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INDEPENDENT TECHNICAL REPORT FOR THE GARALO GOLD PERMIT

Sikasso Region –Mali South – West Africa

PREPARED FOR

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BIRIMA GOLD RESOURCES CONSULTING

Report for NI 43-101

Qualified Person:

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1. SUMMARY

1.1. EXECUTIVE SUMMARY

The Garalo gold project consists of an exploration license for gold and associated minerals covering a surface area of 62.50 km² in the Bougouni Region of southern Mali – West Africa. The permit is granted to Golden Spear Mali Sarl by decree N° 2019-2492/MMP-SG, on August 23st 2019. The permit is valid for two years and is renewable for another term of two years.

Golden Spear Mali Sarl (GSM) is a Malian private limited exploration and development company focused primarily on mining, mine development and exploration in Mali. The company is based in Bamako, Mali. Golden Spear Mali Sarl owns 100% of the Garalo gold property.

On October 19th, 2020, Contango Holdings plc. (Contango) signed a Joint-Venture Earn-In agreement with Golden Spear Mali Sarl to acquire 75% interests in the GSM's Garalo gold property.

Contango Holdings plc is a London-based public exploration and development company listed on the London Stock Exchange. Contango is headquartered at 1 Tudor Street London, EC4Y 0AH United Kingdom. Contango Holdings plc operates as an investment holding company. The Company, through its subsidiaries, invests in the natural resources sector to identify, assess, and execute transactions. Contango trades on the London Stock Exchange under the symbol 'CGO". The Company is represented by Carl J. Esprey, Chief Executive Officer.

Birima Gold Resources Consulting (BGR-Consult) has been mandated by Contango to prepare an Independent Technical Report on the Garalo gold project consistent with the Canadian Securities Administrators National Instrument 43-101, Companion Policy 43-101CP, and Form 43-101F1 ("NI 43-101"). The Qualified Person responsible for the preparation of this report is Mr. Serigne Dieng (PhD, AuSIMM, Membership number 316918), Manager of BGR-Consult, the main author and responsible for the overall preparation of this Independent Technical Report. Mr. Dieng visited the Garalo gold project from December 18 to 23, 2020.

This Independent Technical Report NI 43 101 summarizes the available technical information on the Garalo gold project. The report concludes that the main structure that controls the gold mineralization at Garalo G1 and G3 Targets is a north-south-striking, shallowly-west-dipping shear zone system forming pull-apart similar to the nearby 2,8Moz Kalana gold Deposit. This new model for the gold formation at Garalo suggests that the gold mineralization is hosted in a complex system of parallel dilation fracture networks within shear zones. These fracture networks are under-explored and may contain a gold potential of up to 2 Moz within the Garalo property.

The Garalo property has therefore, high potential to host economic gold mineralization and, merits and warrants additional exploration expenditures to convert this potential into reserves. An exploration work program is recommended, comprising a Reverse Circulation (RC), Diamond (DD) and Rotary Air Blast (RAB) drilling programs, to assess the gold potential resources and reserves of the project. This recommended work programs will advance the project to a Resource and Reserve Estimations and a Preliminary Economic Assessment (PEA) stages. Birima Gold Resources Consulting believes that Contango can deliver the recommended work programs prior to the expiry date of the Garalo exploration license.

1.2. CONCLUSIONS

The Garalo gold project consists of an exploration license covering a surface area of 62.50 km² in the Bougouni Formation of Southern Mali, West Africa. Successive exploration works completed by AngloGold Exploration Ltd, PGRM and Golden Spear Mali between 2001 and 2008 were professionally managed and procedures were consistent with generally accepted industry best practices. The exploration data from soil geochemistry sampling, ground geophysical survey, trenches and drilling are sufficiently reliable to confidently allow interpretation of the gold mineralization in the Garalo property and planning of an extensive drilling program over existing gold deposits and in areas with potential for new discovery. Exploration works performed in the Garalo permit resulted in the discovery of the Garalo G1 and G3 gold deposits and numerous others clusters of anomalous zones with potential for gold discovery.

Geological and structural interpretations by BRG-Consult in 2021 determined the geological and structural setting of the deposits and the style of the gold mineralization and established a conceptual geological and structural model for the gold mineralization. BRG-Consult interprets NS to NNW-striking and shallowly west-dipping shear zone systems that control the gold mineralization at Garalo G1 and G3 deposits. These structures are identical to structures that control the nearby 2.8Moz Kalana gold deposit operated by Endeavour Mining.

The gold mineralization is strongly structurally controlled and is contained into zones of deformation and hydrothermal quartz-calcite-chlorite-pyrite-arsenopyrite alteration associated with sheared and highly altered brecciated greywacke and shale rocks in the hanging-wall of a shallowly-west-dipping, NS to NNW-striking parallel set of fracture systems. Large and high-grade gold mineralization were intercepted at the Garalo gold project (Tables 1.1 and 1.2 and Appendix B).

- **At Garalo G1 Target the gold structure:**
  - has a strike-length of up to 1,000 meters and is open laterally north and south along strike and downdip
  - has width that can exceed 200 meters in place and
  - hosts large and minable-grade gold mineralization (Table 1.1)

Num	Hold ID	From (m)	To (m)	Interval (m)	Gold (g/t)	Comments
1	G1AD001	200	201	1	6,22	
2	G1AD003	57	59	**2**	**10,35**	
3	G1AD003	64	65	1	43	
4	G1AD003	151	167	**16**	**1,24**	including 1m@7g/t
6	G1ARC002	81	87	**6**	**6,66**	
7	G1ARC003	53	55	2	2,42	
8	G1ARC003	78	79	1	7,64	
9	G1ARC003	87	90	**3**	**22,11**	
10	G1ARC004	21	26	**5**	**3,65**	
11	G1ARC006	83	96	13	1,02	
12	G1ARC009	38	40	2	17,05	
13	G1ARC147I	0	18	**18**	**1,69**	
14	G1ARC147I	68	76	8	2,7	
15	G1ARC148	40	54	**14**	**4,45**	including 2m@27,8 g/t
16	G1ARC178	0	8	**8**	**9,3**	including 2m@35,6g/t from surface

Table 1.1: Best gold intercepts from drilling at Garalo G1 Target (cut-off of 3m@0.3g/t)

- **At Garalo G3 Target the gold structure:**
  - has a strike-length of up to 600 meters and is open laterally north and south along strike and downdip
  - has width that can exceed over 100 meters in place and
  - hosts large and minable-grade gold mineralization (Table 1.2)

Num	Hold ID	From (m)	To (m)	Interval (m)	Au ppm	Comments
1	G3AD001	159	163	4	1,44	
2	G3AD002	73	75	2	1,44	
3	G3ARC002	46	52	6	1,37	including 1m@5,6g/t
4	G3ARC002	87	90	**3**	**5,11**	Including 1m@13,2g/t
5	G3ARC066	64	74	10	0,41	
6	G3ARC147	30	34	4	1,36	
7	G3ARC148	22	32	10	0,54	
8	G3ARC148	60	62	2	1,5	
9	G3ARC148	84	90	**6**	**2,06**	including 2m@5.3g/t
10	G3ARC149	34	48	14	0,66	
11	G3ARC149	62	64	**2**	**2,58**	
12	G3ARC149	74	78	4	1,08	
13	G3ARC149	84	100	**16**	**13,89**	including 2m@95g/t
14	G3ARC150	0	2	**2**	**6**	

Table 1.2: Best gold intercepts from drilling at Garalo G3 Target (cut-off of 3m@0.3g/t)

The Garalo gold project is part to the Paleoproterozoic rocks of the Bougouni Formation of the Baoulé-Mossi domain, in the Birimian Super group of West Africa that hosts several word-classes multi-million-ounces gold deposits (examples include 2.8Moz Kalana, 7.3Moz Morila, 6.2Moz Syama and, 1.8Moz Yanfolila gold deposits). Geological and structural relationships, mineral alteration assemblage and the style of the gold mineralization within the Garalo permit demonstrate that the gold deposits are classic example of mesothermal shear-zone-controlled, intrusive-related, orogenic-type gold mineralization, hosted in greenstone folded and deformed sedimentary successions of graywacke and shale similar to the nearby 2.8Moz Kalana gold deposit. The Garalo property can therefore, be considered as very prospective terrane to host economic gold deposit, considering that aggressive additional exploration works including extensive drilling programs will continue to further define and delineate additional gold mineralization.

Based on BGR-Consult's due diligence site visit and subsequent review of available historical exploration information, BGR-Consult offers the following general comments and conclusions.

- The main structure that controls the gold mineralization at Garalo G1 and G3 Targets is a north-south-striking, shallowly-west-dipping shear zone system forming pull-apart similar to the nearby 2,8Moz Kalana deposit. This new model for the gold formation at Garalo suggests that the gold mineralization is hosted in a complex system of parallel dilation fracture networks within shear zones. These fracture networks are under-explored and may contain a potential of up to 2 Moz within the Garalo property.
- Historical exploration results on the Garalo gold property indicate the presence of significant gold mineralization with potential for economic gold discovery. The Garalo main gold deposits (G1 and G3 Targets) are the highest priority exploration targets within the concession. Additional drilling, geophysical survey, sampling and mapping are required to evaluate the resource and economic potential of the deposits.

- The assessment of and conclusions made in this report on the exploration potential of the Garalo gold property is based on the historical exploration results, particularly the gold results obtained from historical soil geochemistry sampling, ground IP geophysical survey and drilling programs completed by AngloGold Exploration Ltd and Golden Spear Mali between 2001 and 2008.
- BGR-Consult concludes that the type of and amount of historical exploration works completed in the Garalo permit and data generated by this work provides an adequate basis for the review and assessment of exploration potential provided in this technical report and, the recommendations made herein.
- Any significant variations of the reported historical results could impact the conclusions and work recommendations made in this report.
- The normal risk associated with exploration project exists, so there is no guarantee that the proposed exploration work will identify economically viable gold mineralization on the property.

1.3. RECOMMENDATIONS

The Garalo gold property is a relatively advanced exploration project and significant detailed exploration works have led to the identification of the Garalo G3 and G1 gold deposits with potential for containing economic gold mineralization. BGR-Consult considers that the character and extend of the gold mineralization delineated is of sufficient merit to warrant additional exploration expenditures. BGR-Consult recommends an exploration work program that - if implemented - will advance the project to a resource and reserve estimations and a pre-feasibility study stage.

The following recommendations for additional exploration work on the Garalo property are proposed. A Phase I of Reserve Circulation (RC) drilling program and a Phase II of Diamond (DD) drilling program are recommended on the Garalo G3 and G1 gold deposits to advance these targets to a resource evaluation stage. A phase III of RAB drilling program is recommended on others clusters of gold anomalies within the Garalo permit. The budget is estimated for each drilling phase and is for the proposed field and administrative costs, logistics and contractors, but do not include any corporate management fees.

1.3.1. DRILLING

The detailed structural and geological interpretation and modelling of the Garalo G1 and G3 gold deposits resulted in a coherent and comprehensible geological and structural model that gives a better understanding of the structural setting and the style of the gold mineralization of the deposits and re-orient further drilling programs (Table 1.3).

1.3.1.1. Garalo G1 Target

1.3.1.1.1. Recommended Phase I RC Drilling Program on Garalo G1 Target

The proposed Phase I drill program will test and expand the Garalo G1 gold deposit. This program will test the interpreted structural and geological model of the deposit. The objectives are therefore, to:

- Test the proposed geological and structural model of the gold deposit (Figure 1.1)
- Test a strike length of 600 km over the interpreted mineralized structure
- Define and delineate laterally and down dip the gold deposit within the interpreted structure

- 13 fences spacing 50 meters apart, 2 to 5 RC holes for each fence totalizing 46 holes and 6,795 meters
- Holes are oriented East-West, inclined -50º and, depth varying between 60 to 240 meters

1.3.1.1.2. Recommended Phase II DD Drilling Program on Garalo G1 Target

The Phase II DD drilling program is dependent on the outcome from the Phase I drilling program and will be implemented only if results of the Phase I RC drill program are positives.

The main objectives of this Phase II DD drilling program on G1 Target are to test the deep extension of the gold mineralization within the interpreted structure, for geotechnical and metallurgical studies and for geological and structural understanding of the gold deposit. BGR-Consult recommend 1 deep diamond drill hole for each fence (Figure 1.1) totalizing 11 holes and 3,135 meters. Holes are oriented East-West, inclined -50º and, depth varying between 275 to 300 meters.

The Phase I RC and Phase II DD drilling programs maps and sections are shown in Figures 28.1 to 28.13 and the location and technical parameters of the drillholes are presented in Appendix C, Tables 32.1 and 32.2.

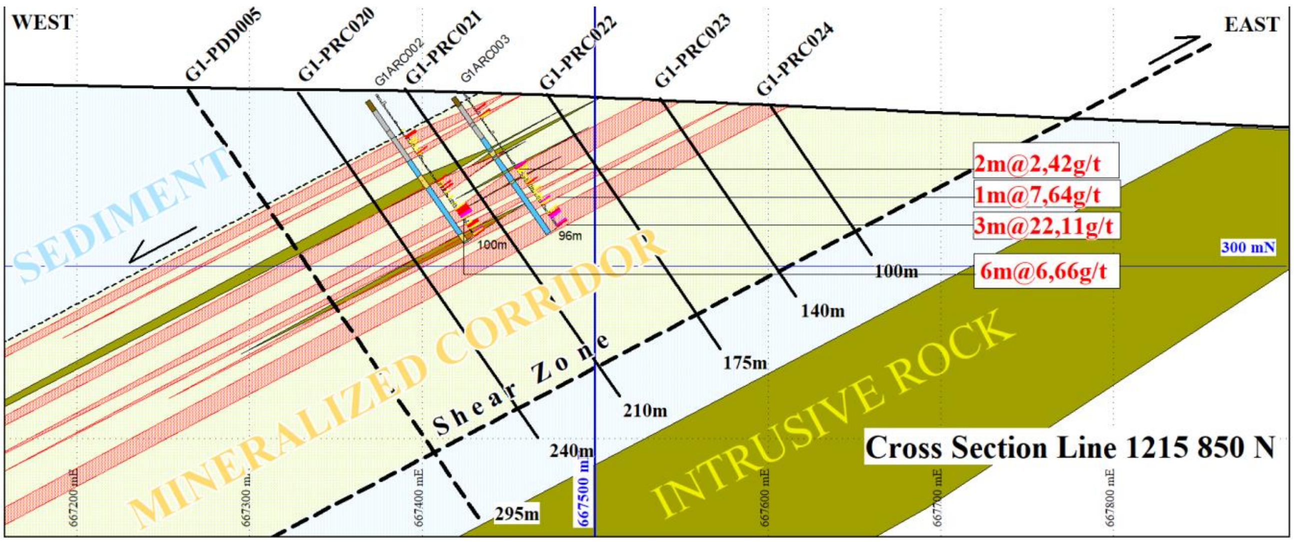

Figure 1.1: Garalo G1 Target: Recommended RC Drill Program. X-Section Line 1215 850 N

1.3.1.2. Garalo G3 Target

1.3.1.2.1. Recommended Phase I RC Drilling Program on Garalo G3 Target

The proposed Phase I RC drill program will test and expand the G3 gold deposit. The Phase I RC drilling program will test the interpreted structural and geological model of the deposit. The objectives are, to:

- Test the proposed geological and structural model of the gold deposit (Figure 1.2)
- Test a strike length of 700 meters over the interpreted mineralized structure
- Define and delineate laterally and down dip the gold deposit within the interpreted structure
- 9 fences spacing 50 to 100 m apart, 1 to 5 RC holes for each fence totalizing 34 holes and 6,110 meters.
- Holes are oriented East-West, inclined -50º and, depth varying between 135 to 250 meters.

1.3.1.2.2. Recommended Phase II DD Drilling Program on Garalo G3 Target

The Phase II DD drilling program is dependent on the outcome from the Phase I drilling program and will be implemented only if results of the Phase I are positives. The main objectives of this Phase II DD drilling program on G3 Target are to test the deep extension of the gold mineralization within the interpreted structure, for geotechnical and metallurgical studies and for geological and structural understanding of the gold deposit. BGR-Consult recommends 1 deep DD hole for each fence totalizing 9 holes and 2,260 meters. Holes are oriented East-West, inclined -50° and, depth varying between 235 to 280 meters. The Phase I RC and Phase II DD drilling program maps and sections on G3 Target are shown in Figures 28.14 to 28.22 and the location and technical parameters are presented in Appendix C, Tables 32.3 and 32.4.

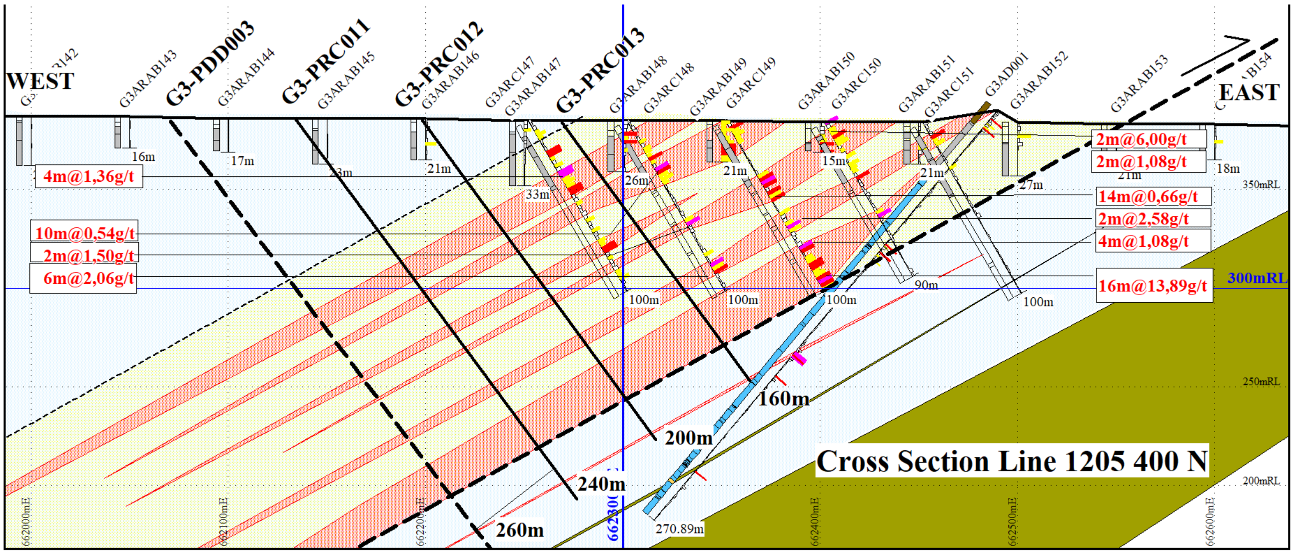

Figure 1.2: Garalo G3 Target: Recommended RC Drill Program. X-Section Line 1205 400 N

1.3.1.3. Phase III RAB drilling program on others targets within the Garalo permit

A Phase III of RAB drilling program is recommended on others targets that have not been drill-tested in previous drilling programs within the Garalo permit (Figure 1.3). The objectives of this program will be to develop potential zones of gold mineralization for resource expansion and discovery of new targets. The proposed RAB drilling program totalize approximately 5,000 meters. This Phase III RAB drilling program is based on the positive soil geochemistry results that appear to be aligned with interpreted structures in the area. The objectives of the RAB drilling program will be to enable high confident in-situ anomalies and to identify additional target zones of gold mineralization which may warrant further drilling program. BGR-Consult recommends a program of 500 holes of 10 m deep for each hole. holes will be spaced 25 m apart.

