBRC12-068	602639.8	684945.3	186.1	-60	135	132	133	1	6.77

Afiefiso Prospect – Significant Gold Intercepts (>0.1% g/t Au)

Note : True widths are approximately 60-70% of the length of the stated intersection lengths.

Hole ID	Easting (UTM)	Northing (UTM)	RL (UTM)	Dip	Azimuth	Depth From (m)	Depth To (m)	Interval (m)	Weighted Avg. Grade (g/t)
AFAC12-001	606819.0	687799.0	157.00	-50	135	11.00	27.00	16.00	1.73
Including						*19.00*	*22.00*	*3.00*	*7.58*
						31.00	34.00	3.00	0.43
AFAC12-002	606547.8	688098.4	157.3	-50	135	12.00	14.00	2.00	0.13
AFAC12-003	606582.5	688062.9	157.0	-50	135	21.00	27.00	6.00	0.72
AFAC12-004	606616.3	688026.0	155.7	-50	135	NSR			
AFAC12-005	606649.2	687988.9	156.0	-50	135	NSR			
AFAC12-006	606681.6	687950.3	156.8	-50	135	NSR			
AFAC12-007	606714.9	687912.4	155.3	-50	135	NSR			
AFAC12-008	606749.3	687877.4	151.3	-50	135	NSR			
AFAC12-009	606781.9	687840.2	145.8	-50	135	NSR			
AFAC12-010	606815.0	687802.1	144.6	-50	135	NSR			
AFAC12-011	606485.3	688177.4	158.0	-50	135	30.00	32.00	2.00	1.11
						44.00	59.00	15.00	1.16
Including						*48.00*	*50.00*	*2.00*	*4.99*
AFAC12-012	606449.0	688212.0	158.0	-50	135	73.00	75.00	2.00	0.26
AFAC12-013	606419.2	688251.9	158.0	-50	135	1.00	4.00	3.00	0.25
AFAC12-014	606383.6	688286.6	157.7	-50	135	NSR			
AFAC12-015	606351.5	688325.4	157.1	-50	135	NSR			
AFAC12-016	606319.3	688362.9	157.0	-50	135	49.00	58.00	9.00	0.97
Including						*50.00*	*52.00*	*2.00*	*2.76*
AFAC12-017	606283.1	688397.4	157.5	-50	135	NSR			
AFAC12-018	606249.2	688434.3	158.7	-50	135	NSR			
AFAC12-019	606213.6	688468.9	159.3	-50	135	NSR			
AFAC12-020	606180.5	688506.5	159.2	-50	135	NSR			
AFAC12-021	606145.0	688541.8	159.8	-50	135	NSR			
AFAC12-022	606110.2	688577.5	159.8	-50	135	NSR			
AFAC12-023	606076.8	688614.6	159.0	-50	135	38.00	40.00	2.00	0.3
						44.00	46.00	2.00	0.25
AFAC12-024	606041.8	688650.4	158.4	-50	135	NSR			
AFAC12-025	606007.7	688686.6	158.4	-50	135	NSR			
AFAC12-026	605974.4	688724.5	158.6	-50	135	NSR			
AFAC12-027	605936.2	688753.8	159.4	-50	135	NSR			
AFAC12-028	605899.3	688789.6	160.1	-50	135	NSR			
AFAC12-029	605864.8	688826.1	157.7	-50	135	NSR			
AFAC12-030	605827.4	688858.4	161.7	-50	135	19.00	20.00	1.00	1.39
AFAC12-031	605791.2	688892.9	161.3	-50	135	NSR			
AFAC12-032	605754.3	688927.2	159.4	-50	135	NSR			
AFAC12-033	605718.0	688961.3	156.3	-50	135	NSR			
AFAC12-034	605680.4	688993.8	153.0	-50	135	30.00	32.00	2.00	0.27
AFAC12-035	605642.4	689026.3	149.0	-50	135	NSR			
AFAC12-036	605607.1	689061.7	147.8	-50	135	NSR			
AFAC12-037	605572.7	689097.8	144.5	-50	135	4.00	8.00	4.00	0.18
AFAC12-038	605533.6	689128.5	140.7	-50	135	NSR			
AFAC12-039	605496.1	689161.8	137.9	-50	135	1.00	3.00	2.00	0.17
AFAC12-040	605458.4	689194.5	137.2	-50	135	NSR			
AFAC12-041	605421.7	689227.9	137.0	-50	135	NSR			
AFAC12-042	605385.0	689261.9	136.4	-50	135	NSR			
AFAC12-043	605298.0	689328.3	135.9	-50	135	NSR			
AFAC12-044	605255.6	689366.4	146.5	-50	135	NSR			
AFAC12-045	605221.8	689397.0	141.5	-50	135	NSR			

