

ASX Announcement

30 April 2021

## 31 March 2021 Quarterly Report

### HIGHLIGHTS

- **3,000m diamond and RC drill program underway at Didievi in Côte d'Ivoire**
  - Priority follow up of historical drilling along the 1.4km long Blaffo Gueto prospect with prior intercepts:
    - 89.0m at 3.0g/t Au from 0m including 23.0m at 9.5g/t Au
    - 43.0m at 4.3g/t Au from 57m including 17.0m at 9.5g/t Au
    - 69.0m at 2.9g/t Au from 31m including 37.0m at 4.9g/t Au
    - 37.0m at 7.7g/t Au from 42m including 24m at 11.0g/t Au
  - Additional targets to be tested include:
    - Pranoi where previous drilling had returned 12m at 5.6g/t Au from 0m
    - BG Central, BG South and BG South West where previous drilling returned 88m at 1.0g/t Au, 12m at 2.8g/t Au and 63m at 1.06g/t Au
- **10,000m auger drill program at Walia-Kofi Ouest Project in the Kedougou-Kenieba Inlier in West Mali**
  - Evaluation of prospective targets in areas under thick in-situ and transported ferruginous duricrust known to suppress and eliminate near surface geochemical responses to gold deposits
- Kouroufaba Gold acquisition approved by shareholders
- Highly credentialed technical executives, Peter Williams and Simon Bolster, appointed to the Board
- \$1.7 million in cash at bank at 31 March 2021 following completion of capital raising and rights issue

The Board of African Gold Ltd (“**A1G**” or the “**Company**”) (**ASX: A1G**) is pleased to provide an update on the quarter ended 31 March 2021.

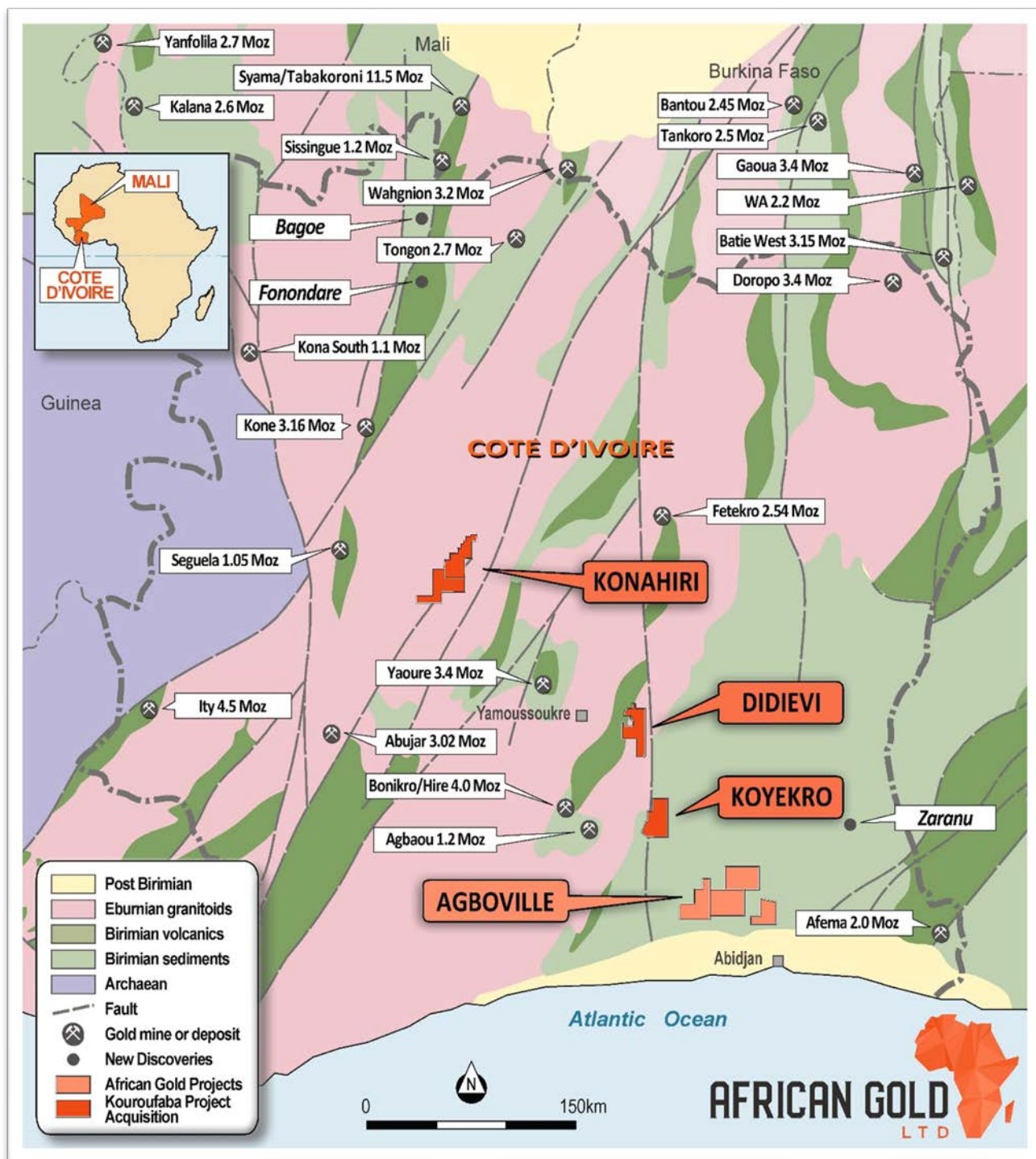
### EXPLORATION ACTIVITIES

The Company has a significant and highly prospective portfolio of strategic exploration properties in Côte d'Ivoire and Mali (Figure 1). Permits are located close to known controlling mineralised structures in belts with multiple, multimillion-ounce gold deposits and mines.