The following Table show the Phases I to III recommended drilling program on the Garalo permit.

Program	**Reverse Circulation Drilling (RC)**		**Diamond Drilling (DD)**		**Rotary Air Blast (RAB)**	
Phase	**Phase I RC Drilling Program**		**Phase II DD Drilling Program**		**Phase III RAB Drilling Program**	
Prospects	**Meters**	**Holes**	**Meters**	**Holes**	**Meters**	**Holes**
Garalo G1	6 795	46	3 135	11		
Garalo G3	6 110	34	2 260	9		
Other Prospects					5 000	50
TOTAL	**12 905**	**80**	**5 395**	**20**	**5 000**	**50**

Table 1.3: Summary of the recommended 2021 Drilling Programs on the Garalo property

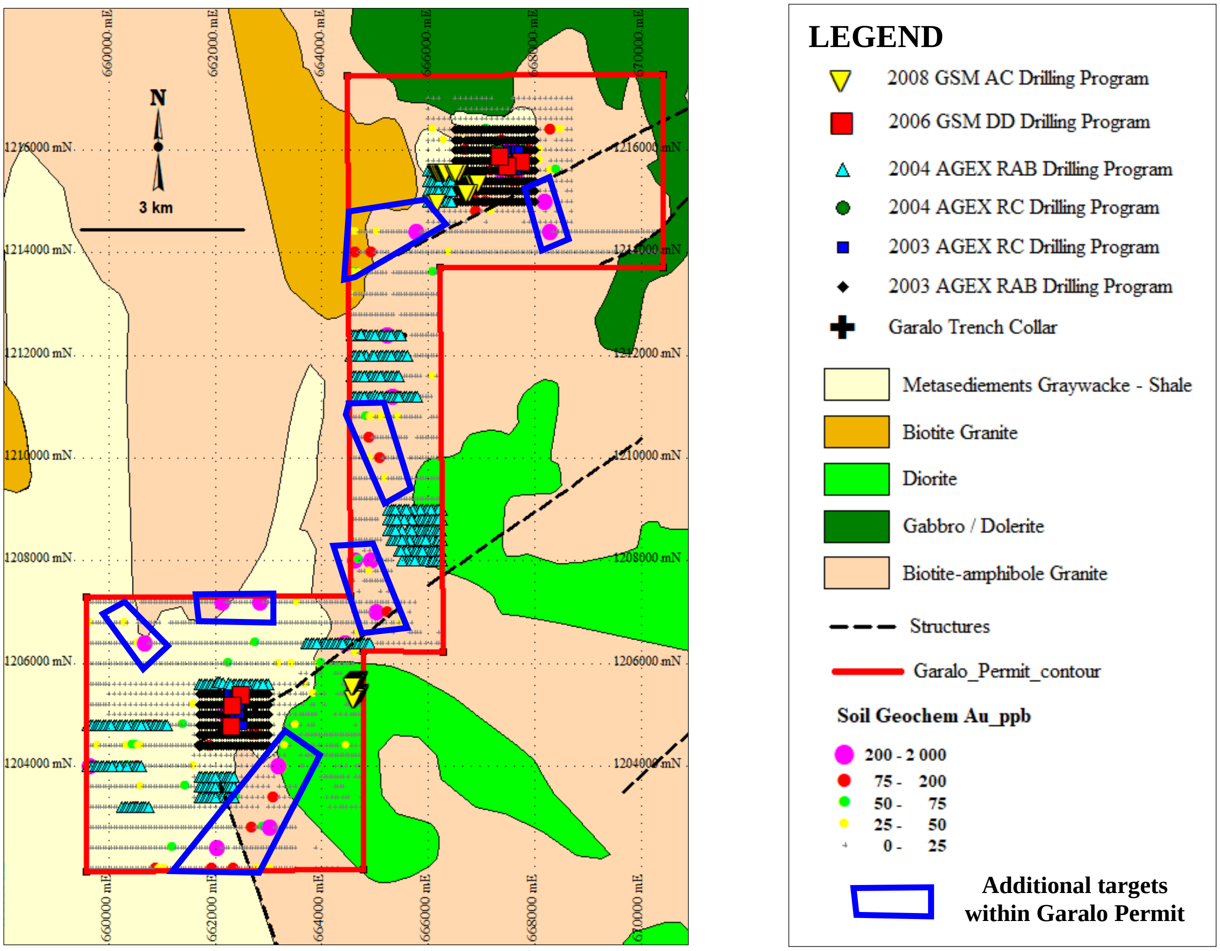

Figure 1.3: Map showing the occurrence of additional target zones within the Garalo Permit

1.3.2. GEOPHYSICAL SURVEY

Contango plans to commission a high-resolution helicopter borne magnetic and radiometric survey and a ground IP (Induced Polarization) Chargeability/Resistivity survey at Garalo, covering the entire permit. The airborne geophysical survey will be flown by helicopter at an altitude of 20 to 30 meters, with a line spacing of 100 m x 1000 meters totalizing 1,316 km. The survey will use NRG's XPlorer Airborne Electromagnetic system mounted on dedicated AS350 B-series helicopters.

BGR-Consult recommends a closely spaced, low altitude survey that can result in significantly more detailed data than the widely spaced regional survey. BGR-Consult considers this to be warranted as it will help to confirm the presence of favorable structures, structural intersections and a geological framework for understanding the controls on existing mineralized zones and new target generation.

1.3.3. ADDITIONNAL RECOMMENDATIONS

Most of the Garalo property remains to be fully investigated due to limited amount of exploration works and the extensive laterite development that obscured the bedrock geology. Several target areas have been identified based on historic surface geochemical anomalies combined with the interpretation of geophysical structures. Additional recommendations by BRG-Consult are:

- Detailed field geological and structural mapping of the Garalo G1 and G3 targets and others identified gold anomalies associated with interpreted geophysical structures (Figure 1.3) to clarify the controls on gold mineralization and to guide additional exploration drilling along these trends.
- More detailed regolith mapping would allow for the assessment of transported anomalies and the ranking and prioritization of anomalies before drilling.

1.3.4. RECOMMENDED RXPLORATION BUDGET

Detailed costs were provided by Contango and were applied to the various categories in the estimated budget in Table 1.4. BGR-Consult considers these costs to be reasonable and in line with current costs in the region. Costs for the recommended work program are based on an estimated completion time of 12 months. An approximate 1-year recommended exploration budget of 3,6 MUS$ is outlined in the following Table based on a systematic exploration program as recommended above.

EXPLORATION PROGRAM	Units	Unit Costs (US$)	Budget (US$)
PHASE 1: 12,905 meters RC Drilling Program			
Drilling Platforms (Contractor + Fuel)			30 000
Contractors & Earthwork RC Drill (including field costs, consumable, testing, Equipment Charges, Standby Hours etc...)	12 905 meters	80 US$/meter	1 032 400
Sample Assay charges (including QA/QC Samples)	13 550 Samples	15$/sample + Transport	205 000
		Sub-total	***1 267 400***
PHASE II: 5,395 meters DD Drilling Program			
Drilling Platforms (Contractor + Fuel)			30 000
Contractors & Earthwork DD Drill (including field costs, consumable, testing, Equipment Charges, Standby Hours etc...)	5 395 meters	80 US$/meter	809 250
Sample Assay charges (including QA/QC Samples)	5 665 Samples	15$/sample + Transport	90 000
		Sub-total	***929 250***
PHASE III: 5,000 meters RAB Drilling Program			
Drilling Platforms (Contractor + Fuel)			30 000
Contractors & Earthwork RAB Drill (including field costs, consumable, testing, Equipment Charges, Standby Hours etc...)	5 000 meters	40 US$/meter	200 000
Sample Assay charges (including QA/QC Samples)	5 250 Samples	15$/sample + Transport	80 000
		Sub-total	***310 000***
GEOPHYSICAL SURVEY			
Ground Induced Polarization (IP)/Resistivity Survey	1		**0**
Airborne Electromagnetic geophysical survey	1		65 000
		Sub-total	***65 000***
Others Costs			
CAMP CONSTRUCTION AND EQUIPMENT	1		***125 000***
ADMINISTRATION, LOGISTIC AND TAXES	12 Months		***300 000***
BAMAKO OFFICE COST	12 Months		***50 000***
PERSONNEL SALARIES	12 Months		***200 000***
CONSULTANCY FEES	1		***50 000***
		Sub-total	***725 000***
		Total	**3 296 650**
		10% contingency	**329 665**
		GRAND TOTAL	**3 626 315**

Table 1.4: Recommended 2021 Exploration Budget for the Garalo exploration permit

1.4. TECHNICAL SUMMARY

1.4.1. Property Location

The Garalo exploration permit is located in the Bougouni Cercle within the Sikasso administrative region of the Republic of Mali, approximately 200 km south of the capital city Bamako and 50 km south of Bougouni District (Figure 1.4). Access to the area is gained from the the National Road (RN9) Bamako – Bougouni – Garalo. The coordinates of the approximate centroid of the Garalo exploration permit are 10°56'50"N and 7°29'10"W (NAD 83/UTM Zone 29U: 665 400 E and 1211 200 N). The nearest community is the village of Garalo that lies within the northeastern boundry of the permit.

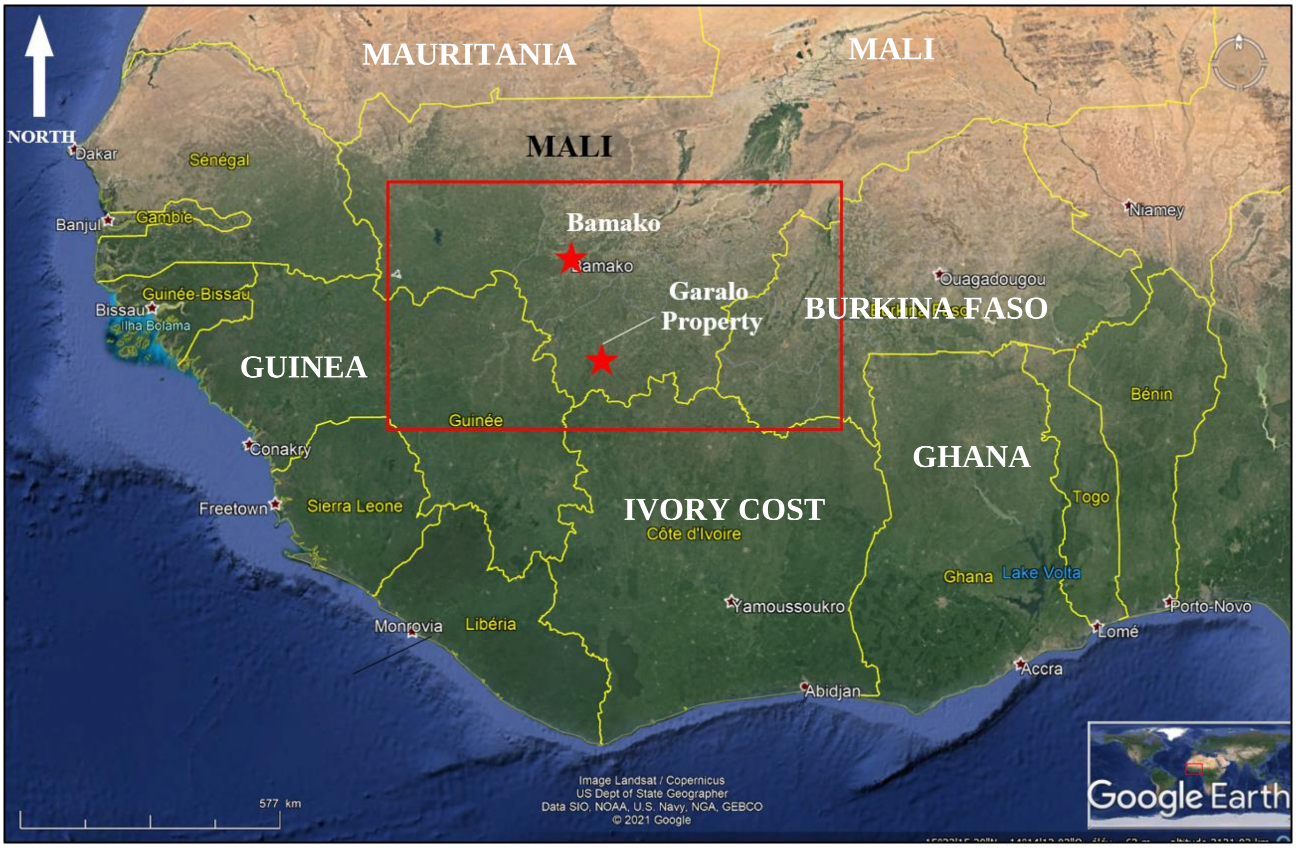

Figure 1.4: Location of the Garalo gold property within the Sikasso Region of the Republic of Mali, West Africa

1.4.2. Property Description and Land Tenure

The Garalo "Permis de Recherche" covered an area of 250 km^2 and was awarded to AngloGold Exploration Ltd by the Malian government by decree N° 03-332/MMEE-SG on February 27th 2003. Following three years of exploration activities, AngloGold Exploration Ltd renewed the permit by decree N° 06-0335/MMEE-SG on February 21st 2006. The permit surface area was reduced to 50% and covered a surface of 125 km^2.

On December 11th 2006 the Garalo permit was transferred to Golden Spear Mali by decree N°06/2967/MMEE-SG. After three years of exploration activities Golden Spear Mali Sarl transferred the permit to TAG Ressources Mali Sarl by decree N°2015/0582/MM-SG on April 3rt 2015. In 2016, TAG Ressources Mali Sarl transferred the permit to Golden Spear Mali Sarl by decree N°2016/3668/MM-SG on October 3rt 2016 (Appendix A).

Golden Spear Mali Sarl renewed the permit in 2019 by decree N°2019-2492/MMP-SG on August 23rt 2019. The permit surface area was reduced to 50% and covers a surface area of 62.50 km^2. As of the date of this report the Garalo "Permis de Recherche" is valid and renewable for a period of two years (Appendix A).

On October 19th, 2020, Contango Holdings plc signed a Joint-Venture Earn-In Agreement with Golden Spear Mali Sarl to acquire 75% interest in the Golden Spear Mali Sarl's Garalo property.

1.4.3. Regional Geology

The Garalo gold project is located in southern Mali within the Leo-Man Shield of the West African Craton. At a regional scale, the property is hosted within the Birimian Supergroup of the Baoulé-Mossi Domain. The Baoulé-Mossi domain contains three principle Birimian-Eburnean litho-structural units: 1) the NS striking Birimian dacitic to andesitic volcano-sedimentary series of the Yanfolila-Kalana and Bagoé Basins, 2) a suite of granite to monzogranitic units intruding the Birimian volcano-sedimentary units, and 3) late dioritic to granodioritic intrusives occurring as plugs and dykes. The Garalo permit is situated within the Bougouni region and between the Syama and the Yanfolia gold Belts (Figure 1.5).

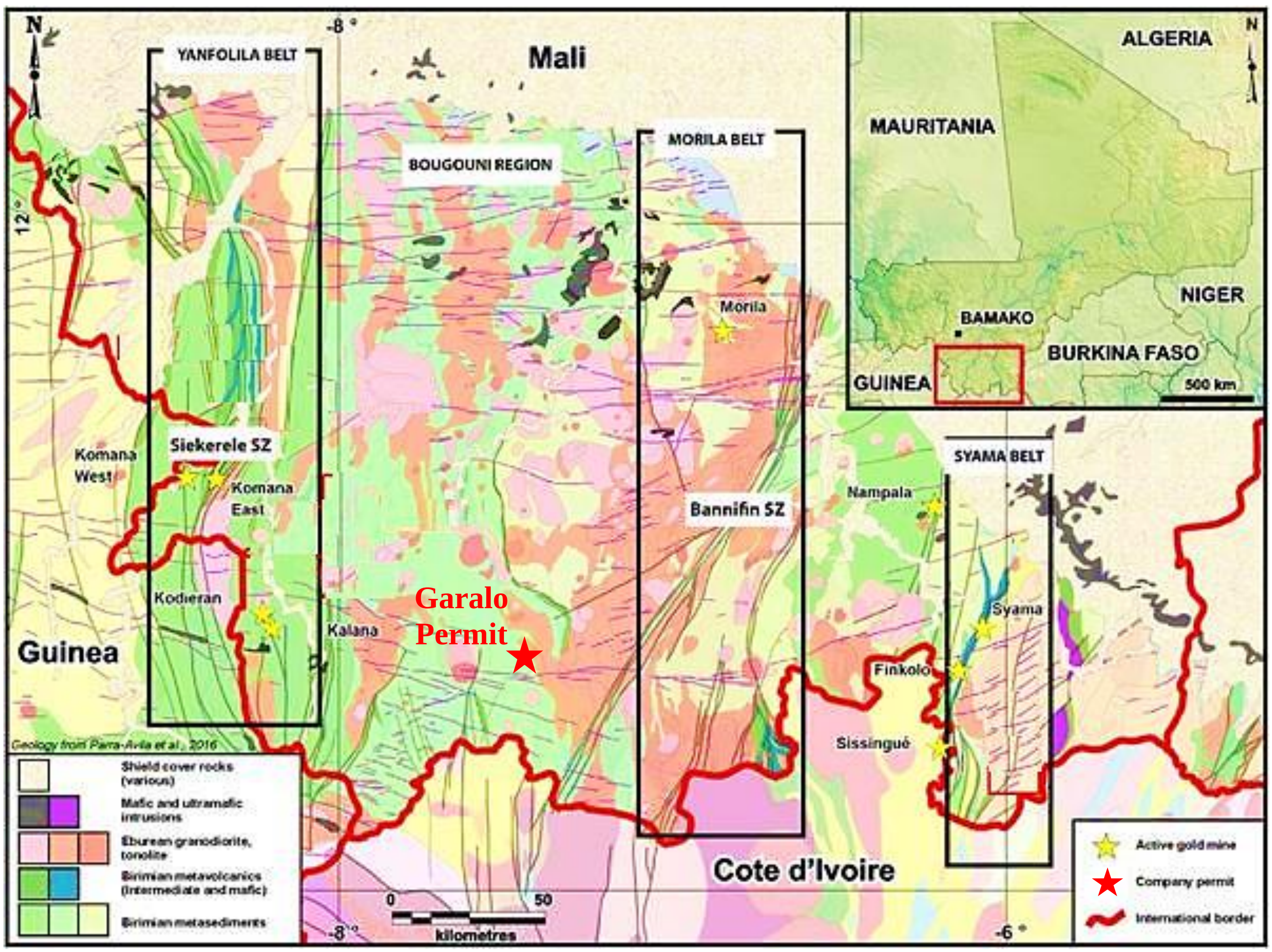

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Figure 1.5: Map of Southern Mali Gold Belts and location of the Garalo gold property

The Yanfolila Belt, situated along the Mali-Guinea border, is bisected into eastern and western segments by the regional Siekerole Shear Zone. The Yanfolila belt is comprised of a suite of arc-related volcanic units and reworked greywacke sequences. The Nani Volcanic Formation is comprised of intercalated tholeiitic basalts and basaltic andesites, and deformed porphyritic rhyolitic to dacitic lavas, pyroclastic flows and breccias.

The Morila Belt occurs within the major granitic intrusive complex of the Bougouni region which dominates south-central Mali; this domain contains the Massigui and Doubakoro TTG granites (Figure 1.5). Within this region, the Birimian units are comprised of basalt to basaltic-andesite lavas locally interbedded with volcano-sedimentary units; all have undergone amphibolite grade metamorphism.