Hole ID	Easting (UTM)	Northing (UTM)	RL (UTM)	Dip	Azimuth	Depth From (m)	Depth To (m)	Interval (m)	Weighted Avg. Grade (g/t)
AFAC12-046	605183.2	689430.8	142.5	-50	135	NSR			
AFAC12-047	605145.3	689463.9	149.7	-50	135	NSR			
AFAC12-048	605107.6	689495.5	157.7	-50	135	NSR			
AFAC12-049	605074.6	689532.2	160.6	-50	135	NSR			
AFAC12-050	605035.7	689565.1	158.4	-50	135	NSR			
AFAC12-051	605001.3	689600.6	156.4	-50	135	NSR			
AFAC12-052	604974.8	689645.3	148.9	-50	135	NSR			
AFAC12-053	606620.1	689134.6	139.9	-50	135	NSR			
AFAC12-054	606577.2	689163.6	141.5	-50	135	NSR			
AFAC12-055	606541.1	689196.5	149.1	-50	135	NSR			
AFAC12-056	606507.2	689232.8	154.2	-50	135	NSR			
AFAC12-057	606475.1	689270.0	157.0	-50	135	NSR			
AFAC12-058	606441.2	689305.3	158.3	-50	135	NSR			
AFAC12-059	606402.8	689341.7	159.8	-50	135	NSR			
AFAC12-060	606371.1	689378.4	160.4	-50	135	NSR			
AFAC12-061	606334.2	689413.0	160.9	-50	135	37.00	48.00	11.00	0.27
AFAC12-062	606303.9	689443.3	161.5	-50	135	6.00	8.00	2.00	0.38
AFAC12-063	606264.5	689482.5	161.9	-50	135	6.00	8.00	2.00	0.77
AFAC12-064	606227.0	689516.3	161.3	-50	135	6.00	9.00	3.00	0.24
AFAC12-065	606191.8	689551.9	160.5	-50	135	6.00	8.00	2.00	0.27
AFAC12-066	606155.5	689586.3	159.2	-50	135	NSR			
AFAC12-067	606123.7	689620.1	158.5	-50	135	NSR			
AFAC12-068	606081.6	689653.3	157.3	-50	135	3.00	4.00	1.00	2.72
						12.00	13.00	1.00	1.31
AFAC12-069	606044.9	689687.5	156.6	-50	135	10.00	12.00	2.00	1.12
AFAC12-070	606005.4	689718.5	156.2	-50	135	15.00	20.00	5.00	0.42
AFAC12-071	605967.9	689751.0	155.2	-50	135	NSR			
AFAC12-072	605928.7	689782.3	155.2	-50	135	NSR			
AFAC12-073	605893.1	689817.3	156.8	-50	135	7.00	9.00	2.00	0.6
AFAC12-073	605893.1	689817.3	156.8	-50	135	12.00	15.00	3.00	13.64
Including						*12.00*	*13.00*	*1.00*	*40.57*
AFAC12-074	605854.5	689849.5	157.8	-50	135	NSR			
AFAC12-075	605812.5	689877.7	160.0	-50	135	NSR			
AFAC12-076	605772.6	689908.0	161.9	-50	135	0.00	2.00	2.00	0.51
AFAC12-077	605733.8	689939.4	163.7	-50	135	NSR			
AFAC12-078	605696.9	689973.2	166.2	-50	135	NSR			
AFAC12-079	605660.4	690007.3	168.9	-50	135	NSR			
AFAC12-080	605626.1	690041.7	169.6	-50	135	NSR			
AFAC12-081	605587.2	690074.7	170.8	-50	135	NSR			
AFAC12-082	605550.9	690109.5	171.6	-50	135	NSR			
AFAC12-083	605511.9	690140.9	171.7	-50	135	NSR			
AFAC12-084	607693.3	689175.9	139.4	-50	135	NSR			
AFAC12-085	607671.3	689211.2	139.6	-50	135	52.00	53.00	1.00	1.10
AFAC12-086	607634.7	689248.5	141.3	-50	135	27.00	35.00	8.00	0.44
AFAC12-087	607599.6	689283.6	143.6	-50	135	1.00	6.00	5.00	0.5
AFAC12-088	607516.3	689346.4	147.8	-50	135	1.00	3.00	2.00	0.85
						72.00	74.00	2.00	1.74
AFAC12-089	607495.5	689392.2	149.0	-50	135	13.00	16.00	3.00	0.11
AFAC12-090	607460.3	689427.0	152.1	-50	135	NSR			
AFAC12-091	607425.5	689463.2	155.8	-50	135	4.00	12.00	8.00	0.16
						65.00	71.00	6.00	0.34
AFAC12-092	607390.3	689497.5	155.7	-50	135	NSR			
AFAC12-093	607343.5	689516.1	155.9	-50	135	22.00	24.00	2.00	0.2
AFAC12-094	607324.5	689565.2	153.5	-50	135	NSR			
AFAC12-095	607291.9	689603.2	155.4	-50	135	NSR			