During the quarter, the Company commenced drill programs at both Didievi in Côte d'Ivoire and at Walia-Kofi Ouest in Mali.



ASX : AIG



**Figure 1:** AIG Permits located within Cote d'Ivoire highlighting Kouroufaba Gold acquisition in dark orange on simplified geology, showing major gold deposits and some of the recent new discoveries.

## DIDIEVI GOLD PROJECT

A1G has entered into an option agreement to acquire 80% of Kouroufaba Gold<sup>1</sup>. This acquisition gives access to Kouroufaba Gold's strategic land holding consisting of the Didievi granted permit and 3 permit applications totaling 1,534km<sup>2</sup> of prospective tenure over proven Birimian greenstone belts in Central Côte d'Ivoire.

The Didievi Project (391km<sup>2</sup>) is located within the underexplored and emerging Oume-Fetekro Birimian greenstone belt. The belt hosts Allied Gold's Bonikro/Hire (+3Moz)<sup>2</sup> and Endeavor's Agbaou (+1Moz)<sup>3</sup> gold mines to the south and the recent Fetekro discovery (+2.5Moz)<sup>4</sup> announced by Endeavour Mining to the north.

The initial program being undertaken at the Didievi Project consists of diamond and RC drilling which will test high quality targets at the Blaffo Gueto and Pranoi Prospect. At the main Blaffo Gueto prospect, holes have been designed to provide geological and geophysical data that will assist with construction of a genetic model for mineralisation. Shallow historical intercepts from Blaffo Gueto include:

- 89.0m at 3.0g/t Au from 0m;
- 43.0m at 4.3g/t Au from 57m;
- 69.0m at 2.9g/t Au from 31m; and
- 37.0m at 7.7g/t Au from 42m.

Drilling will also target previous untested shallow RC intercepts at BG Central, BG South and BG South West which all remain open in all directions. Historical results include:

- 88m at 1.0g/t Au;
- 12m at 2.8g/t Au; and
- 63m at 1.06g/t Au.

Drilling will also be undertaken at Pranoi where historical intercepts returned 12m at 5.60g/t Au from 24m and 15.0m at 1.74g/t Au from 0m.

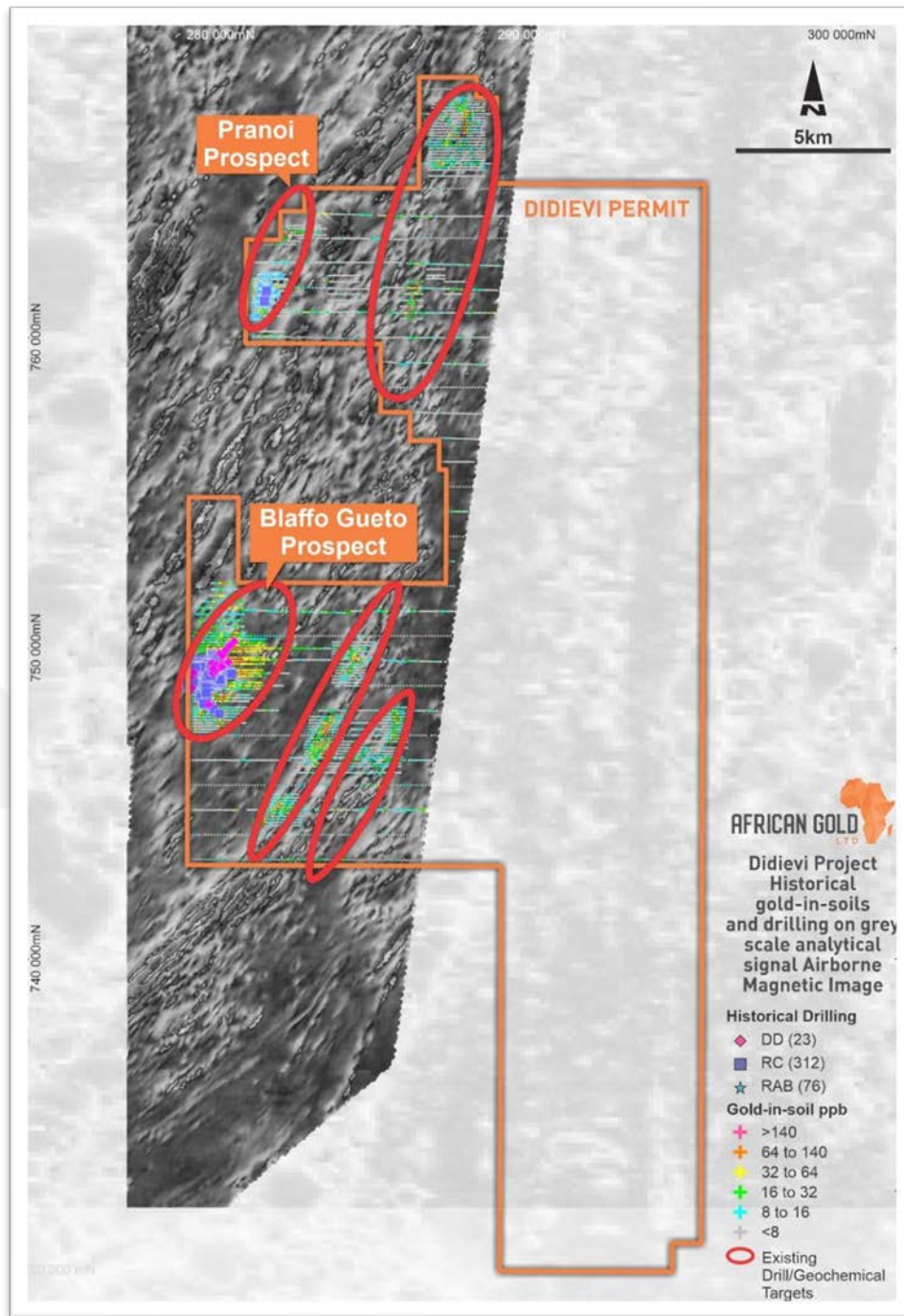
In addition to this, infill and regional soil sampling programs are underway as is trenching of previously untested soil anomalies defined by the previous explorers.