The Syama Belt is situated along the Mali-Burkina Faso border and is separated from the Morila Belt by the regional Banifin Shear Zone. This belt is lithologically similar to the Yanfolila Belt and is characterized by a sequence of basalts and andesites interbedded with greywackes and argillites. The entire belt is segmented structurally, folded and frequently overturned; regional plutonism occurred during the Paleoproterozoic.

1.4.4. Property Geology

The Garalo permit area is of granitic dominated in its eastern domain, and sedimentary dominated in its western part (Figure 1.6).

1.4.4.1. The metasedimentary sequence

The metasedimentary rocks are composed of a sequence of turbidite rocks that form the main sedimentary component of the permit outcropping in the southern portion of the permit.

- The medium to coarse-grained greywacke is the dominant host rock for the gold mineralization and is a metamorphosed rock consisting predominantly of irregularly-shaped albite and finely crystalline aggregates of quartz, interstitial sericite materials embedded in a dark poorly-sorted groundmass.
- The shale is a fine-grained dark-grey rock characterized by abundant black (graphitic) laminations often strongly to intensely sheared and interbedded with the coarser-grained greywacke host rock.

1.4.4.2. The granitic intrusive rocks

The granitic intrusive rocks are the dominant type of intrusive rock in the Garalo property. Two main types of granit intrusive are distinguished in the granitic domain (Figure 1.6):

- <u>The biotite granite dykes</u> are mostly medium to fine-grained and equigranular to weakly porphyric-textured in place. It is characterized by distinctive pink K-feldspar phenocrysts, in a grayish, equigranular groundmass of subeuhedral plagioclase, quartz, biotite and minor dark green hornblende
- <u>The biotite-amphibole granite dykes</u> display same textural characteristics but are darker and contains more mafic mineral probably due to magmatic differentiation.

1.4.4.3. Late syn- to post tectonic intrusive rocks

The sequence of granitic rocks and sedimentary units are intruded by younger diorite and gabbro intrusive rocks. The diorite intrusive are more abundant in the southern portion of the permit (Figure 1.6).

- The gabbro are dykes and sills of gabbroic composition injected in the turbidites sequence. they are dominantly dark-brown to dark-greyish green and porphyritic textured. Some show an inner chill margin characterized by disseminated microporphyritic automorphic off-white plagioclase laths set in an aphanitic mafic matrix. The rocks are mapped from drill hole south of the Garalo permit within the G3 target.

- The diorite dykes are the dominant type of intrusive rock mapped in the southeast portion of the property. A significant intrusive stock of that type was intercepted in drill core in the G3 target south of the Garalo permit. The rock is composed of equigranular leucocratic plagioclase feldspar, coarse crystalline quartz, and accessory minerals such as biotite, amphibole and chlorite.
- Leucocratic quartz-feldspar intrusive dykes cut earlier rocks and appear to be post- to syn-mineralization intrusive rocks. These leucocratic felsic intrusive rocks have been observed in drill core at G1 and G3 targets close to the mineralized zone and may have been the source of the mineralizing hydrothermal fluids responsible for the formation of the gold deposit.

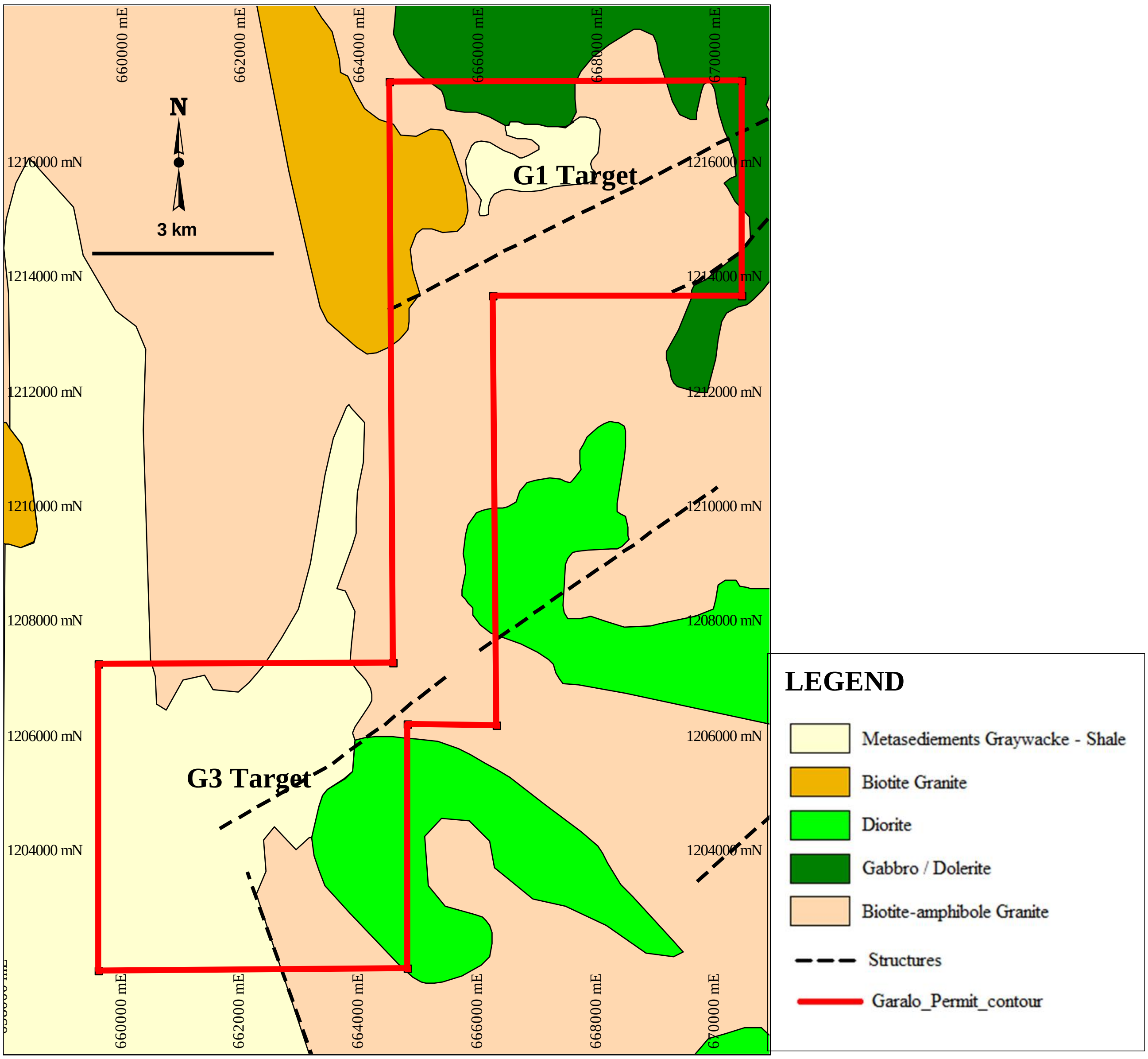


Figure 1.6: Geological Map of the Garalo permit showing the main lithological units and the structural elements

1.4.5. Structures

Structural interpretations combined with results from the ground IP geophysical survey at Garalo demonstrate that the main structure identified at Garalo G1 and G3 targets is a brittle-ductile NS- to NNW-striking, shallowly to moderately westerly-dipping strike-slip shear zone systems located at or near the contact between sediments and intrusive rocks (Figure 1.7). These brittle-ductile shear zones contain a complex networks of extensional dilation fracture systems, are closely associated with the gold mineralization and have a close spatial and likely a genetic relationship. The brittle-ductile deformation of the sediment host rocks at its contact with the intrusive rocks suggests that the dykes would have a syn-orogenic origin emplaced along reactivated fault zones likely during the 2.0 Ga compressional event of the Birimian orogeny

GSM conducted structural mapping based on interpretation of Ground Induced Polarization Geophysical Survey at G1 and G3 Targets. Interpretation of the gradient array survey at G1 defined a complex moderately chargeable and resistive zones that correspond to dominant structures in this zone. A simplified interpretation of these zones defined five significant chargeable and resistive trends.

- relatively continuous north-northwesterly-trending chargeable and resistive structures.
- Northerly-trending resistive and chargeable structures suggesting an easterly dip.
- north-northeast resistive and chargeable trend thought to be part of a terminating fault.

Interpretation of the gradient array survey at G3 suggest a general north-south orientation to the lithology with a northeast and northwest-trending structural fabric. An inferred fault parallel to this contact is also supported by an east-west trend from both the regional magnetics and also a topographic trend parallel with drainage

1.4.6. Mineralization

The gold mineralization is strongly structurally controlled and is contained into a broad zone of deformation and hydrothermal quartz-calcite-chlorite-pyrite-arsenopyrite alteration associated with sheared and hydrothermally brecciated sedimentary successions of greywacke and shale in the hanging-wall of a shallowly-dipping (45^{o}), north-south to north-north-west-striking parallel fracture systems that affect the sedimentary sequence near contact with syn-tectonic intrusive dykes (Figure 1.7).

Gold is preferentially developed in the more permeable, altered, coarser grained greywacke rock affected by brittle deformation where brittle fracturing, openings and veining occurred within the structures (Figure 1.7). Gold is associated to structurally controlled tension quartz vein systems and stockworks in brittle fractures and in areas of increased porosity as a result of the high rheology of the greywacke.

Through rheological contrasts between the siltstones and the graywacke, the plastic planar shear slipping along the ductile and less permeable shale rocks resulted in the propagation of interplanar shear bands, the brittle fracturing of the greywacke rocks, the opening of tension jogs and the formation of dilation joints. Minor gold mineralization occurs also in the syn-tectonic intrusive dykes. These intrusive rocks intruded the sedimentary rock during deformation and may have influenced the deposition of pervasive gold mineralization through magmatic fluid degassing. At Garalo, gold deposition was likely concomitant with dissemination of arsenopyrite with minor pyrrhotite and pyrite. Gold is dominantly associated chlorite-quartz–carbonate–sulphides assemblage, stockwork of quartz-carbonate veinlets and arsenopyrite mineralization.

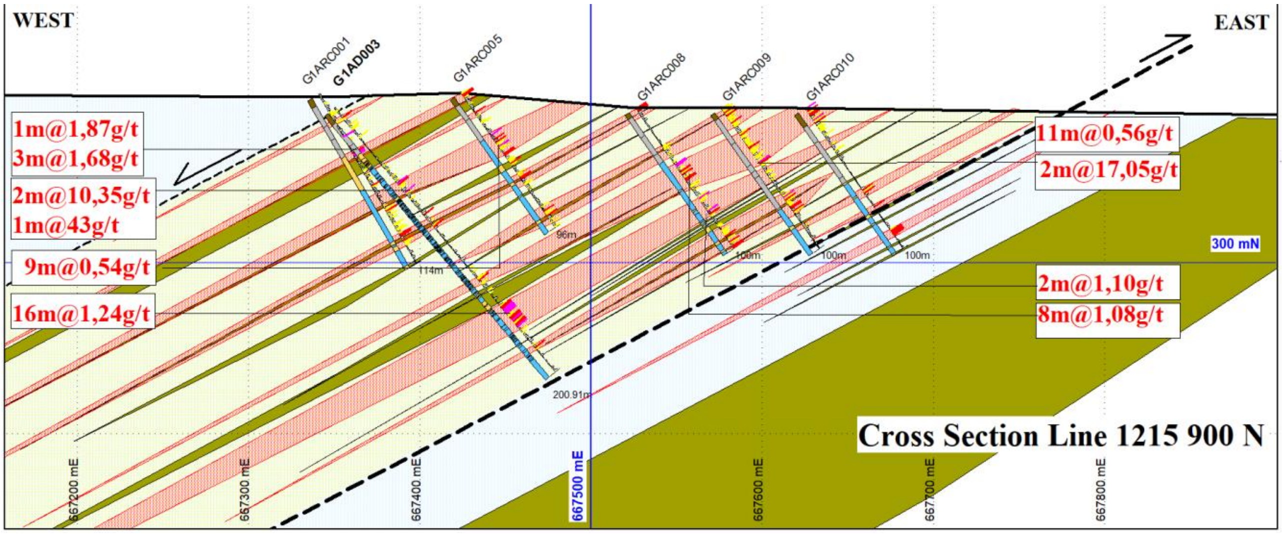


Figure 1.7: Geological and structural cross-section through the Garalo G1 gold target showing the style of gold mineralization and the shallowly-dipping (45º), north-south to north-north-west striking parallel fracture systems that affect the sedimentary sequence near contact with syn-tectonic intrusive rocks

1.4.7. Exploration

Successive exploration works have been performed in the Garalo permit between 2001 and 2008. AngloGold Exploration Ltd (AGEX) undertook the first strategic soil sampling survey on a regular grid pattern of 200x50m in 2001 and a regional Airborne Magnetic & Radiometric Survey in 2003. In 2004. PGRM completed a follow-up soil geochemical sampling on a grid pattern of 200x50m. This soil geochemical survey has been completed by Golden Spear Mali (GSM) in 2005 to cover the entire Garalo Permit. Following positive results of the soil geochemical survey, AGEX completed a Ground Induced Polarization (IP) geophysical survey followed by an extensive trenching, RAB and RC drilling between 2003 and 2004. Additional DD and RC drilling programs have been completed by GSM between 2006 and 2008 (Tables 1.5 and 1.6).

There are no records of modern exploration works completed in the Garalo permit prior to 2001. All available exploration work was completed between 2001 and 2008 mostly by AngloGold Exploration Ltd and Golden Spear Mali Sarl.

- **2001**: an airborne magnetic and radiometric survey was flown over southern Mali by Kevron Pty Ltd on behalf of the Malian government as part of their Malian Birimian project (SYSMIN "Système de Stabilisation de Recettes d'Exportation de Produits Miniers"). The final products were used to aid the production of the regional geology map by BRGM in 2006. The map covered the Garalo permit.
- **2001**: Regional mapping of the Malian Birimian during the EU funded SYSMIN project by BRGM
- **2001**: AngloGold Exploration Ltd (AGEX) undertook the first strategic soil sampling survey on a regular grid pattern of 200x50m and a regional Airborne Magnetic & Radiometric Survey. The sampling grid covered the northern and southern portion of the permit. A total of 634 soil samples were collected.
- **2003**: AGEX completed a trenching program on Target G3. Four trenches for a total of 167 meters were excavated. The same year, AGEX, completed a RAB drilling program in the G1 and G3 anomaly zones

comprising 478 holes totaling 10,296 meters on a grid pattern of 200x00m. Following results of the trench and the RAB drilling program, AGEX, completed a RC drilling program in the G1 and G3 targets comprising 39 holes totaling 3,803 meters on a grid pattern of 200x50m.

- **2004**: PGRM completed a follow-up soil geochemical sampling program focused in area that have not been previously sampled between G1 and G3 targets. The sampling was performed on a regular grid pattern of 200x50m. A total of 1559 soil samples were collected.
- **2004**: following results of the RAB and RC drilling results of the 2003 program, AGEX completed a RC drilling program focused on G1 target. The RC drilling program comprised 9 holes totaling 942 meters on a grid pattern of 200x50m. The same year, AGEX completed a RAB drilling program focused on others clusters of gold anomaly zones within the Garalo permit. The program comprised 397 RAB holes totaling 10,432 meters on a grid pattern of 200x50m.
- **2005**: The Garalo permit was transferred to Golden Spear Mali (GSM). GSM collected 567 soil samples covering the southeastern portion of the Garalo permit. Samples were collected on 400x100m grid pattern.
- **2006**: Sagax Afrique Sa, a Burkina Faso-based geophysical services company was contracted to carry out a Ground Induced Polarization (IP) geophysical survey over targets G1 and G3. Both grids covered the main soil anomalies and drill intersections from the AGEX phases of exploration. Each grid comprised of eleven, one-kilometer lines, which were cut 100 meters apart and pegged at 25-meter intervals.
- **2006**: Following results of the geophysical survey, GSM completed a diamond drilling program focused on G1 and G3 anomaly zones. The program comprised 6 holes totaling 1,420 meters
- **2008**: GSM completed an AC drilling program totaling 5,533.5 m and 175 holes on the permit. The same year, GSM completed a RC m program on G1 Target. 10 RC holes were completed for a total of 975 m.

The following table summarizes exploration works competed in the Garalo Permit between 2001 and 2008.

PROGRAM		AGEX			PDRM	GSM			TOTAL
		2001	2003	2004	2004	2005	2006	2008	
Soil Sampling Survey		634			1 559	567			**2 760**
Geophysical Survey	Method	Airborne Magnetic & Radiometric Survey (Sysmin)	Airborne Magnetic & Radiometric Survey				Ground Induced Polarization (IP)		
	area	Southern Mali 400m Line Spacing	Southern Mali 250m Line Spacing				Garalo Permit (G1 and G3 targets		
Trench	*Num*		4						**4**
	Meters		167						**167**
RAB Drilling	*Num*		478	397					**875**
	Meters		10 296	10 432					**20 728**
AC Drilling	*Num*							175	**175**
	Meters							5533.5	**5533.5**
RC Drilling	*Num*		39	9				13	**61**
	Meters		3 803	942				1305	**6050**
DD Drilling	*Num*						6		**6**
	Meters						1 420		**1 420**

Table 1.5: Exploration works completed in the Garalo permit between 2001 and 2008

Best results from all exploration programs are presented in the following Table and in Appendix B

Num	Hold ID	From (m)	To (m)	Interval (m)	Gold (g/t)	Comments
1	G1AD001	120	123	3	1,13	
2		126	127	**1**	**3,5**	
3		200	201	**1**	**6,22**	
4		250	252	2	1,52	
5	G1AD003	57	59	**2**	**10,35**	
6		64	65	**1**	**43**	
7		151	167	**16**	**1,24**	including 1m@7g/t
8	G1ARC001	39	42	3	1,68	
9	G1ARC002	81	87	**6**	**6,66**	
10	G1ARC003	53	55	**2**	**2,42**	
11		78	79	**1**	**7,64**	
12		87	90	**3**	**22,11**	
13	G1ARC004	21	26	**5**	**3,65**	
14	G1ARC006	75	80	5	1,09	
15		83	96	**13**	**1,02**	
16	G1ARC007	53	61	8	1,08	
17	G1ARC009	38	40	**2**	**17,05**	
18	G1ARC010	0	11	11	0,56	
19	G1ARC113I	136	140	4	1,15	
20	G1ARC114	76	96	20	0,32	
21	G1ARC115	72	80	8	1,42	
22		86	96	10	0,73	
23	G1ARC116	18	30	12	0,32	
24	G1ARC117	64	66	**2**	**2,1**	
25	G1ARC144B	78	82	4	1,26	
26	G1ARC145	62	66	4	1,27	
27	G1ARC146	76	86	10	0,55	
28	G1ARC147I	0	18	**18**	**1,69**	
29		68	76	**8**	**2,7**	
30	G1ARC148	40	54	**14**	**4,45**	including 2m@27,8 g/t
31	G1ARC148I	12	22	10	0,39	
32	G1ARC172	4	30	26	0,39	
33		82	90	8	1,43	
34	G1ARC173	8	16	8	1,53	
35	G1ARC177	34	50	16	0,41	
36	G1ARC178	0	8	**8**	**9,3**	including 2m@35,6g/t from surface
37	G1BAC016	42	45	3	1,35	
38	G1BAC017	21	24	3	1,03	
39	G1BAC024	30	33	3	1,17	
40	G3AD001	159	163	4	1,44	
41	G3ARC002	46	52	6	1,37	including 1m@5,6g/t
42		87	90	**3**	**5,11**	Including 1m@13,2g/t
43	G3ARC066	64	74	10	0,41	
44	G3ARC147	30	34	4	1,36	
45	G3ARC148	22	32	10	0,54	
46		84	90	**6**	**2,06**	including 2m@5.3g/t
47	G3ARC149	34	48	14	0,66	
48		62	64	**2**	**2,58**	
49		74	78	4	1,08	
50		84	100	**16**	**13,89**	including 2m@95g/t
51	G3ARC150	0	2	**2**	**6**	

Table 1.6: Best gold intercepts from all drilling program at Garalo (cut-off of 3m@0.3g/t)

2. INTRODUCTION

2.1 Preparation

This Independent Technical Report has been prepared at the request of Contango Holdings plc. This report has been prepared in conformance with the Canadian Securities Administrator National Instrument 43-101, Companion Policy 43-101CP and form 43-101F1 (NI 43101) for the Garalo gold project in the Bougouni Cercle and the Sikasso Region of southern Mali, West Africa.