Hole ID	Easting (UTM)	Northing (UTM)	RL (UTM)	Dip	Azimuth	Depth From (m)	Depth To (m)	Interval (m)	Weighted Avg. Grade (g/t)
AFAC12-096	607257.7	689640.1	156.6	-50	135	NSR			
AFAC12-097	607221.2	689674.9	157.1	-50	135	19.00	21.00	2.00	0.53
AFAC12-098	607186.1	689709.8	156.8	-50	135	NSR			
AFAC12-099	607150.7	689746.0	156.9	-50	135	NSR			
AFAC12-100	607115.4	689781.2	157.0	-50	135	NSR			
AFAC12-101	607079.9	689816.7	158.5	-50	135	NSR			
AFAC12-102	607045.6	689853.7	159.0	-50	135	NSR			
AFAC12-103	607011.0	689889.0	160.0	-50	135	3.00	7.00	4.00	0.63
AFAC12-104	606975.1	689924.2	161.7	-50	135	NSR			
AFAC12-105	606938.5	689957.5	163.7	-50	135	NSR			
AFAC12-106	606903.7	689994.7	163.8	-50	135	NSR			
AFAC12-107	606868.7	690028.2	163.1	-50	135	42.00	44.00	2.00	0.34
AFAC12-108	606832.2	690062.0	163.0	-50	135	4.00	7.00	3.00	0.92
AFAC12-109	606783.0	690084.4	162.7	-50	135	5.00	7.00	2.00	0.15
AFAC12-110	606759.9	690132.3	163.4	-50	135	25.00	27.00	2.00	0.59
AFAC12-111	606721.3	690165.6	163.6	-50	135	1.00	4.00	3.00	0.16
AFAC12-112	606684.1	690197.9	163.6	-50	135	NSR			
AFAC12-113	606644.4	690228.8	164.0	-50	135	1.00	4.00	3.00	0.16
AFAC12-114	606603.4	690266.2	163.4	-50	135	4.00	6.00	2.00	0.62
AFAC12-115B	606566.5	690297.4	162.0	-50	135	NSR			
AFAC12-116	606526.0	690327.8	160.7	-50	135	NSR			
AFAC12-117	606485.7	690355.9	160.4	-50	135	3.00	6.00	3.00	0.13
AFAC12-118	606445.5	690385.7	160.8	-50	135	NSR			
AFAC12-119	606404.5	690413.8	161.4	-50	135	NSR			
AFAC12-120	606362.7	690441.9	162.4	-50	135	NSR			
AFAC12-121	606321.4	690470.7	162.4	-50	135	NSR			
AFAC12-122	606306.9	690483.7	162.3	-50	135	NSR			
AFAC12-123	607540.4	689319.0	146.5	-50	135	32.00	35.00	3.00	0.41
AFAC12-124	607293.1	689115.1	132.9	-50	135	NSR			
AFAC12-125	607244.4	689111.0	138.1	-50	135	NSR			
AFAC12-126	607195.0	689106.8	140.5	-50	135	NSR			
AFAC12-127	607201.7	689107.3	142.5	-50	135	NSR			
AFAC12-128	607251.3	689111.5	144.4	-50	135	20.00	24.00	4.00	0.98
						41.00	42.00	1.00	4.48
AFAC12-129	607301.6	689115.8	143.9	-50	135	NSR			
AFAC12-130	607227.9	689109.6	143.8	-50	135	NSR			
AFAC12-131	607178.6	689105.4	143.1	-50	135	NSR			
AFAC12-132	607128.7	689101.1	143.4	-50	135	NSR			
AFAC12-133	607079.0	689096.9	143.9	-50	135	NSR			
AFAC12-134	607064.6	689095.7	143.6	-50	135	NSR			
AFAC12-135	607088.8	689097.8	145.3	-50	135	NSR			
AFAC12-136	606430.9	687945.7	146.9	-50	135	20.00	21.00	1.00	2.26
AFAC12-137	606390.3	687975.9	149.5	-50	135	3.00	5.00	2.00	0.41
						24.00	30.00	6.00	0.30
						58.00	59.00	1.00	1.10
AFAC12-138	606349.7	688008.3	152.4	-50	135	NSR			
AFAC12-139	606311.6	688040.5	154.6	-50	135	38.00	40.00	2.00	0.58
						63.00	67.00	4.00	0.33
AFAC12-140	606272.1	688071.9	154.5	-50	135	NSR			
AFAC12-141	606235.8	688105.9	155.2	-50	135	NSR			
AFAC12-142	606195.5	688137.0	156.3	-50	135	NSR			
AFAC12-143	606156.3	688169.0	157.4	-50	135	51	53	2.00	0.19
AFAC12-144	606114.7	688203.3	158.0	-50	135	51	56	5.00	0.25
AFAC12-145	606076.92	688235.3	157.73	-50	135	11	14	3.00	0.22