**Figure 2:** Diamond drilling underway at the Blaffo Gueto Prospect at Didievi in Côte d'Ivoire.



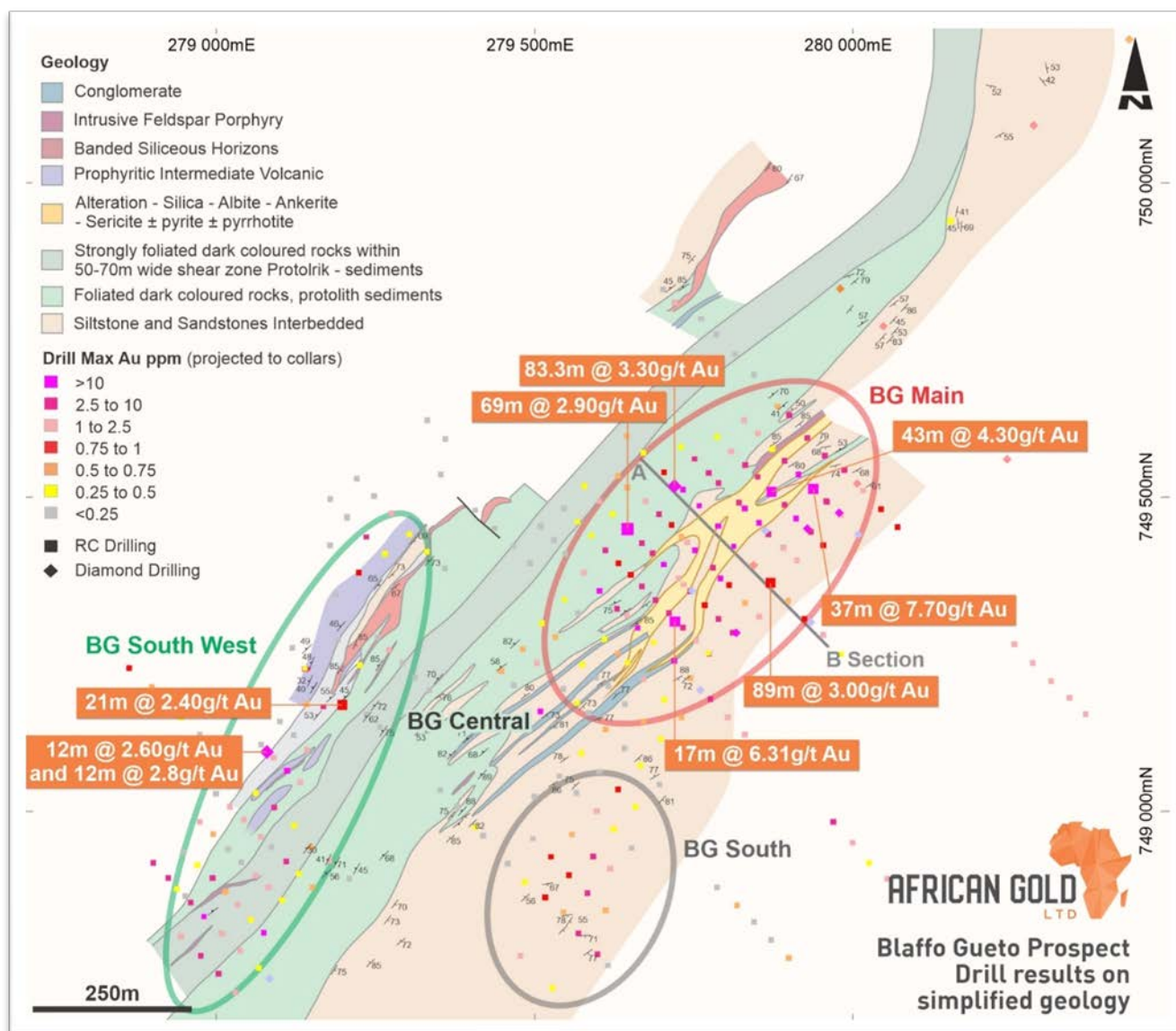
Drilling, soil sampling and trenching programs are expected to be completed towards the end of May and results will be released after all assays have been received.