The Qualified Person responsible for the preparation of this report is Serigne Dieng PhD, the main author and responsible for the overall preparation of this report. Dr. Dieng is the General Manager for Birima Gold Resources Consulting with 22 years' experience in the mining sector. Mr. Dieng is a registered member of the "The Australasian Institute of Mining and Metallurgy" (The AuSIMM, Reference Number 316918).

The Qualified Person of this report does not have any material interest in Contango Holdings plc or related entities or interests. His relationship with Contango Holdings plc is solely one of professional association between client and independent consultant. This report is prepared in return for fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of this report,

2.2 Purpose of the Report

An impressive amount of exploration works has been completed in the Garalo property by different companies from 2001 to 2008. Successive exploration programs were completed by AngloGold Exploration Ltd, PGRM and Golden Spear Mali resulting in the identification of the Garalo G1 and G3 gold deposits and numerous others clusters of gold mineralization targets. Additional geological and structural interpretations and modelling by BRG-Consult in 2021 determined the geological and structural setting of the area and the style and control of the gold mineralization, established a conceptual geological and structural model for the gold mineralization and demonstrate that the Garalo property is a very prospective terrane and has a high potential for hosting an economic gold mineralization.

The propose of this report is to compile and update all this technical information in a text format compliant to the NI43-101 of the Canadian Commission Securities in order to evaluate the gold potential in the Garalo gold property and to provide recommendations for future exploration works.

2.3 Source of Information and Data

Information in this report was provided to BGR-Consult by Contango Holdings plc. The data set consists of company information, exploration results and associated assays, company exploration reports along with information collected by BGR-Consult during a site visit from December 18 to 23, 2020. BGR-Consult has no reason to doubt the reliability of the information provided by Contango Holdings plc. The following are sources of information:

- Discussions with Mamadou Coulibaly, Exploration Manager for Contango Holdings plc in Mali
- Inspection of the Garalo property during the site visit. The purpose of the visit was to confirm the local geological setting and identify any factors which might affect the project.

- Review of exploration data including technical reports from AngloGold Exploration Ltd and Golden Spear Mali
- Additional information from Contango Holdings plc's public domain sources

BGR-Consult has reviewed the data provided and utilized it to develop independent opinions and interpretations. The author has been diligent in checking and verifying much of the data through field studies and an inspection of trenches and drill cores data. No discrepancies or significant errors have been identified; therefore, BGR-Consult assumes and believes the rest of the project data provided is similarly accurate and correct and is therefore relied upon for preparation of this report.

BGR-Consult's interpretations and opinions expressed in this report are based on the original information from the company's exploration, trenching, drilling and sampling programs along with his extensive experience in West Africa and, in particular in Mali. In addition, the author spent four (4) days on site inspecting artisanal mining activities, geological and structural relationships on outcrops, drill cores from different drilling programs and trenches.

2.4. Forward Looking Information

This report contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements related to the capital and operating costs of the Garalo Gold Project, the price assumptions with respect to gold, production rates, the economic feasibility and development of the Garalo property and other activities, events or developments that Contango Holdings plc expects or anticipates will or may occur in the future. Forward-looking information is often identified by the use of words such as "plans", "planning", "planned", "expects" or "looking forward", "does not expect", "continues", "scheduled", "estimates", "forecasts", "intends", "potential", "anticipates", "does not anticipate", or "belief", or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking information is based on a number of factors and assumptions made by the authors and management, which are considered reasonable at the time such information is made, and forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements to be materially different from those expressed or implied by the forward-looking information. Such factors include, among others, obtaining all necessary financing, permits to explore and develop the project; successful definition and confirmation based on further studies and additional exploration work of an economic mineral resource base at the project.

Although Contango Holdings plc has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate. The forward-looking statements contained herein are presented for the purposes of assisting investors in understanding Contango Holdings plc's plan, objectives and goals and may not be appropriate for other purposes. Accordingly, readers should not place undue reliance on forward-looking information. Contango Holdings plc and the authors do not undertake to update any forward-looking information, except in accordance with applicable securities laws.

3. RELIANCE UPON OTHER EXPERTS

In the preparation of this Independent Technical Report, BGR-Consult has relied on the opinion and content of several internal technical exploration reports prepared by AngloGold Exploration Ltd and Golden Spear Mali. BGR-Consult has relied also on assay results from the SGS and ALS Chemex (Abilabs) laboratories in Bamako, Mali. Tenure documents were provided by Mamadou Coulibaly, Exploration Manager for Contango Holdings plc in Mali.

It is BGR-Consult's opinion that the results stated in these previous technical reports are representative, accurate, and consistent with industry standards for, at least, preliminary exploration evaluation analysis, and accept them as such. Conclusions in this report are consistent with the level of details of the studies carried out and based on the information available at the time this report was completed. This report summarizes the professional opinion of BGR-Consult and is effective as of 12th March 2021.

The author is not expert in legal nor mineral tenure matters relating to mineral properties in Mali and has relied upon experience in other francophone West African countries to guide interpretation of the permit documents.

4. PROPRIETY DESCRIPTION AND LOCATION

4.1 Location

The Garalo exploration permit is located in the Bougouni Cercle within the Sikasso administrative region of the Republic of Mali, approximately 200 km south of the capital city Bamako (pop. 3,337,000 in 2016) and 50 km south of Bougouni District (Population, 459 509 hab. 2009) of the Sikasso Region (Figure 4.1). Access to the area is gained from the the National Road (RN9) Bamako – Bougouni – Garalo.

The coordinates of the approximate centroid of the Garalo Exploration Permit are 10°56'50''N and 7°29'10''W (NAD 83/UTM Zone 29U: 665 400 E and 1211 200 N). The nearest community is the village of Garalo that lies within the northeastern boundry of the permit

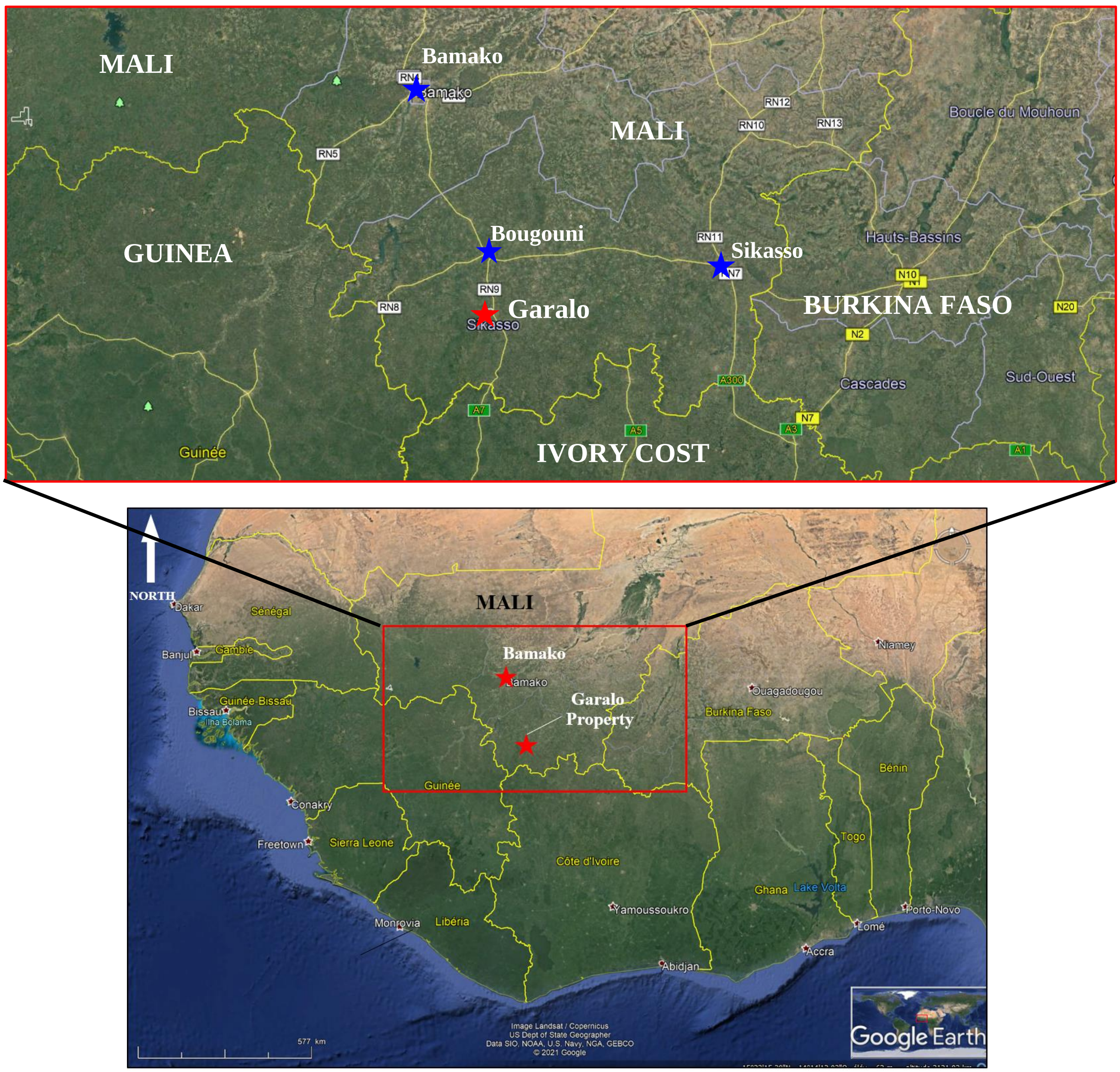


Figure 4.1: Location of the Garalo gold property the Sikasso region of the Republic of Mali, West Africa

4.2 Property Description and Ownership, Ownership Obligations. Government Participation, Royalties and Encumbrances

The Garalo gold project consists of an exploration license for gold and associated minerals covering a surface area of 62.50 km² in the Bougouni Region of southern Mali – West Africa. The permit is granted to Golden Spear Mali by decree Nº 2019-2492/MMP-SG, on August 23st 2019. The permit is valid for two years and is renewable for another term of two years.

According to Christophe and Antoine (October, 2019 in Mining Western Africa), the New Mining Code was approved by the Malian parliament on 28th April 2020 and has not entered into force to date and remains to be published in the Malian official gazette. The key changes introduced by the New Mining Code would include:

- Reduction of the initial validity period of large-scale exploitation permits from 30 to 10 years.
- Reduction of tax and customs stability period granted to exploitation titleholders from 30 years to 10 years
- More stringent obligations in relation to the protection of the environment.
- Obligation for exploitation titleholders to contribute to 2 newly created mining funds, namely a Local Development Mining Fund and a Fund for the Financing of Geological and Mining Research.
- Removal of the prospection authorization and a new distinction between small scale exploitation permit versus large scale exploitation permit.
- The ability for the Government to launch tenders for the issuance of exploration permits.

On the tax and customs front, the New Mining Code would introduce a number of provisions which will increase the mining company's financial burden, among those:

- Capital gains tax applicable to direct and indirect transfers of mining titles or shares.
- Progressive royalty in case of a significant increase in the sale price of mining commodities.
- The reduced tax rate of 25% on industrial and commercial profits and corporate tax would only apply for 3 years after production starts (instead of 15 years under the previous mining legislation).
- Removal of the 3-year VAT exemption for exploitation titleholders.

The Garalo permit was granted under the 2012 Mining Code, adopted to supersede the 1999 Mining Code and regulate all prospecting, exploration and mining activities.

An Exploration Permit may be granted under the 2012 Mining Code by order of the Minister of Mines and covers an area of up to 250 km^2 for specified commodities with an initial period of up to three years. The permit may be renewed twice for two years, with a final renewal period of up to one year to finalize a feasibility study. Permit holders are obliged to report regularly to the Department of Mines on their exploration programs. An Exploration Permit grants its holder the exclusive right to explore for the commodity group specified within the boundary of the permit and to unlimited depth. In the event of the discovery of minerals not specified on the permit, the holder may request the extension of the permit providing it is free of any mining permit relating to this mineral. An Exploration Permit may be awarded to any applicant that can provide proof of the technical and financial capacity to complete the exploration and meet with health, safety and environmental standards. The application must include the commodities to be explored for and a report detailing the proposed exploration program and budget. A Mining Permit may be granted for 30 years and is renewable for further periods of ten years until the mineral reserves have been exhausted.

A Mining Permit may be granted to the holder of an Exploration Permit or a Prospecting License. Holders of a Mining Permit are required to enter an agreement referred to as a “Convention d’Établissement” or “Mining Convention Agreement” with the Malian government prior to the commencement of exploration or mining activities and must begin work within three years.

A non-dilutable 10% share is owned by the Malian State, and the State reserves the right to acquire an additional 10% in the future. A Mining Permit grants the holder the exclusive right to mine the specified commodities within the perimeter of the permit and to an unlimited depth. Proof of a mineable deposit must be provided by submission of a feasibility study.

4.3. Exploration Permit

The Garalo “Permis de Recherche” covered an area of 250 km^2 and was awarded to AngloGold Exploration Ltd by the Malian government by decree N° 03-332/MMEE-SG on February 27th 2003. Following three years of exploration activities, AngloGold Exploration Ltd renewed the permit by decree N° 06-0335/MMEE-SG on February 21st 2006. The permit surface area was reduced to 50% and covered a surface of 125 km^2.

On December 11th 2006 the Garalo permit was transferred to Golden Spear Mali by decree N°06/2967/MMEE-SG. After three years of exploration activities Golden Spear Mali Sarl transferred the permit to TAG Ressources Mali Sarl by decree N°2015/0582/MM-SG on April 3rt 2015. In 2016, TAG Ressources Mali Sarl transferred the permit to Golden Spear Mali Sarl by decree N°2016/3668/MM-SG on October 3rt 2016.

Golden Spear Mali Sarl renewed the permit in 2019 by decree N°2019-2492/MMP-SG on August 23rt 2019 (Appendix 1). The permit surface area was reduced to 50% and covers a surface area of 62.50 km^2

The Garalo permit is valid and its correct outline is recoded on the “Direction Nationale de la Géologie et des Mines’s Mineral Cadastral of the Ministry of Mines under Registration N° PR 13:13/668 Permis de Recherche de Garalo (Cercle de Bougouni). As of the date of this report the Garalo “Permis de Recherche” is valid and renewable for a period of two years (Appendix 1).

On October 19th, 2020, Contango Holdings plc signed a Joint-Venture Earn-In Agreement with Golden Spear Mali Sarl to acquire 75% interest in the Golden Spear Mali Sarl’s Garalo property.

Table 4.1 and Figure 4.3 show the corner points of the Garalo permit as of the effective date of this report.

Points	Lat/Long Coordinates						UTM Coordinates WGS 84	
	Longitudes			Latitudes			UTM-X	UTM-Y
	Degrees	Minutes	Seconds	Degrees	Minutes	Seconds		
Point A	11°	00'	38"	7°	29'	40"	664 488	1 217 450
Point B	11°	00'	38"	7°	26'	25"	670 407	1 217 480
Point C	10°	58'	36"	7°	26'	25"	670 419	1 213 724
Point D	10°	58'	36"	7°	28'	43"	666 218	1 213 719
Point E	10°	54'	32"	7°	28'	43"	666 277	1 206 226
Point F	10°	54'	32"	7°	29'	32"	664 780	1 206 237
Point G	10°	52'	14"	7°	29'	32"	664 780	1 201 988
Point H	10°	52'	14"	7°	32'	24"	659 585	1 201 950
Point I	10°	55'	08"	7°	32'	24"	659 573	1 207 286
Point J	10°	55'	08"	7°	29'	40"	664 539	1 207 312

Table 4.1: Corner coordinates for the Garalo gold property (Coordinates are expressed in UTM-WGS 84 Map Datum Zone 29 North)

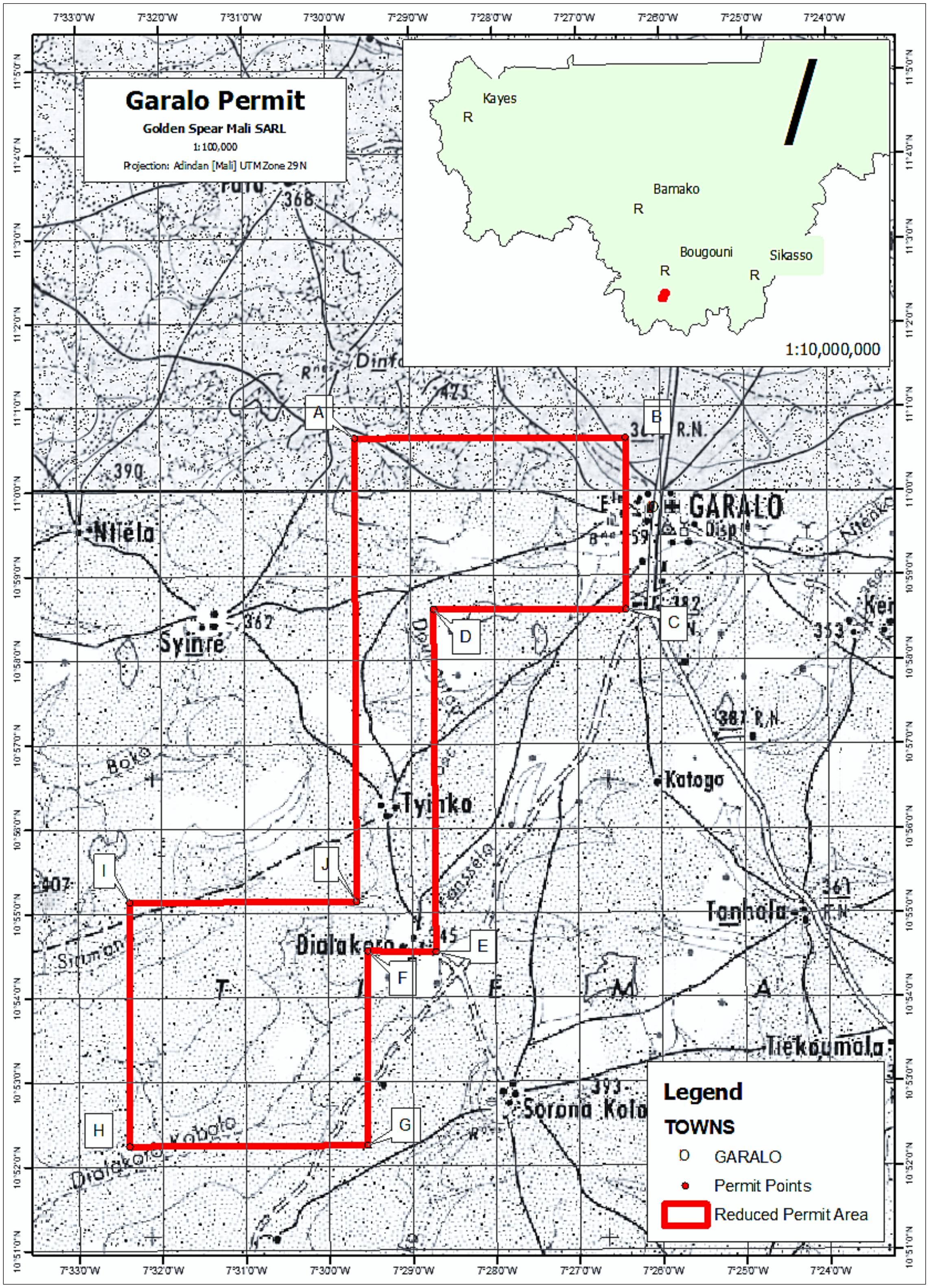


Figure 4.3: Garalo "Permit de Recherche Minière" (black outline) as displayed in the Mining Cadastral records. UTM-WGS 84 Map Datum Zone 29 North

4.4. Environmental Liabilities

There are no known environmental liabilities relating to the Garalo permit.

5. ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURES AND PHYSIOGRAPHY

5.3. Accessibility

The Garalo Exploration Permit is situated approximately 200 km south of the capital city of Bamako (pop. 1,809,106 in 2009) (Figure 5.1). It occupies a surface area of 62.50 km^2 and is contained within the Bougouni District of the Sikasso Region. Access to the area is gained from the National Road RN9 Bamako – Bougouni – Garalo. The Republic of Mali comprises a total area of 1,240,192 km^2 and is located between longitudes 13°W to 5°E and latitudes 10°N to 26°N. The country is bounded by Algeria to the north, Niger and Burkina Faso to the east, Ivory Coast and Guinea to the south, with Senegal and Mauritania to the west (Figure 5.1).

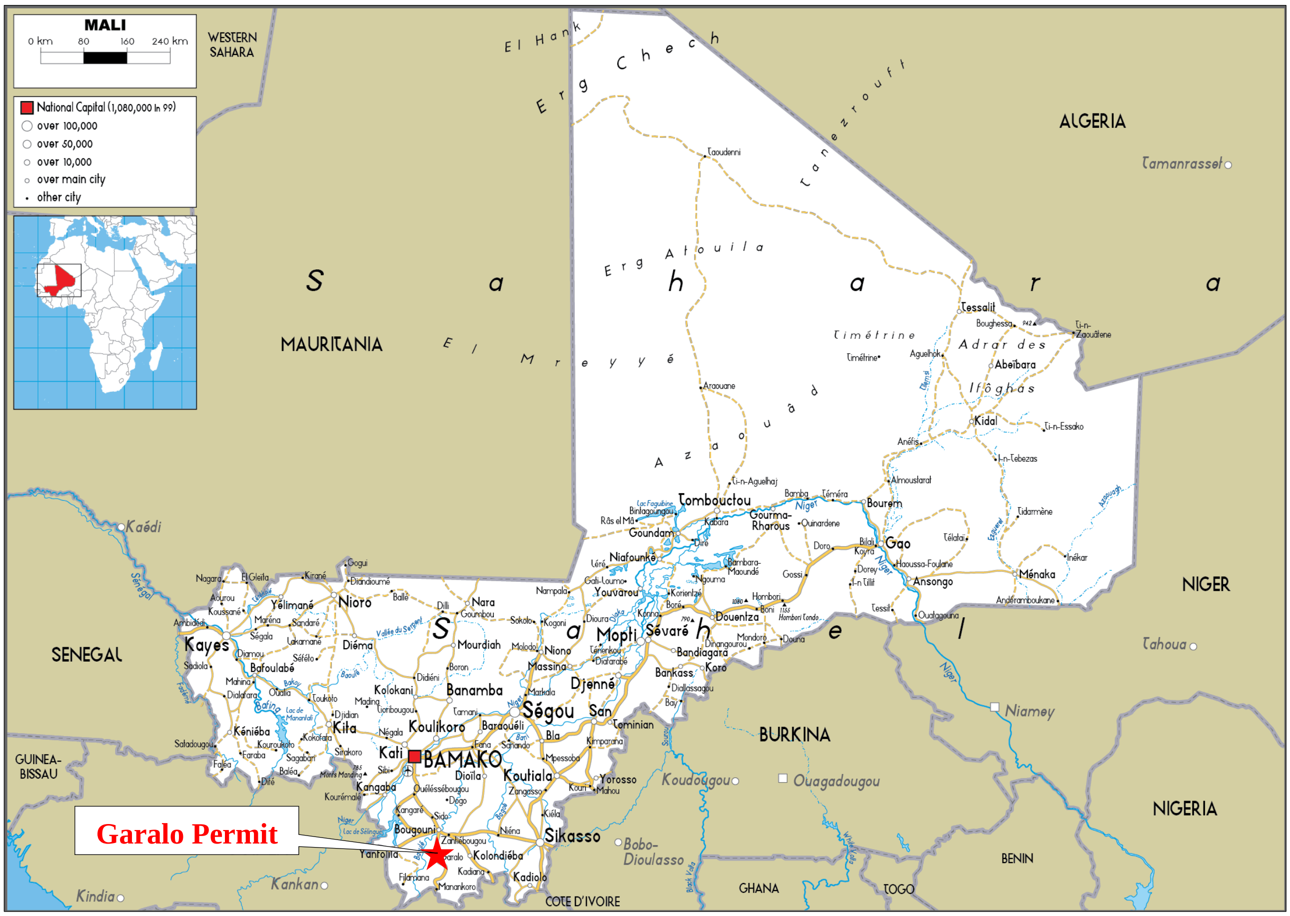
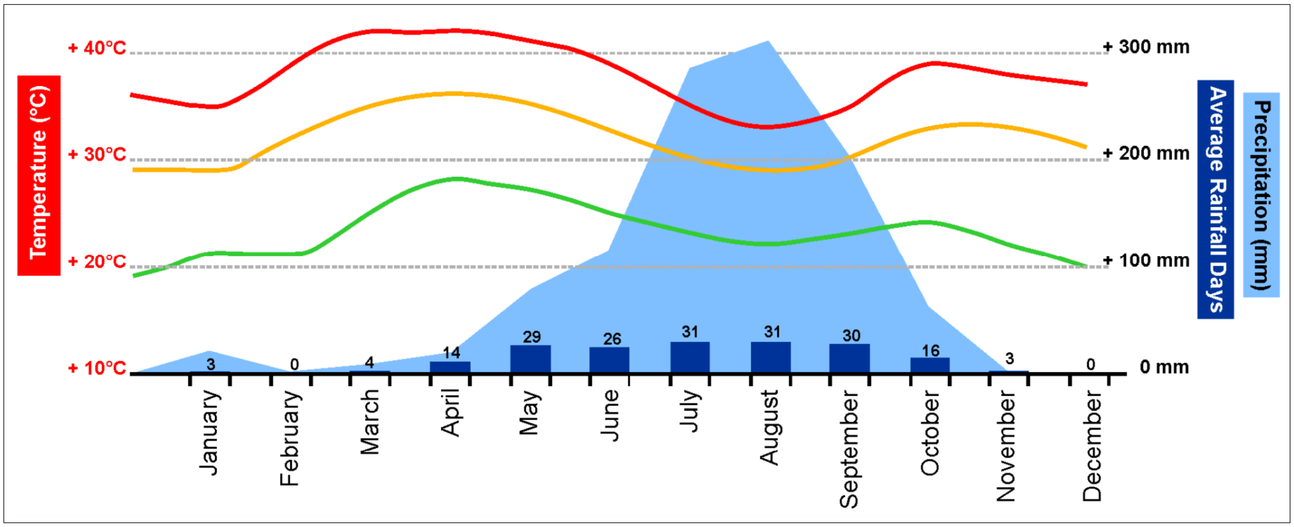


Figure 5.1: Mali administrative regions and main access road to the Garalo gold project

5.4. Climate

The Garalo property is located on the southern edge of the Sahel, or sub-Saharan belt, and is characterized by a subtropical to hot climate and has dry and wet seasons. The rainy season extends from May to October, with an average rainfall of 800-1000 mm per annum, and a hot dry season from October to April. Mean daily temperatures range from a high of 36°C in April to a low of 19°C in December. Most of the region is devoted to agriculture (subsistence farming), and is planted with maize and cotton with minor areas of brush and trees most commonly located along tributaries and main drainages. The climate graph below for Sikasso (Figure 5.2) typifies weather at the property. Exploration activity can be conducted year-round, although extra caution must be exercised on the roads and while crossing streams in the wet season (May to October).



Source: Data from worldweatheronline.com. Drafted by Archibald, 2017

Figure 5.2: Average monthly temperatures and Average yearly precipitation at Sikasso, Mali

5.5. Local Resources

Mali is a landlocked country and is accessed and serviced via air, roadway, and one poorly maintained railway line running from Koulikoro (60 km east of Bamako) to the port city of Dakar in Senegal. Most freight (approximately 70%) is handed through the port of Abidjan, Côte d'Ivoire, and is then transported via the road network to the main distribution points.

The Niger River is navigable by medium to large shipping vessels during the rainy season, but the river does not flow through the Sikasso Region. Twenty-nine civil airports exist in the country, including eight with paved runways; Bamako is the longest runway and largest airport (200 km north from Garalo, Figure 5.1). The only airport in the Sikasso Region is located at Sikasso (200 km east of Garalo, Figure 5.1). However, there are no scheduled flights between Sikasso and Bamako.

The main highway (Route National 9) through the region between Bamako and Garalo is paved as is the primary road between Bougouni to Garalo. The majority of the major roads in the region are unpaved and the tertiary roads are little more than tracks. Bamako and Sikasso both contain universities and many districts of the cities have modern amenities such as running water, sewerage, and hospitals.

A subsistence lifestyle is evident in the villages within and adjacent to the project area with limited available power and water. Subsistence agriculture is the main industry in the country. Water is sourced predominantly through wells and tributary drainages are mostly seasonal. The Sélingué dam is the largest body of water in the project area, and is located 60 km west of the Garalo Permit. The dam has a power output of 44 MW, with most of the power distributed to eight towns and cities, including Bamako and Yanfolila.

Due to Mali's long mining history, skilled local labor is available in the country for most aspects of any mining operation; however, specialized personnel in mine development are not available in the local area and generally come from Bamako.

Photo 5.1: Typical landscape at the Garalo property

5.6. Infrastructure

Infrastructure in the area includes high voltage (63 kV) power lines to Garalo from the Sélingué dam, the large Sélingué reservoir located 60 km northwest of Garalo (Figure 5.1). The mobile network and internet are reliable over most of the exploration area.

5.5. Community

The area around the Garalo property is populated by a few small villages and hamlets. The population lives mainly on gold panning, agriculture and animal breeding. Transportation services are almost non-existent. Farmers' fields and plantations are common. In addition, being a dominantly Muslim country, special consideration is taken in regard to important dates and times of the year, as well as working hours throughout the week to accommodate the communities' religious customs. A strong community relationship management is needed between mining companies and the local people to foster an amicable and respectful relationship and to establish a channel of communication.

5.6. Physiography

The topography is generally flat with an average altitude of 320 to 350 masl (Photo 5.1). Only a few lateritic plateaus with abrupt drops rise 20 to 30 m above the surrounding land. The drainage is mainly to the south. The vegetation is generally composed of open grasslands (savannah-type) with arable fields, and large areas of open woodland consisting of small trees and shrubs (acacia, shea, ficus, baobab). Larger trees are found closer to drainages areas (palm trees and liana) and flood plains (bombax, mango trees). There is very little local wildlife, but the region has warthogs, monkeys, antelopes and snakes (vipers, mambas).

6. HISTORY

6.1. History of the gold exploration in Mali

Gold mining in Mali has a long history. In 1433, its renowned emperor Kanka Moussa brought 8 tons of gold on his pilgrimage to Mecca. Local population has exploited gold since immemorial times. Nowadays, several thousands of "artisan" miners exploit numerous sites and their production is estimated at more than 2 t/y gold.

Industrial mining began in the 1970's (Kalana mine), following a large exploration program by SONAREM with the soviet assistance (Golder et al., 1965; Boltroukevitch, 1973). In 1984-5, the United Nations assisted project found several gold occurrences and a promising deposit (Syama), using soil geochemistry - an efficient exploration method for prospecting in a flat, outcrops-lacking landscape, that extends over most of the Malian territory (Kusnir & Diallo, 1986).

Syama deposit lies in epi-metamorphosed Proterozoic volcano-sedimentary formations (Birimian), displaying similarities to Archean greenstones that are one of the main sources of gold in the world. Therefore, the discovery and subsequent start of a successful mining of the Syama deposit was followed by an intensification of exploration of the Birimian greenstone belts (Association BME-MRAC, 1988, Vernhet, 1988, Dommanget et al., 1989). That resulted in the discovery of more gold deposits and opening of new mines; Mali's actual gold production is over 20 tons per year.

6.2. History of the gold exploration at Garalo

The Garalo project is situated in a region that is well known for artisanal mining («orpaillage») of eluvium, alluvium and vein-type gold from local population for decades as evidenced by the presence of fairly extensive diggings. Gold recovery by artisanal miners is done by gold washing using a calabash and/or rocker box. Field observations during the site visit in the property showed the presence of old and extensive recent artisanal diggings and several small groups of artisanal miners working at this site during the due diligence visit.

There are no records of modern exploration works completed in the Garalo permit prior to 2001. All available exploration work in this permit was completed by AngloGold Exploration Ltd and Golden Spear Mali Sarl.

- **2001**: an airborne magnetic and radiometric survey was flown over southern Mali by Kevron Pty Ltd on behalf of the Malian government as part of their Malian Birimian project (SYSMIN “Système de Stabilisation de Recettes d'Exportation de Produits Miniers”). The final products were used to aid the production of the regional geology map by BRGM in 2006. The map covered the Garalo permit.
- **2001**: Regional mapping of the Malian Birimian during the EU funded SYSMIN project by BRGM
- **2001**: AngloGold Exploration Ltd (AGEX) undertook the first strategic soil sampling survey on a regular grid pattern of 200x50m and a regional Airborne Magnetic & Radiometric Survey. The sampling grid covered the northern and southern portion of the permit. A total of 634 soil samples were collected.
- **2003**: AGEX completed a trenching program on Target G3. Four trenches for a total of 167 meters were excavated. The same year, AGEX, completed a RAB drilling program in the G1 and G3 anomaly zones comprising 478 holes totaling 10,296 meters on a grid pattern of 200x00m. Following results of the trench

and the RAB drilling program, AGEX, completed a RC drilling program in the G1 and G3 targets comprising 39 holes totaling 3803 meters on a grid pattern of 200x50m.

- **2004**: PGRM completed a follow-up soil geochemical sampling program focused in area that have not been sampled between G1 and G3 targets. The sampling was performed on a regular grid pattern of 200x50m. A total of 1,559 soil samples were collected.
- **2004**: following results of the RAB and RC drilling results of the 2003 program, AGEX completed a RC drilling program focused on G1 target. The RC drilling program comprised 9 holes totaling 942 meters on a grid pattern of 200x50m. The same year, AGEX completed a RAB drilling program focused on others clusters of gold anomaly zones within the Garalo permit. The program comprised 397 RAB holes totaling 10,432 meters on a grid pattern of 200x50m
- **2005**: The Garalo permit was transferred to Golden Spear Mali (GSM). GSM collected 567 soil samples covering the southeastern portion of the Garalo permit. Samples were collected on 400x100m grid pattern
- **2006**: Sagax Afrique Sa, a Burkina Faso-based geophysical services company was contracted to carry out a Ground Induced Polarization (IP) geophysical survey over targets G1 and G3. Both grids covered the main soil anomalies and drill intersections from the AGEX phases of exploration. Each grid comprised of eleven, one-kilometer lines, which were cut 100 meters apart and pegged at 25-meter intervals.
- **2006**: Following results of the geophysical survey, GSM completed a diamond drilling program focused on G1 and G3 anomaly zones. The program comprised 6 holes totaling 1,420 meters
- **2008**: GSM completed an AC Drilling program totaling 5,533.5 meters and 175 holes on the Garalo permit. The same year, GSM completed a RC drilling program on G1 Target. 10 RC holes were completed for a total of 975 meters.

The following Table summarizes exploration works competed in the Garalo permit between 2001 and 2008.

Program		**AGEX**			**PDRM**	**GSM**			**Total**
		2001	**2003**	**2004**	**2004**	**2005**	**2006**	**2008**	
Soil Sampling Survey		634			1 559	567			**2 760**
Geophysical Survey	Method	Airborne Magnetic & Radiometric Survey (Sysmin)	Airborne Magnetic & Radiometric Survey				Ground Induced Polarization (IP)		
	area	Southern Mali 400m Line Spacing	Southern Mali 250m Line Spacing				Garalo Permit (G1 and G3 targets		
Trench	*Num*		4						**4**
	Meters		167						**167**
RAB Drilling	*Num*		478	397					**875**
	Meters		10 296	10 432					**20 728**
AC Drilling	*Num*							175	**175**
	Meters							5533.5	**5533.5**
RC Drilling	*Num*		39	9				13	**61**
	Meters		3 803	942				1305	**6050**
DD Drilling	*Num*						6		**6**
	Meters						1 420		**1 420**

Table 6.1: Exploration works completed in the Garalo permit

The following Figure shows location of the successive exploration works completed at Garalo between 2001 and 2008.