**Figure 3:** Didievi Project showing thematically mapped gold in soils, location of drilling and first pass targets on analytical signal magnetic image.



ASX : AIG



**Figure 4:** Didievi Project – Blaffo Gueto Prospect showing gold-in-soil, maximum downhole gold projected to drill collars on interpreted geology.

## WALI-KOFI OUEST GOLD PROJECT, KKI - MALI

The Walia – Kofi Quest Gold Project<sup>5</sup> is located in the Kedougou-Kenieba Inlier (KKI) of west Mali.

A review of the past exploration has concluded that large portions of the property have not been effectively sampled and that the property remains largely underexplored. In areas that have been partially auger sampled, potentially five anomalies occur in proximity to interpreted gold prospective tourmaline alteration and structure. Anomalous RAB results occur at one of these prospects; the remaining areas not been tested by any form of reconnaissance drilling.

The southern boundary of the Walia – Kofi Quest property abuts the Barrick Gold Corporations’ Loulo mine lease. The Mine Complex host many deposits which are diverse in terms of host lithology, geometry, nature and style of mineralization but, are common in that they are typically interpreted to be located along second and higher order structures associated with the SMSZ and largely linked to a transtensional events. More significant deposits include - Gara, Baboto, Loulo, Yalea, Latifa, Koro, Dakoto, Goukoto, Faraba, Gefa and Danfara.

A1G’s Walia – Kofi Quest project area is underlain by folded generally NNW-trending metapelite and meta-greywacke lithologies, including gold prospective tourmaline altered sandstone and breccia, occurring to the east of the SMSZ. Pre to syn deformational granodiorite intrude strongly foliated rocks within the main shear zone. Second and higher order shear splays trend NNE-SSW, crosscutting the regional sedimentary layering and folding. ENE-trending and N-trending carbonate facies and metasedimentary rocks occur to the west of the SMSZ. Gold in soil and auger anomalies occur in proximity to gold prospective tourmaline alteration and structure at Walia-Kofi Quest.

Very limited drilling has been completed on the property to date. Previous exploration has been undertaken by Syndicat Or, Cogema, Centre de Liaison of International Business SARL (CLIB), Etruscan Resources and Randgold Resources. Mapping, airborne magnetic and electromagnetic surveys, surface geochemical sampling, auger drilling. Limited RAB and RC drilling have defined a number of priority targets, some of which have been partially tested or not tested at all.

The regolith terrain of Western Mali is some of the most variable and complex in West Africa. The property is dominated by extensive high, old, laterite and ferricrete capped plateaus, that are frequently observed in the region to have been leached of gold and represent a geochemical mask to any underlying mineralisation. The regolith terrain is complex and variable leading to false positives and false negatives from conventional soil sampling and other near surface geochemical exploration. The regolith terrain and its impact on exploration is well understood by the African Gold team. Remote sensing data including spectrally enhanced satellite imagery and digital elevation data has been acquired and used to aid and guide the exploration planning in regolith terrain context.

The regolith terrain, with its variable iron crusted land surfaces is both a hinderance and an asset for exploration. It is a hinderance in that there are limited parts of the terrain where low-cost soil geochemical exploration is effective. It is an asset in that has been demonstrated in recent years to mask and hide very significant gold deposits in the district; for example, the very large Goukoto and Fekola deposits that occur along strike of Walia and proximal to the SMSZ. This masking has hidden gold deposits from artisanal miners and from modern explorers who have not taken adequate account of the “regolith factor” when planning and interpreting exploration programs.

Auger sampling of weathered in situ material is a well-established technique in this terrane. Systematic auger coverage is underway, initially east of Senegal Mali Shear Zone (SMSZ), and later extending over other prospective parts of the Walia property. The purpose of this being to identify and delineate robust and reliable geochemical targets, and to obtain additional geological insights. The auger program is expected to be followed up with focused and de-risked drilling via AC or RC drilling of robust targets.



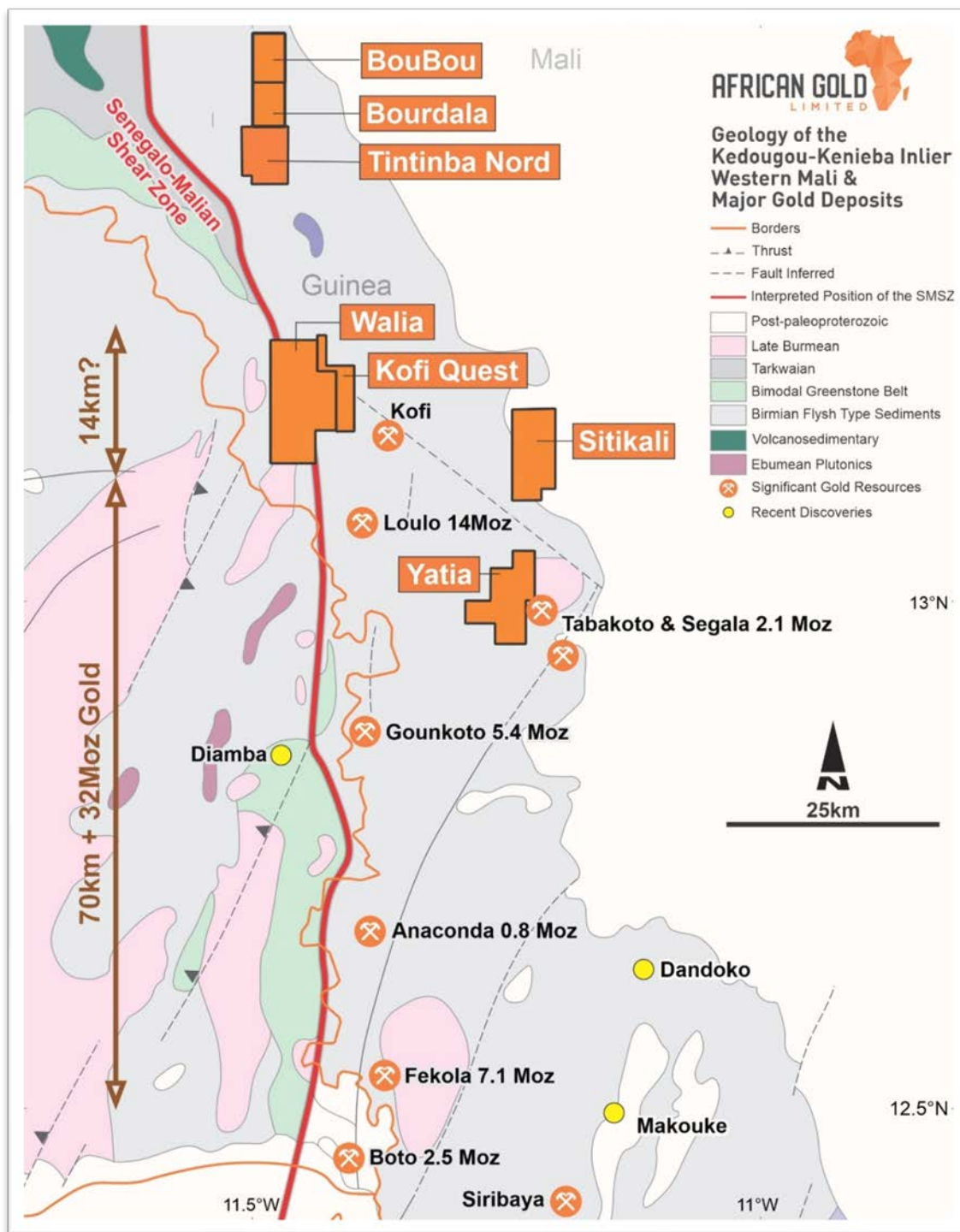
In addition to auger drilling in areas of cover, infill soil sampling and rock chip sampling programs are underway. Drilling, soil and rock chip programs are expected to be complete towards the end of May and results will be released after all assays have been received.