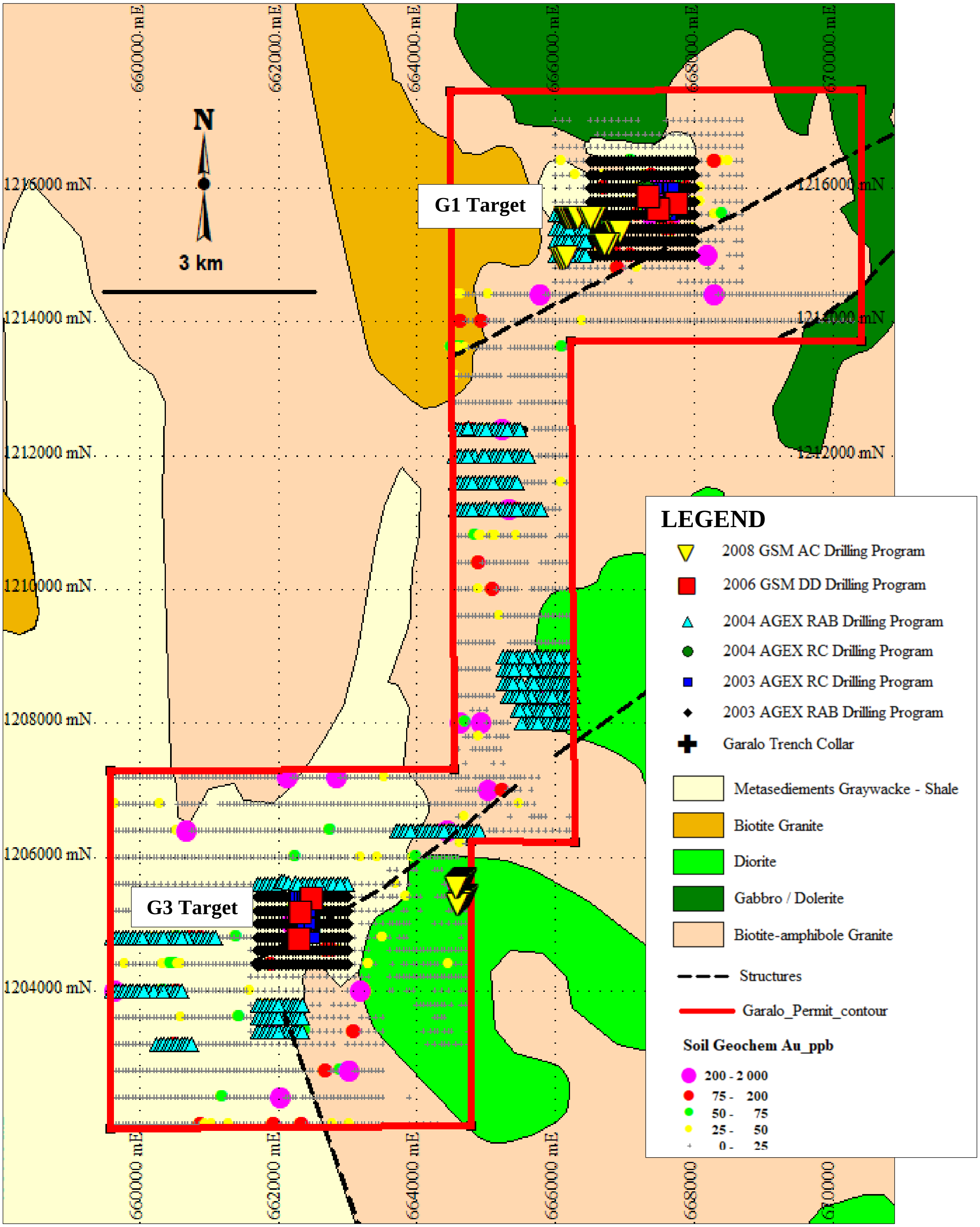


Figure 6.1: Map showing the successive exploration works completed at Garalo between 2001 and 2008

7. GEOLOGICAL SETTING AND MINERALISATION

7.1. REGIONAL GEOLOGICAL AND STRUCTURAL SETTING

The Garalo gold project is located in southern Mali within the Leo-Man Shield of the West African Craton (Figure 7.1). At a regional scale, the property is hosted within the Birimian Supergroup of the Baoulé-Mossi Domain. Gold mineralization in southern Mali is restricted to rocks of the Birimian Supergroup of this domain. The Birimian Supergroup is a significant host for gold mineralization in Burkina Faso, Côte Ivoire and Ghana.

7.1.1. Geology of the Birimian of the West Africa Shield

The West African Craton (WAC) consists of Archaean and Paleoproterozoic terranes that are stable since ~2 Ga, they provide a valuable record of crustal growth processes and contain notable mineral wealth. The WAC is divided into three domains (Figure 7.1): 1) The Reguibat Rise in northern Africa; 2) The Leo-Man Rise in sub-Saharan West Africa and, 3) The Kayes and Kédougou-Kéniéba Inliers in the Sahel region, North West of the Leo-Man Rise. The Reguibat and Leo-Man rises both share contacts with Archaean continental nuclei and are collectively referred to as the Baoulé-Mossi Domain.

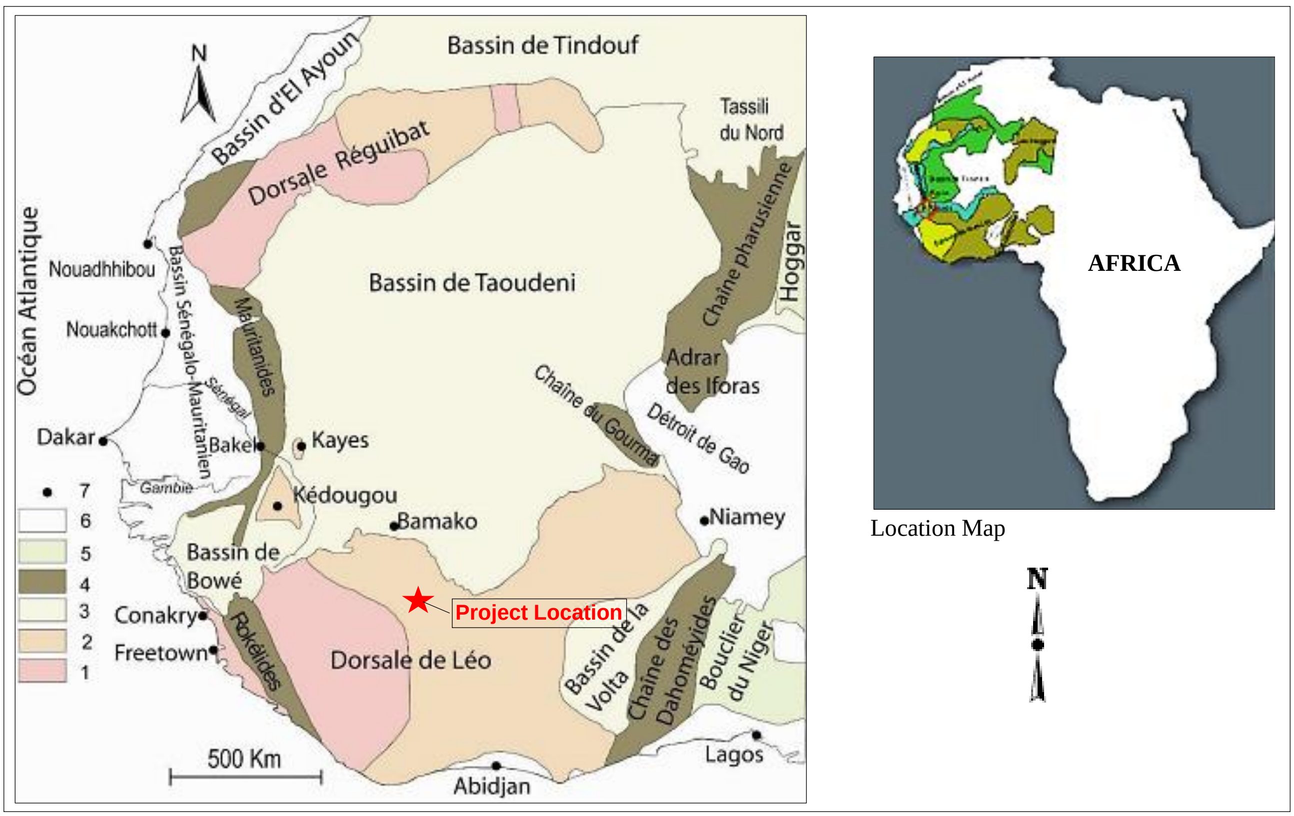


Figure 7.1: Geological Map of the West African Shield showing location of the Garalo permit and the main litho-structural domains. 1. Archean, 2. Birimian, 3. Late Paleoproterozoic Basins, 4. Mobile zones, 5. Neoproterozoic terranes, 6. Post Paleoproterozoic terranes, 7 Towns. (*Modified from Dabo, 2014)*

The Birimian terranes consist of narrow, linear to arcuate, N to NNE trending volcanic belts, separated by broad sedimentary basins (Figure 7.2). The volcanic rocks are interpreted to be the base of the sequence, with coeval to slightly younger metasedimentary rocks (Roddaz et al., 2007). The terranes were accreted and cratonised during a period of SE to NW directed crustal shortening, metamorphism and magmatic accretion from 2120 to

2080 Ma known as the Eburnean orogeny (Feybesse et al., 2006). Peak metamorphic conditions are widely reported as amphibolite facies (500–600°C; 4–6 kbar), although greenschist facies assemblages are dominant across the region (Hirdes et al., 1996). The volcanic belts consist of tholeiitic lavas and associated mafic intrusions interbedded with minor sequences of immature sedimentary, volcanoclastic and carbonate rocks. The sedimentary basins comprise isoclinally folded and deformed sequences of greywacke, argillite and arkose with calc-alkaline volcanic sequences. Extensive suites of plutonic rocks intruded both units, and range in composition from tholeiitic gabbro to high-K calc-alkaline granite (Hirdes et al., 1992).

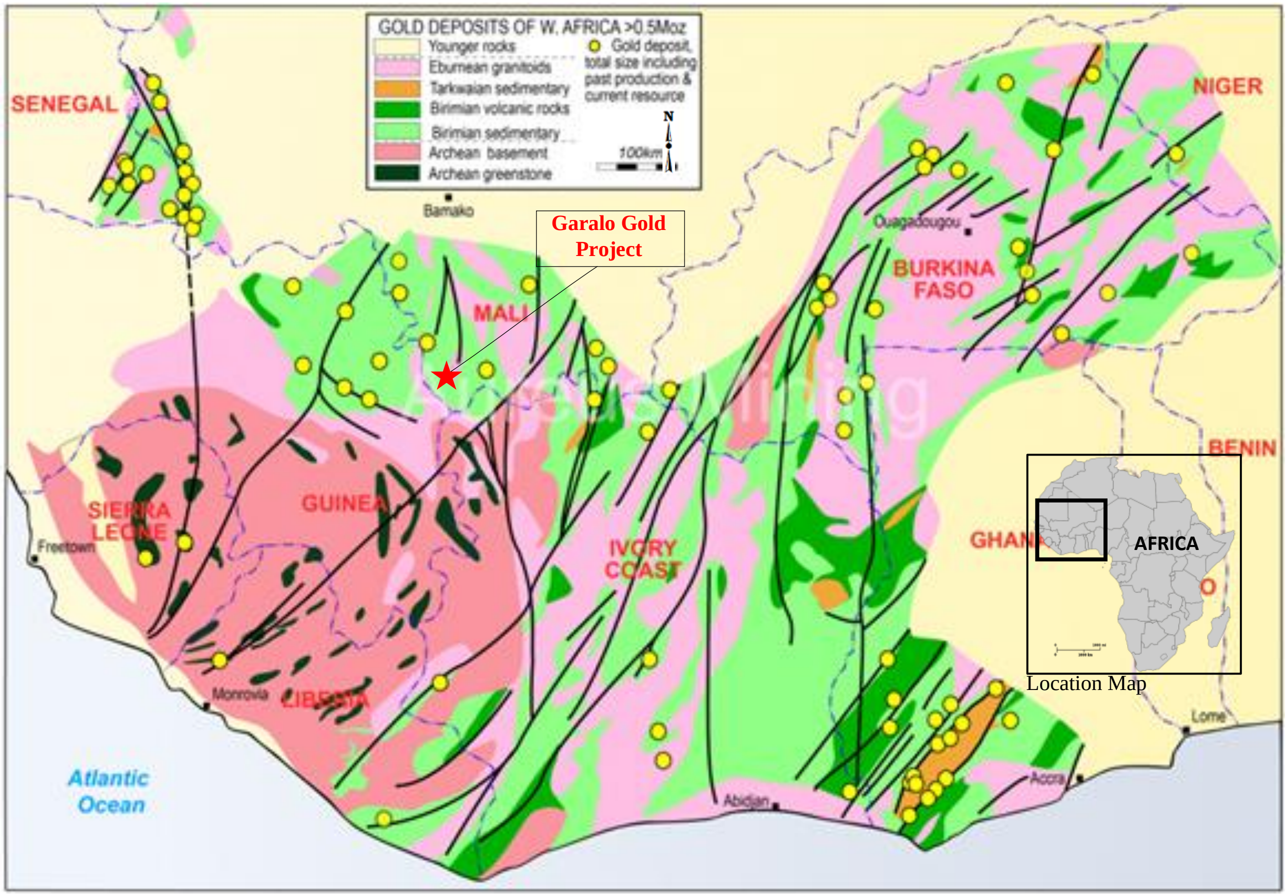


Figure 7.2: Simplified geological map of West African craton showing settings of main gold deposits (yellow dots) and location of the Garalo Gold Project

The Birimian terranes formed over a period of ~180 Ma, between 2266 and 2088 Ma (White et al., 2014). In South western Ghana the Eburnean I (2266-2150 Ma) precede the Eburnean II (2216-2088 Ma) (Allibone et al., 2002). In northern Ghana, the earlier event is referred to as the Eoeburnean (2195–2150 Ma) and the latter as the Eburnean (2148–2090 Ma). In Burkina Faso the Eburnean (2130-1980 Ma) is preceded by the Tangaean event (2170-2130 Ma) (Tshibubudze et al., 2009). Broadly speaking, the earlier event, in each case, consists of volcanism, granitoid emplacement and fold and thrust tectonics. This is followed by younger granitoids, strike-slip deformation and mineralization in the latter event. U-Pb zircon ages show that the Eburnean I encompass early volcanism, between 2266 ± 2 and 2132 ± 3 Ma (Loh et al., 1999), and early plutonism, from 2213 ± 3 to 2151 ± 7 Ma (Gueye et al., 2007). U-Pb dating of detrital zircons shows that sedimentation was coeval with magmatism in the volcanic belts, from 2135 ± 5 Ma in Ghana (Davis et al., 1994). Though there are variations, models for crustal growth in the Birimian largely involve the development of juvenile volcanic arc magmas in an oceanic setting (Pawlig et al., 2006). Recent P-T-t reconstructions in metasedimentary rocks record blueschist-facies metamorphic conditions diagnostic of subduction environments (Ganne et al., 2011).

7.1.1.1. Leo-Man Shield

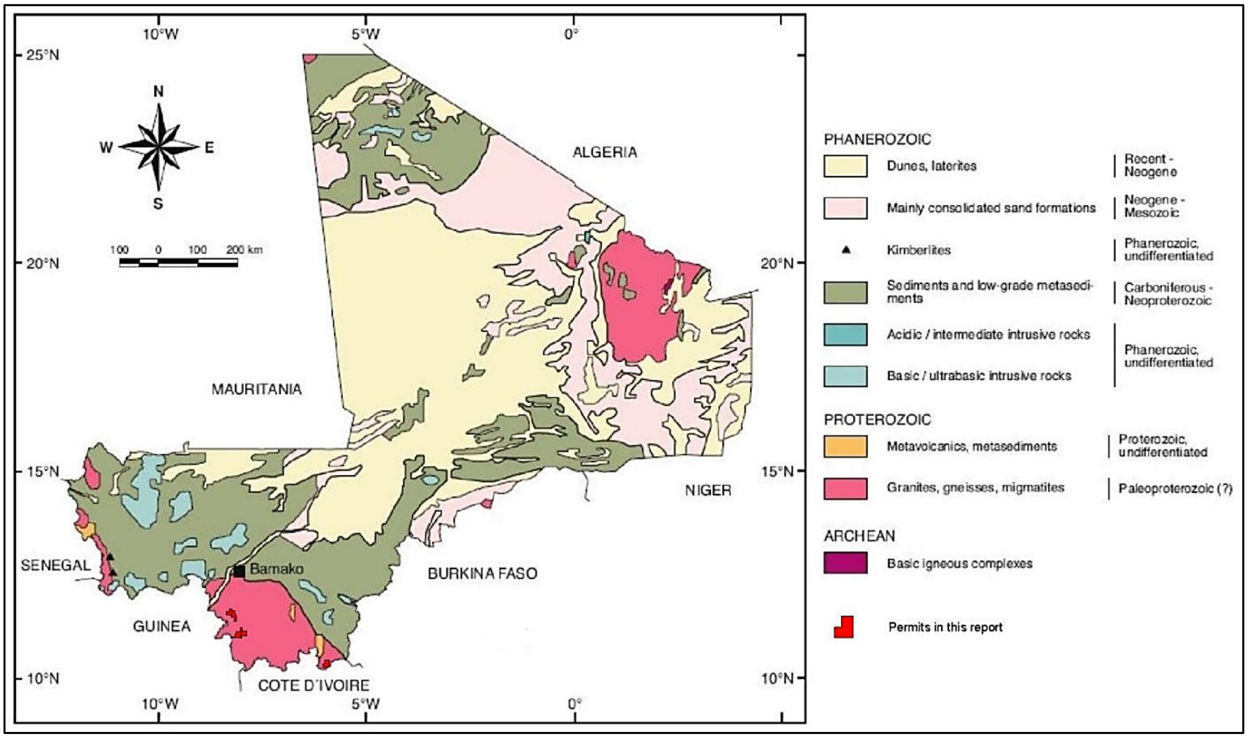
The southern portion of the West African Craton, referred to as the Leo-Man Shield, underlies the West African countries of Ghana, Niger, Togo, Burkina Faso, Mali, Côte Ivoire, Guinea, Liberia and Sierra Leone. The Leo-Man Shield hosts multiple world-renowned gold and base metal deposits throughout Guinea, Mali, Ghana and Burkina Faso (Parra-Avila et al., 2016). The Leo-Man Shield is divided into a western part corresponding to the Kénéma-Man Domain (dominated by Archean granitoids) and into an eastern part corresponding to the Baoulé-Mossi Domain (alternance of Paleoproterozoic Birimian greenstone and granitoid belts) (Boher et al., 1992) (Figure 7.2 and Figure 7.3). The Archean basement rocks are the result of two orogenic cycles: Leonian (ca. 3.0- 2.9 Ga) and Liberian (ca. 2.8-2.7 Ga). The Archean domains were overprinted by medium-grade to high-grade metamorphism (amphibolite-granulite facies) with the dominant rock type consisting of TTG gneiss and younger greenstone belts, later intruded by granitoid bodies (Black et al., 1980). The Archean and Paleoproterozoic rocks are separated by a major shear zone, the Sassandra Fault to the east that extends across Liberia and Côte d'Ivoire (Boher et al., 1992).

7.1.1.2. Baoulé-Mossi Domain

The Baoulé-Mossi Domain consists of three main alternating lithological or lithostructural assemblages: 1) N-S volcano-sedimentary belts (greenstone belts); 2) granitoid rocks that intrude the volcano-sedimentary units (~2,090 Ma); and 3) late dioritic to granodioritic (2,074 Ma) plugs and dykes. The last event in the region (±250 Ma) consist in a swarm of NNE-trending mafic dykes. The majority of West African gold deposits are hosted within Birimian volcano-sedimentary belts of the Baoulé-Mossi Domain. The Baoulé-Mossi Domain is dominated by the 2.2-2.0 Ga Birimian Supergroup (Boher et al., 1992). The Birimian Supergroup represents a juvenile crust without any contribution from the surrounding Archean continents (Pawlig et al., 2006). In general, the Birimian Supergroup comprises narrow volcano sedimentary basins or volcanic belts (e.g., Yanfolila, Morila and Syama greenstone belts); granitoid-TTG terranes; and younger sedimentary basins. Tholeiitic basalt flows, turbidites and shale-sandstone sequences are dominant in the belts and basins (Lompo, 2009). The Baoulé-Mossi Domain has been regionally metamorphosed to greenschist amphibolite facies during the 2.1-2.0 Ga Eburnean Orogeny. The Eburnean Orogeny comprises polyphase deformation and metamorphism that produced folding and multiple generations of shear zones and faults. Deformation was also accompanied by the intrusion of multiple generations of granitoids affecting all lithological units.

7.1.2. Geology of Mali

The geology of Mali (Figure 7.3) is comprised primarily of the Proterozoic to Paleozoic sedimentary units forming the cover sequence of the Neoproterozoic Taoudeni Basin which overlies the Precambrian basement rocks of the West African Craton (Villeneuve and Cornée, 1994). The geology of southern Mali is comprised of Birimian volcano-sedimentary belts and granitoids of the Paleoproterozoic Baoulé-Mossi terrane of the Leo-Man Rise, one of the three major blocks that comprise the West African Craton and serves as the southern boundary to the Taoudeni Basin (Parra-Avila et al., 2016).