**Figure 5:** Auger drilling underway on the Walia – Kofi Ouest Project, KKI, West Mali.



ASX : AIG

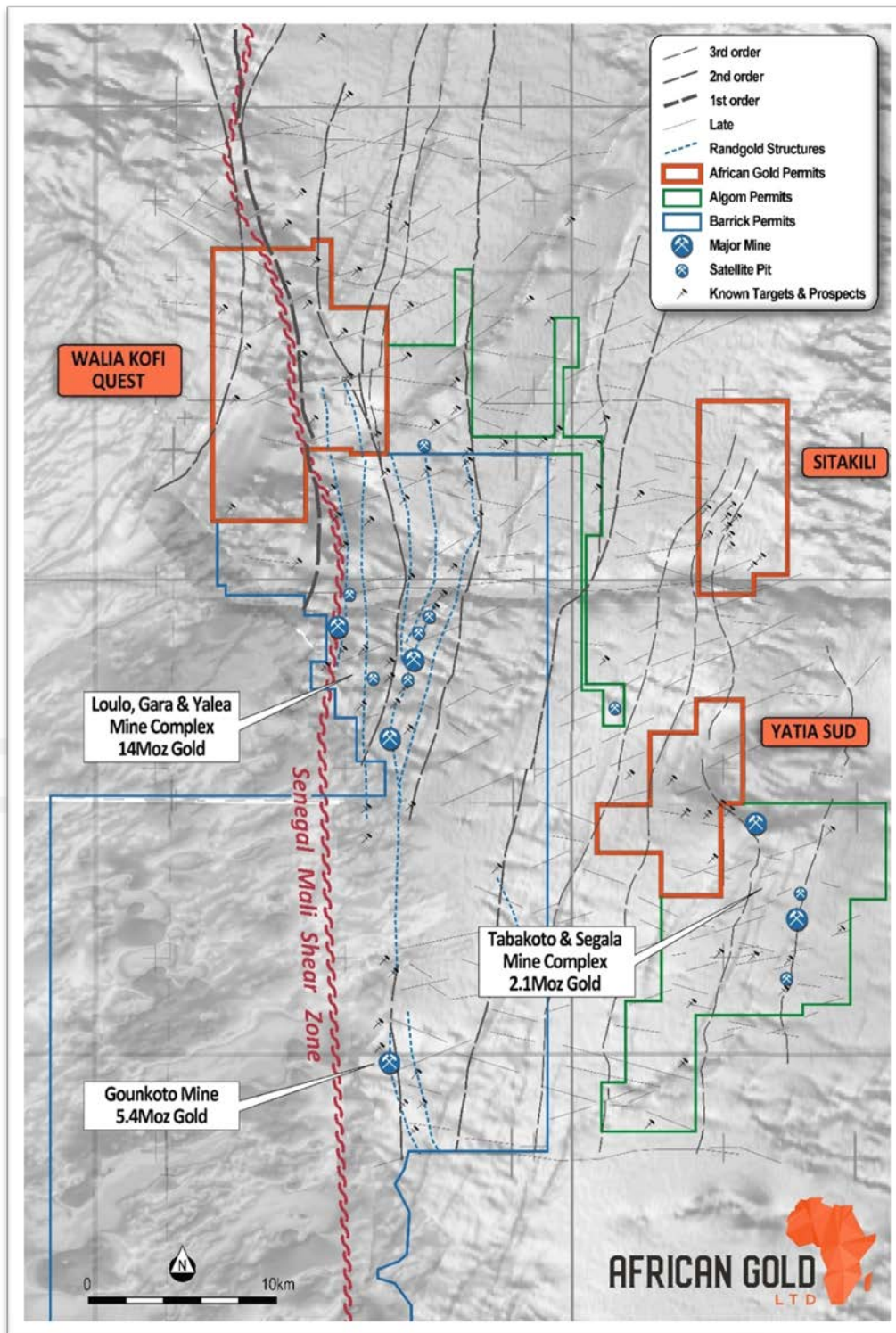


**Figure 6:** A1G's projects within the prolific Kedougou – Kenieba Inlier in western Mali. Majority of permits located in the immediate hanging wall to the Senegal Mali Shear Zone.

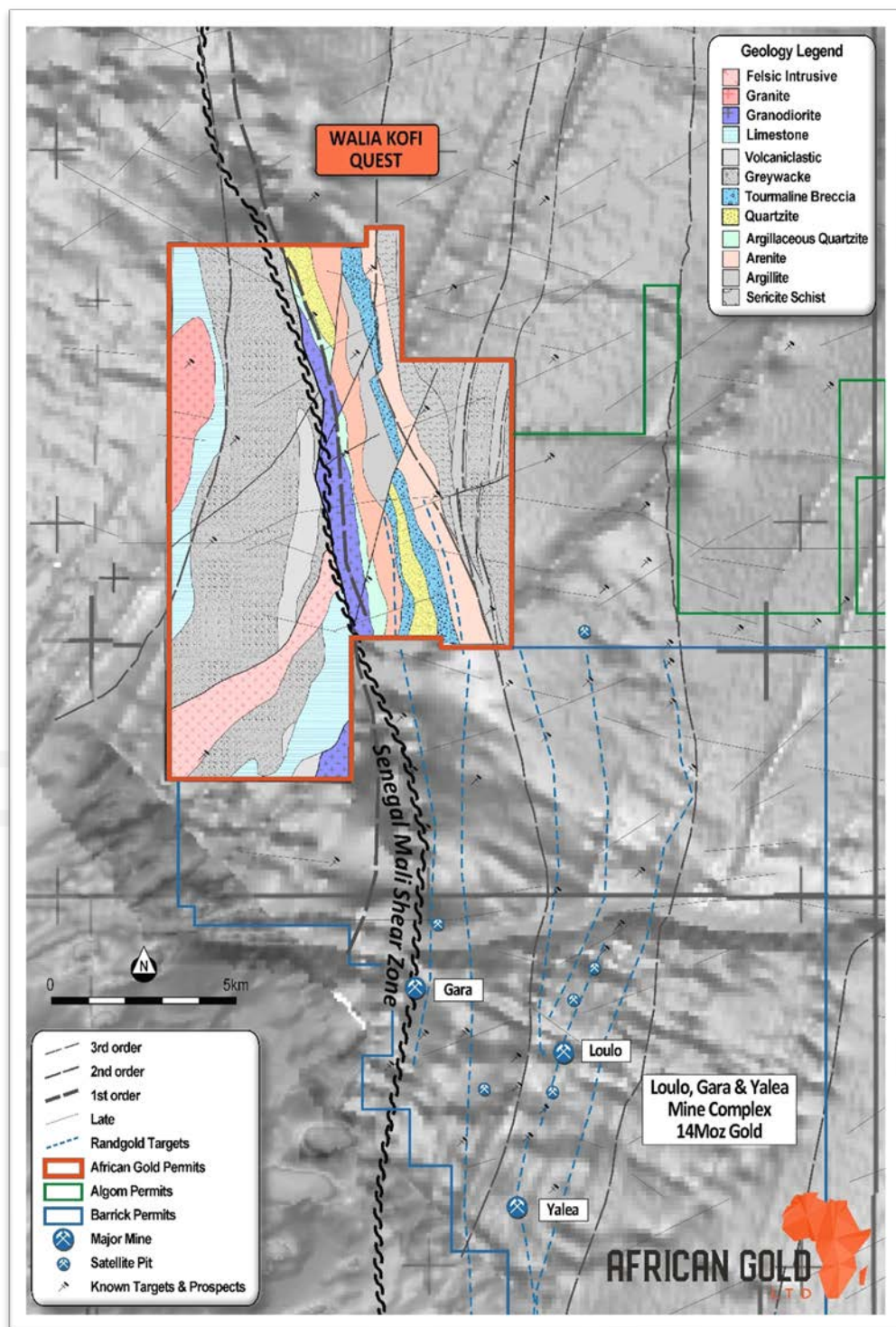




ASX : AIG

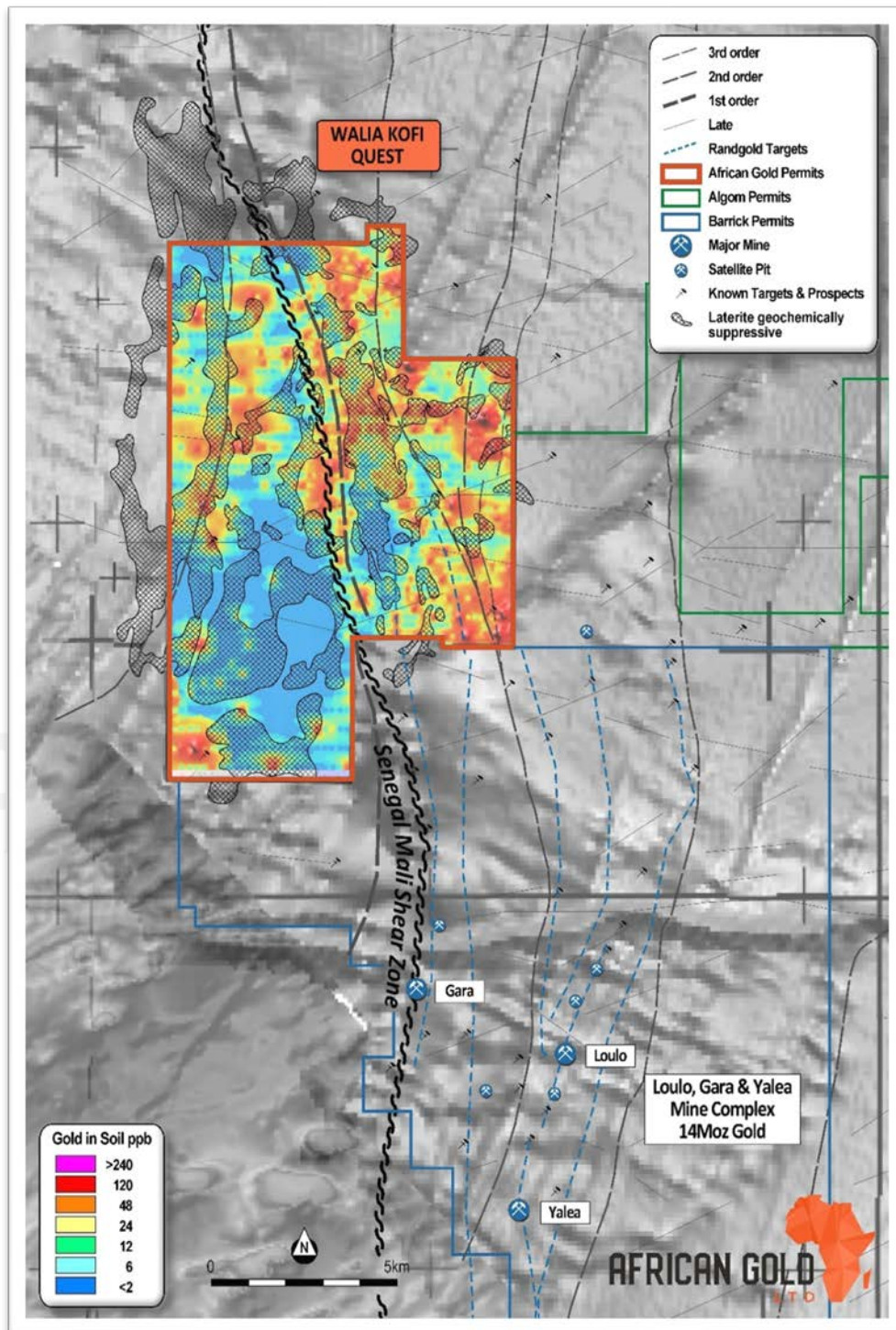


**Figure 7:** AIG's southern KKI projects, KKI Inlier in western Mali showing, major mines, deposits and prospects together with interpreted structures on grey scale magnetic image.



**Figure 8:** Walia - Kofi Quest gold project showing interpreted geology, major mines, deposits and prospects with interpreted structures in grey scale magnetic image.





**Figure 9:** Walia - Kofi Ouest gold project showing, major, mines, deposits and prospects and interpreted structures on grey scale magnetic image. Interpreted ferricrete plateaus and imaged soil geochemistry on a grey scale magnetic image.



## CORPORATE

As at 31 March 2021, the Company held \$1.7 million in cash (31 December 2020: \$1.47 million). Refer to the Appendix 5B for principal movements in cash for the quarter.