Source: Schlüter, 2006 (modified after various sources)

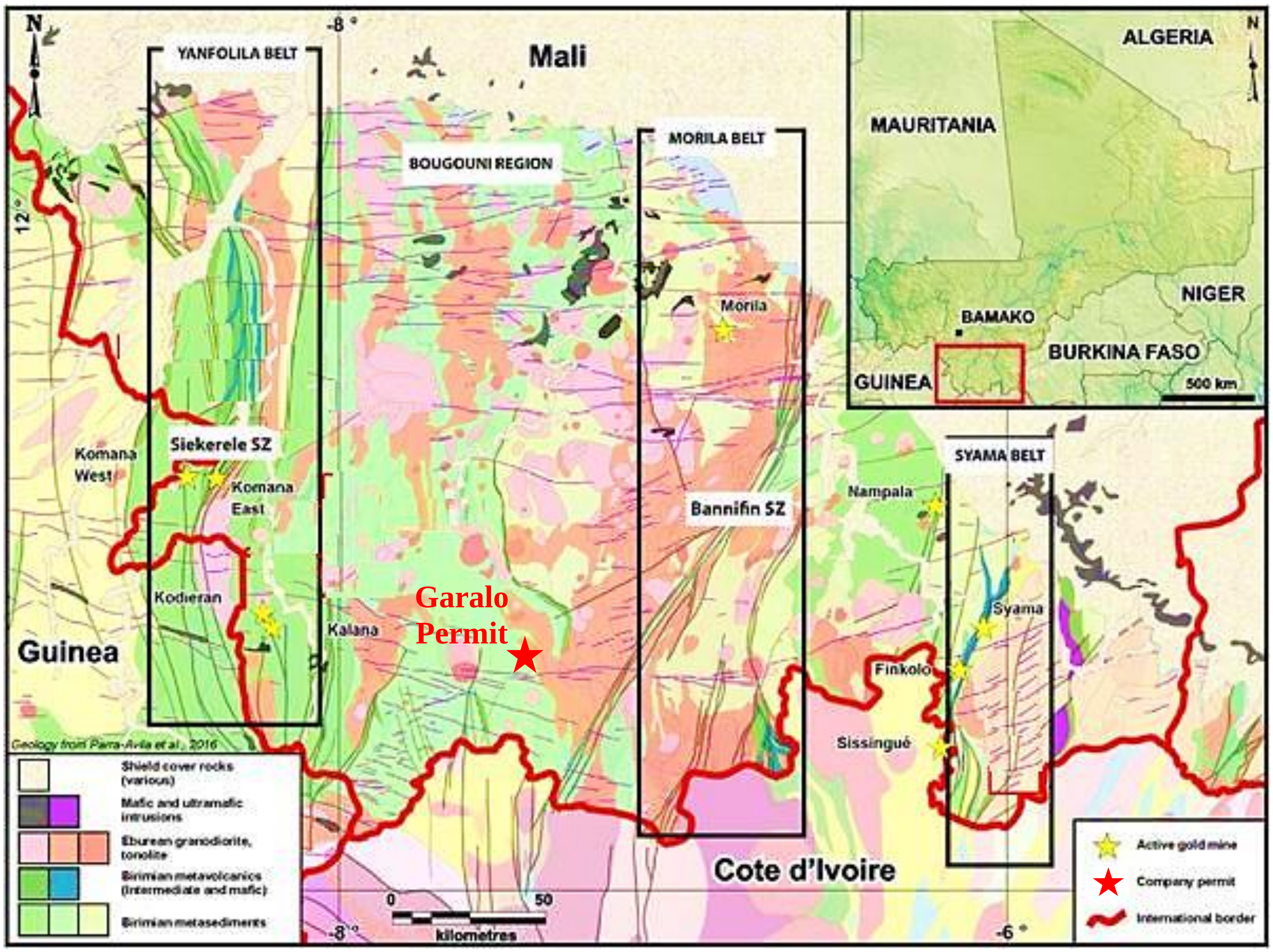
Figure 7.3: Simplified geology map of Mali

The Baoulé-Mossi domain contains three principle Birimian-Eburnean litho-structural units: 1- the NS striking Birimian dacitic to andesitic volcano-sedimentary series of the Yanfolila-Kalana and Bagoé Basins (i.e., the Yanfolila, Morila and Syama greenstone belts), 2- a suite of granite to monzogranitic units intruding the Birimian volcano-sedimentary units (~2090 Ma), and 3- late dioritic to granodioritic intrusives (2075 Ma) occurring as plugs and dykes (Jones et al., 2016). The Garalo permit is situated within the Bougouni region and between the Syama and the Yanfolia Belts (Figure 7 4)

The Yanfolila Belt, situated along the Mali-Guinea border, is bisected into eastern and western segments by the regional Siekerole Shear Zone (Figure 7.4). The Yanfolila belt is comprised of a suite of arc-related volcanic units (the Nani Volcanic Formation) and reworked greywacke sequences (Parra-Avila et al., 2016). The Nani Volcanic Formation is comprised of intercalated tholeiitic basalts and basaltic andesites, and deformed porphyritic rhyolitic to dacitic lavas, pyroclastic flows and breccias (Parra-Avila et al., 2016).

The Morila Belt occurs within the major granitic intrusive complex of the Bougouni region which dominates south-central Mali (Figure 7.4); this domain contains the Massigui and Doubakoro TTG granites. Within this region, the Birimian units are comprised of basalt to basaltic-andesite lavas locally interbedded with volcano-sedimentary units; all have undergone amphibolite grade metamorphism (Parra-Avila et al., 2016).

The Syama Belt is situated along the Mali-Burkina Faso border and is separated from the Morila Belt by the regional Benafin Shear Zone. This belt is lithologically similar to the Yanfolila Belt and is characterized by a sequence of basalts and andesites interbedded with greywackes and argillites (Olson et al., 1992). The entire belt is segmented structurally, strongly folded and frequently overturned; regional plutonism occurred during the Paleoproterozoic (Ballo et al., 2016;).



Source: https://www.globenewswire.com/NewsRoom/AttachmentNg/cccba194-f3a9-435d-9687-75bb21c8ae2f/en

Figure 7.4: Map of Southern Mali Gold Belts showing the location of the Garalo gold project

Figure 7.4 illustrates the geology Southern Mali Gold Belts based on a compilation study by the Australian Mineral Industries Research Association Limited (AMIRA) as part of the West African Exploration Initiative (WAXI) in 2013. This geology map uses some field information and geophysical interpretation from the BRGM mapping in 2004 and 2005 that was presented in the SYSMIN study of 2006 (Feybesse et al., 2006). There are three dominant structural directions that have been interpreted from the overall Airborne magnetics of South Mali. These are as follows: Faults in the E-W direction, The Banifin shear zone in the NE-SW direction and Faults in the NW direction. The Garalo area is offset to the north along the Banifin shear zone (BSZ) and is situated in a zone where secondary faults splay off from the BSZ in a NW direction. There are additional numerous lineaments in the WNW-ESE direction as well as some trending ENE structures. There are also circular structures in the northern part of the Garalo permit that appear to be intrusion-related.

7.2. Permit Geological and Structural Setting

7.2.1. Geological setting

The Garalo permit is situated within the Bougouni region and between the Syama and the Yanfolia Belts (Figure 7.4). The permit area is of granitic dominated in its eastern domain, and sedimentary dominated in its western part (Figure 7.5). The volcanic basaltic rocks outcrop south of the permit within the G3 target.

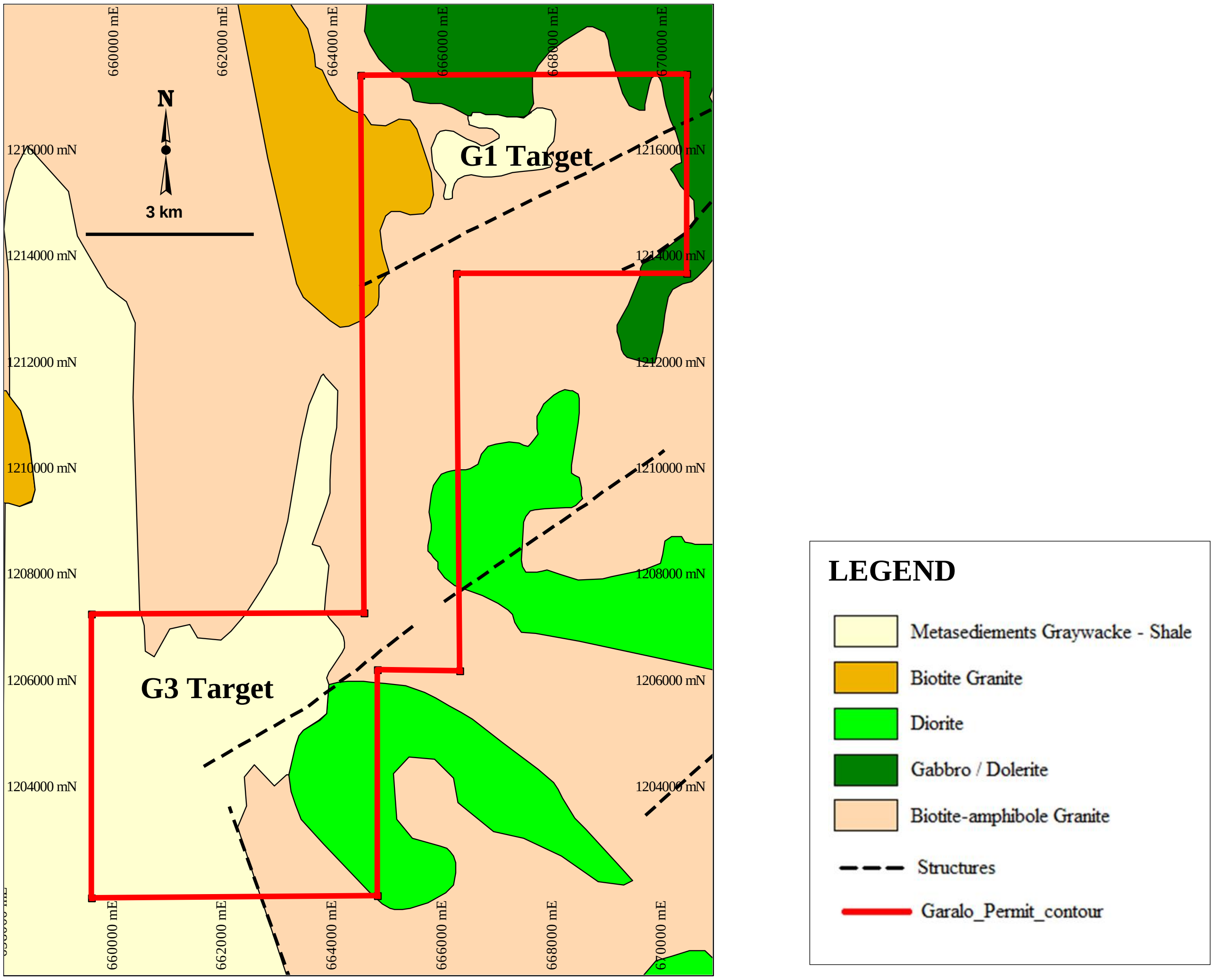


Figure 7.5: Geological Map of the Garalo permit showing the main lithological units and the structural elements

7.2.1.1. The metasedimentary sequence

The metasedimentary rocks are composed of a sequence of turbidite rocks that form the main sedimentary component of the permit outcropping in the southern portion of the permit. The rock is generally massive locally cleaved and is composed of alternating centimetric to metric layers of coarse-grained sandstones (interpreted as greywacke) and fine-grained siltstones (interpreted as shale) (Figure 7.6).

The medium to coarse-grained greywacke is the dominant host rock for the gold mineralization and is a metamorphosed rock consisting predominantly of irregularly-shaped albite and finely crystalline aggregates of quartz fragments/clasts of few mm in size, interstitial sericite materials embedded in a dark poorly-sorted metamorphosed groundmass. Some wacke horizons contain very coarse sand grains to silt-size clasts that are subrounded to subangular (Figure 7.6: A and B).

The shale is a fine-grained dark-grey rock characterized by abundant black (graphitic) laminations often strongly to intensely sheared and interbedded with the coarser-grained greywacke host rock (Figure 7.6 C and D). The shale is locally graphitous with dark graphitic beds interlaminated with the shale horizons. The contact between the coarse-grained greywacke and the fine-grained shale is generally sharp to gradual.

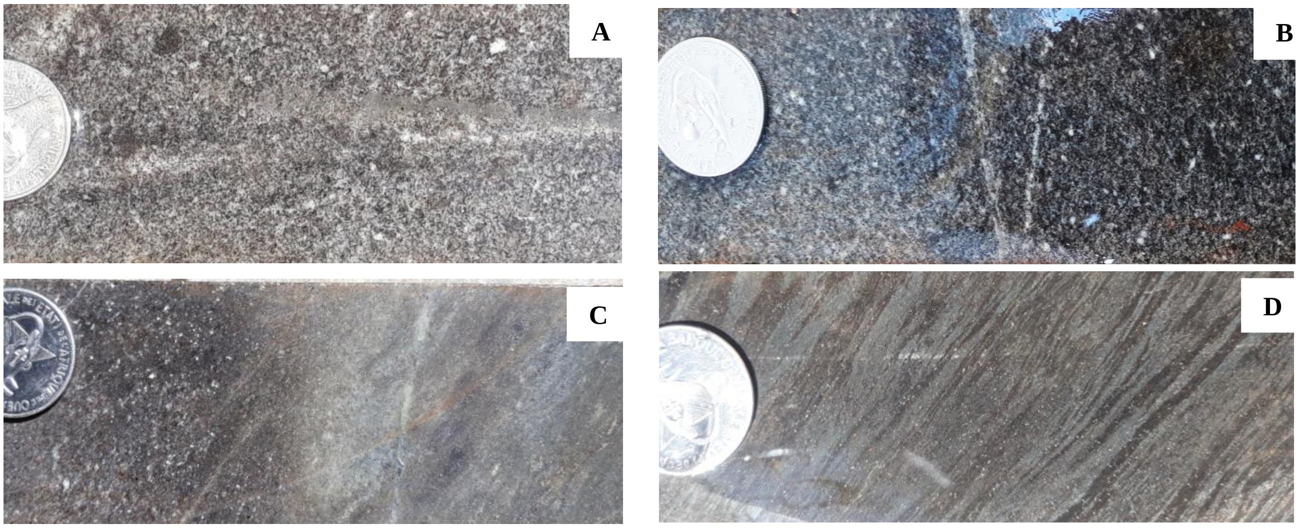


Figure 7.6: A and B. Coarse-grained sandstones (greywacke), C and D Turbidite of alterning graywacke and shale

7.2.1.2. The granitic intrusive rocks

The granitic intrusive rocks are the dominant types of intrusive rock on the Garalo property. Two main types of granit intrusive are distinguished in the granitic domain, namely biotite-amphibole granite (Figure 7.7.A) and a biotite granite (Figure 7.7.B) which, is generally more magnetic and foliated.

The biotite-amphibole granite dykes (Figure 7.7. A) display same textural characteristics but are darker and contains more mafic mineral probably due to magmatic differentiation.

The biotite granite dykes at Garalo (Figure 7.7. B) are mostly medium to fine-grained and equigranular to weakly porphyric-textured in place. It is characterized by distinctive pink K-feldspar phenocrysts, in a grayish, equigranular groundmass of subeuhedral plagioclase, quartz, biotite and minor dark green hornblende

Contacts between granit dykes and the sediment host rocks are sharp and locally irregular. The granites were subjected to tectonic stresses and as a result are generally overprinting by fractures, faults, shears and veining.

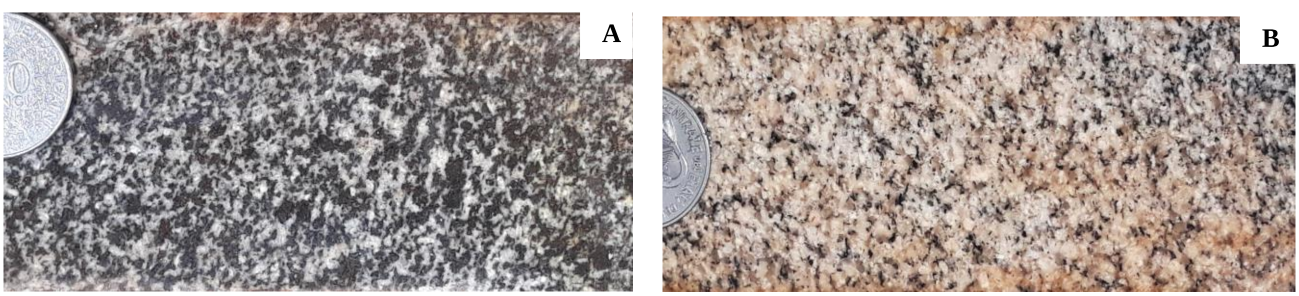


Figure 7.7: A: Biotite-amphibole granite dyke displaying darker medium to fine-grained and equigranular to weakly porphyric-textured and contains more mafic mineral. B. Biotite granite with distinctive pink K-feldspar, in a grayish groundmass of plagioclase, quartz, biotite, dark green hornblende.

7.2.1.3. The volcanic basaltic rock

Highly strained and sheared mafic volcanic flows outcrop south of the Garalo permit within the main orpaillage zone of the G3 target and are likely associated with the gold mineralization. The basalt is fine-grained to aphanitic with black groundmass and shows a faulted and sheared contact with the greywacke rocks of the sedimentary sequence (Figure 7.8).

Figure 7.8.: Highly strained and sheared basaltic rock outcropping south of the Garalo permit at G3 target

7.2.1.4. Late intrusive rocks

The sequence of granitic rocks and sedimentary units are intruded by younger diorite and gabbro intrusive rocks. The diorite intrusive are more abundant in the southern portion of the permit (Figure 7.5).

7.2.1.4.1. The Gabbro dykes

The gabbro dykes are represented by centimetric, decimetric or metric dykes and sills of gabbroic composition injected in the turbidites. These subaphanitic- to medium-grained intrusive rocks are dominantly dark brown to dark greyish green and porphyritic textured (Figure 7.9). Some of the gabbroic intrusive show an inner chill margin characterized by disseminated microporphyritic automorphic off-white plagioclase laths set in an aphanitic mafic matrix (Figure 7.9). Some parts of the intrusive are of dioritic composition. The gabbro is mostly undeformed, but locally weakly deformed and are concordant to the main fault systems and the sedimentary host unit. The rocks are mapped from drill hole south of the Garalo permit within the G3 target.

Figure 7.9: Subaphanitic- to medium-grained gabbro dark brown to dark greyish green and porphyritic textured

7.2.1.4.2. The diorite dykes

The diorite dykes are the dominant types of intrusive rock mapped in the southeast portion of the property (Figure 7.5). A significant intrusive stock of that type was intercepted in drill core in the G3 target south of the Garalo permit. The rock is composed of equigranular leucocratic plagioclase feldspar, coarse crystalline quartz, and accessory minerals such as biotite, amphibole and chlorite (Figure 7.10). This rock is generally porphyritic where plagioclase and quartz porphyritic crystals are cemented in an equigranular phaneritic matrix (Figure 7.10).