During February 2021, the Company held a General Meeting to approve, among other items, the issue of the consideration shares to the vendors of Kouroufaba Gold. All resolutions put to shareholders were passed on a poll resulting in:

- the issue of 4 million ordinary shares to the vendors of Kouroufaba Gold in consideration for the acquisition;
- the issue of 8,024,706 Tranche 2 placement shares at a price of \$0.10 per share, raising a further \$802,470 (before costs), which included the issue of 4,950,000 to Directors or their nominees; and
- the issue of 2,438,885 shortfall shares at a price of \$0.10 per share from the non-renounceable rights issue undertaken in December 2020, raising an additional \$243,888 (before costs).

During February 2021, the Company also advised the effective appointments of Mr Peter Williams and Mr Simon Bolster as Non-Executive Directors of the Company who joined the Board as part of the Company's acquisition of an 80% interest in Kouroufaba Gold. Both Mr Williams and Mr Bolster have a well-established West African network and an impressive track record of discoveries in Birimian Greenstone Belts, with involvement in the discovery of multiple multi-million ounce gold deposits across West Africa. With the increased skills and experience on the Board, Mr Evan Cranston has now transitioned to Non-Executive Chairman of the Company.

## APPENDIX 5B DISCLOSURES

In line with obligations under ASX Listing Rule 5.3.5, A1G notes that the payments to related parties of the Company, as advised in the Appendix 5B (Quarterly Cashflow Report) for the period ended 31 March 2021, pertain to director fees, salaries and wages (including superannuation), accounting/bookkeeping/administration costs, drafting services and serviced office rent paid during the quarter ended 31 March 2021.

During the quarter ended 31 March 2021, the Company spent a total of \$319,000 on project and exploration activities and \$150,000 on tenement acquisition costs. The tenement acquisition costs relate to the cash consideration paid for the Kouroufaba Gold acquisition (\$50,000 still remains payable as at 31 March 2021). The majority of the project and exploration expenditure relates to drill program planning activities and initial drilling expenses undertaken at the Didievi Gold Project in Côte d'Ivoire and drill program planning activities for the 10,000m auger drill program at Walia-Kofi Ouest Project in West Mali. The expenditure represents direct costs associated with these activities as well as capitalised wages which can be directly attributable to the exploration activities.

This announcement has been authorised for release by the Board of A1G.

For further information, please contact:

Mr. Glen Edwards - Chief Executive Officer and Exploration Manager

T: +61 447 880 198 E: [admin@african-gold.com](mailto:admin@african-gold.com)

## Competent Person's Statement

The information in this report that relates to historical exploration results were initially reported by the Company in accordance with Listing Rule 5.7 on 27 November 2020. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements.

### Notes

1. African Gold Limited ASX Announcement 27 November 2020  
<https://www.asx.com.au/asxpdf/20201127/pdf/44qbv34vb3ffmm.pdf>
2. Bonikro, Newcrest - <https://www.asx.com.au/asxpdf/20170213/pdf/43fyl8fjz7sjg4.pdf>
3. Agbaou, Endeavour Mining - [https://s21.q4cdn.com/954147562/files/doc\\_downloads/technical\\_report/lan-Hamilton-technical-report-agbaou.pdf](https://s21.q4cdn.com/954147562/files/doc_downloads/technical_report/lan-Hamilton-technical-report-agbaou.pdf)
4. Fetekro, Endeavour Mining - <https://www.endeavourmining.com/news-releases/press-release-details/2019/Endeavour-Increases-Indicated-Resources-at-Fetekro-by-141-to-12Moz/default.aspx>
5. African Gold Limited ASX Announcement 5 September 2019  
[https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02143648-6A943979?access\\_token=83ff96335c2d45a094df02a206a39ff4](https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02143648-6A943979?access_token=83ff96335c2d45a094df02a206a39ff4)  
<https://www.asx.com.au/asxpdf/20200203/pdf/44drw9hmpk6hc1.pdf>

## Appendix 1

The following information is provided pursuant to Listing Rule 5.3.3 for the quarter ended 31 March 2021.

TENEMENT NAME	LOCATION	INTEREST
Agboville	Côte d'Ivoire	100%
Sikensi	Côte d'Ivoire	100%
Azaguie	Côte d'Ivoire	Pending, 100%
Gomon	Côte d'Ivoire	Pending, 100%
Sitakili	Mali	100%
Walia	Mali	95%
Samanafoulou	Mali	100%
N'Golokasso	Mali	Pending, 100%
Yatia Sud	Mali	100%
Bourdala	Mali	Up to 90% subject to earn-in agreement; ability for 100%
BouBou	Mali	Up to 90% subject to earn-in agreement; ability for 100%
Diokeba Sud	Mali	Up to 90% subject to earn-in agreement; ability for 100%
Tintinba Nord	Mali	55%
Kofi Quest	Mali	100%
Didievi*	Côte d'Ivoire	Up to 80% subject to option agreement
Konahiri North*	Côte d'Ivoire	Up to 80% subject to option agreement
Konahiri South*	Côte d'Ivoire	Up to 80% subject to option agreement
Koyekro*	Côte d'Ivoire	Up to 80% subject to option agreement

The Company notes that no interests were acquired or disposed of during the quarter with the exception of the Kouroufaba Permits (marked with \*) which are the subject of an option agreement.