Figure 7.10: Diorite composed of equigranular leucocratic plagioclase feldspar, coarse crystalline quartz, and accessory minerals such as biotite, amphibole and chlorite. Porphyritic, plagioclase and quartz porphyritic crystals are cemented in an equigranular phaneritic matrix

7.2.1.4.3. Leucocratic felsic intrusive

Leucocratic quartz-feldspar intrusive dykes cut earlier rocks and appears to be post- to syn-mineralization intrusive rocks (Figure 7.11). These leucocratic felsic intrusive have been observed in drill core at G1 and G3 targets close to the mineralized zone and may have been the source of the mineralizing hydrothermal fluids responsible for the formation of the gold deposit. These intrusive rocks are mostly whitish-pink, very rich in silica/quartz, and have a coarse-to fine saccharoidal texture (Figure 7.11). Their widths range from 10 to 60 cm and may have different orientations.

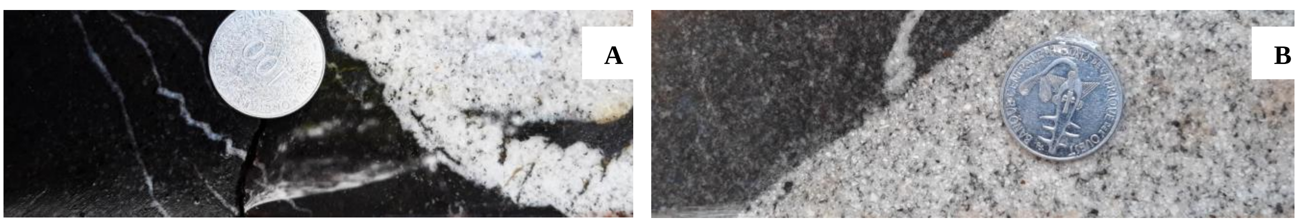


Figure 7.11: A. Whitish Felsic granite in irregular contact with shale B. Whitish-pink coarse-to fine saccharoidal texture felsic granite in regular contact with graywacke

Interpretation of the detailed airborne geophysical survey by GSM in 2006 suggests that the Garalo permit might be underlain by a sequence of northeast-trending meta-greywackes and shales which have been intruded by, or juxtaposed to, granites and granodiorite intrusive rocks (Figure 7.5). GSM interpretation also suggests that the felsic intrusive rocks were later intruded by mafic rocks.

Investigations completed by Anglo American Research Laboratories identified different types of major lithology from whole rock studies. Two types of granodiorite were distinguished: Group 1 is more felsic granodiorite and tend to the granodiorite/diorite end and, Group 2 tends towards the diorite/andesite field. Two types of meta-greywacke were identified, namely a biotite-rich and a slightly schistose biotite-rich greywacke. In addition, a hornblende gabbro was also identified. In terms of the lithological varieties and contrasts, as well as the structural framework, the area remains encouragingly prospective.

7.2.2. Structural Setting

The structural setting of the Garalo permit is poorly documented due to limited outcrops. Interpretation of the regional integrated airborne geophysical survey indicated a parallel set of regional northeast-east-striking fault system crossing-over the permit (Figure 7.5). GSM conducted structural mapping based on interpretation of Ground Induced Polarization Geophysical Survey at G1 and G3 Targets (Figures 7.12 and 7.13). Interpretation of the gradient array survey at G1 defined a complex moderately chargeable and resistive zones that correspond to dominant structures in this zone. A simplified interpretation of these zones defined five significant chargeable and resistive trends (Figure 7.12).

- T1 is a relatively continuous north-northwesterly-trending chargeable and resistive structures.
- T2 and T3 are northerly-trending resistive and chargeable structures suggesting an easterly dip.
- T4 and T5 is a north-northeast resistive and chargeable trend thought to be part of a terminating fault.

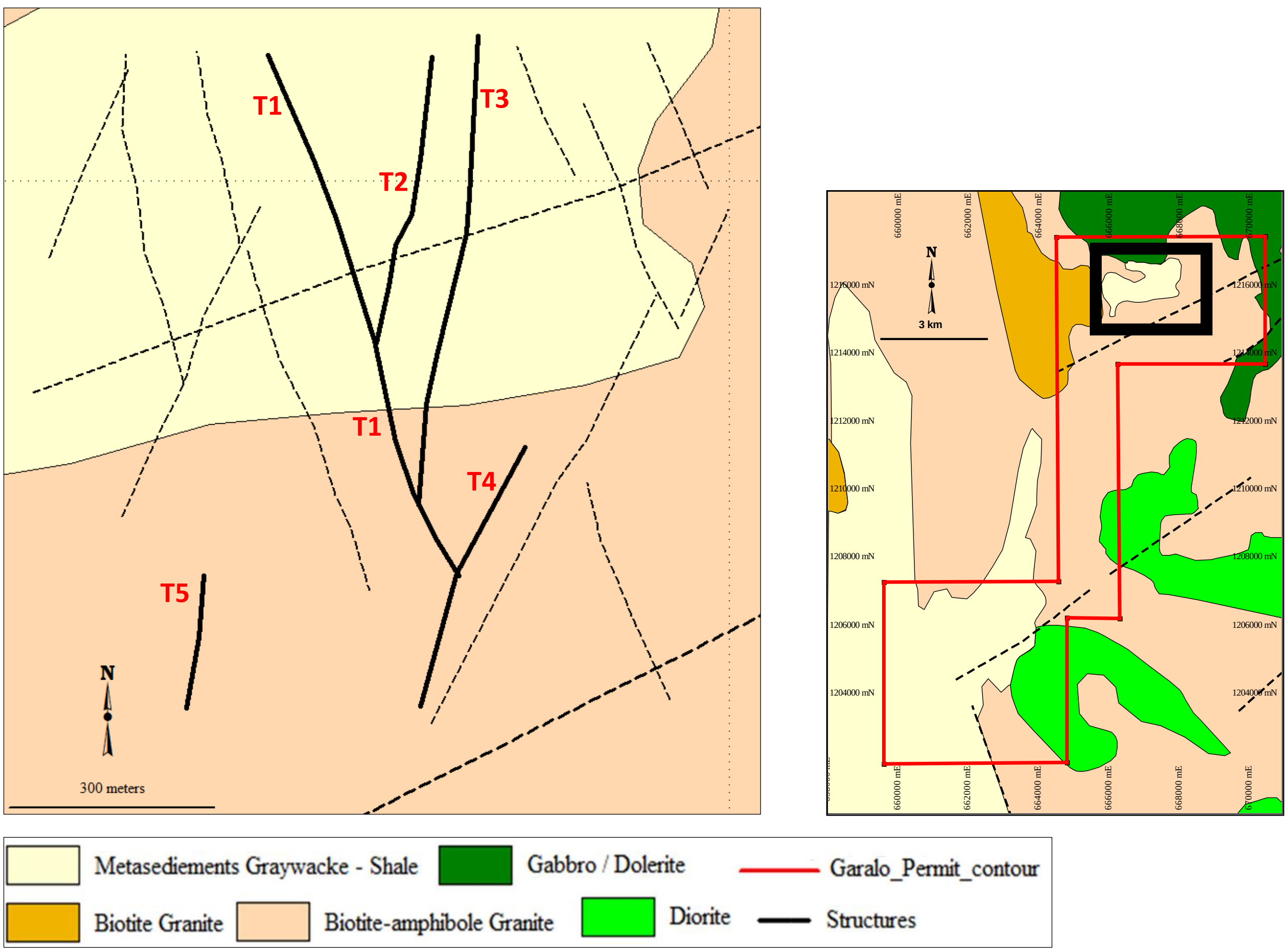


Figure 7.12: Geological map of the Garalo G1 target showing the main lithological units and structural elements interpreted from Ground Induced Polarization Geophysical Survey

Interpretation of the gradient array survey at G3 suggest a general north-south orientation to the lithology with a northeast and northwest trending structural fabric (Figure 7.13). An inferred fault parallel to this contact is also supported by an east-west trend from both the regional magnetics and also a topographic trend parallel with drainage.

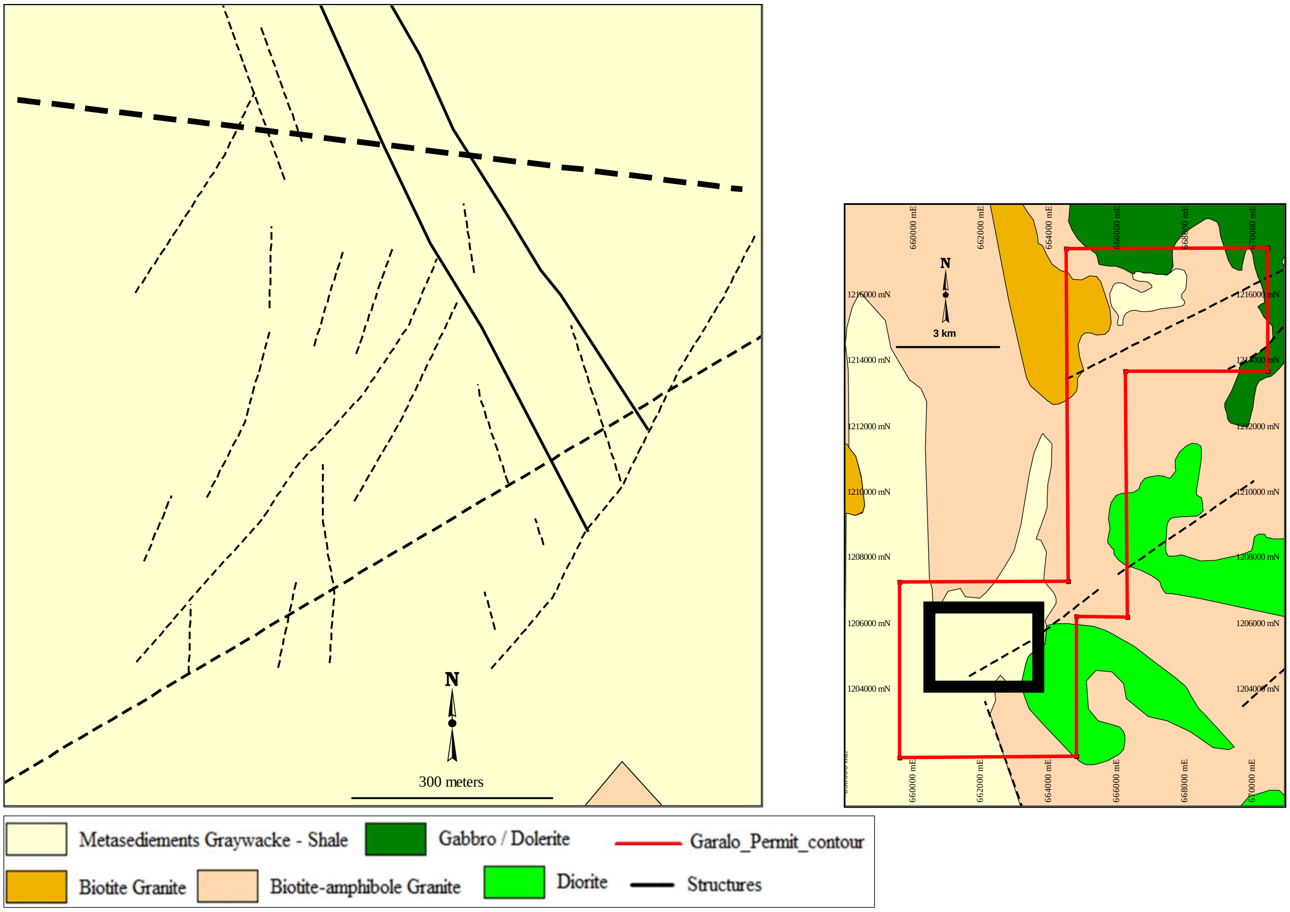


Figure 7.13: Geological Map of the Garalo G3 target showing the main lithological units and structural elements interpreted from Ground Induced Polarization Geophysical Survey

7.2.3. Gold Mineralization

The gold mineralization is strongly structurally controlled and is contained into a broad zone of deformation and hydrothermal quartz-calcite-chlorite-pyrite-arsenopyrite alteration (Figure 7.14) associated with sheared and hydrothermally brecciated sedimentary successions of greywacke and shale in the hanging-wall of a shallowly-dipping (45º), north-south to north-north-west striking parallel fracture systems that affect the sedimentary sequence near contact with syn-tectonic intrusive dykes (Figure 7.14).

Gold is preferentially developed in the more permeable, altered, coarser grained greywacke rock affected by brittle deformation where brittle fracturing, openings and veining occurred within the structures (Figure 7.15, 7.16). Gold is associated to structurally controlled tension quartz vein systems and stockworks in brittle fractures and in areas of increased porosity as a result of the high rheology of the greywacke. Through rheological contrasts between the siltstones and the graywacke, the plastic planar shear slipping along the ductile and less permeable siltstones (Figure 7.17) resulted in the propagation of interplanar shear bands, the brittle fracturing of greywacke rocks, the opening of tension jogs and the formation of dilation joints.

Minor gold mineralization occurs also in the syn-tectonic intrusive dykes. These intrusive rocks intruded the sedimentary rock during deformation and may have influenced the deposition of pervasive gold mineralization through magmatic fluid degassing. At Garalo, gold deposition was likely concomitant with dissemination of arsenopyrite with minor pyrrhotite and pyrite. Gold is dominantly associated chlorite-quartz–carbonate–sulphides assemblage, stockwork of quartz-carbonate veinlets and arsenopyrite mineralization (Figure 7.16).

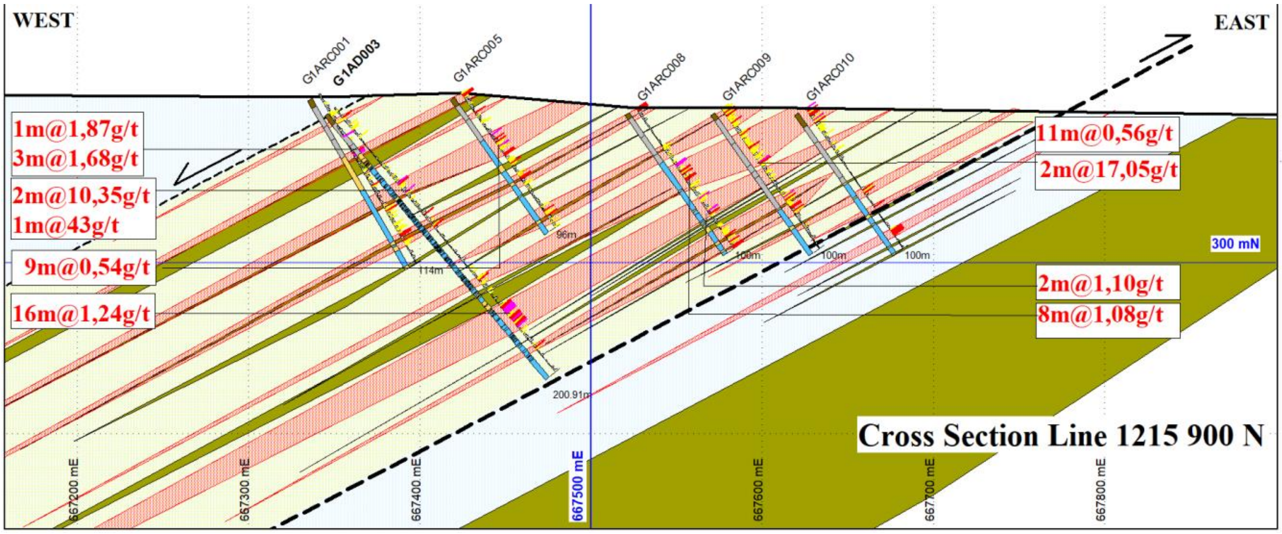


Figure 7.14: Geological and structural cross-section through the Garalo G1 gold target showing the style of gold mineralization and the shallowly-dipping (45º), north-south to north-north-west striking parallel fracture systems that affect the sedimentary sequence near contact with syn-tectonic intrusive rocks

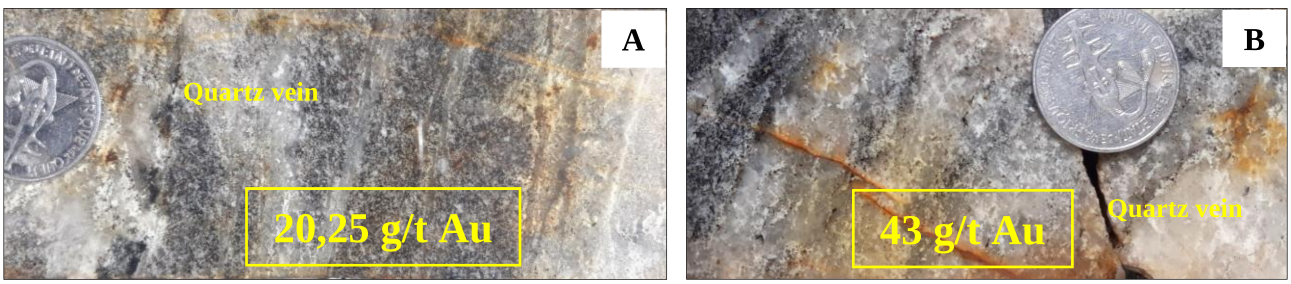


Figure 7.15: Photographs of typical mineralized rocks in hand specimen" A: G1AD003-57-58m, 20,25 g/t Au and B: G1AD003-64-65m, 43 g/t Au. Highly brecciated, hydrothermally altered greywacke rock invaded by a stockwerk of quartz veins associated with pyrite and arsenopyrite.

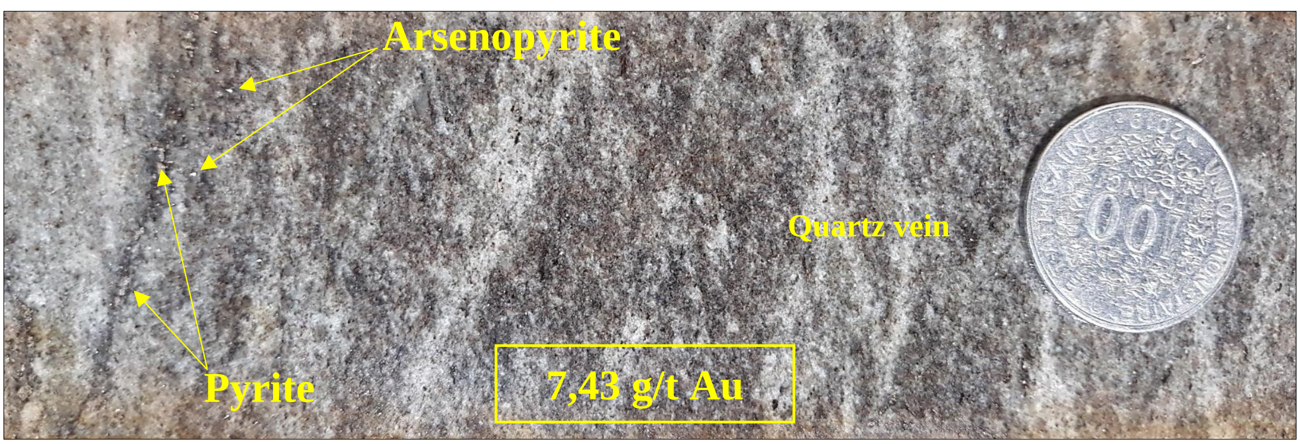


Figure 7.16: Photographs of typical mineralized graywacke rock in hand specimen: G1AD003-161-162m, 7,43 g/t Au, showing highly sheared, brecciated and strongly hydrothermally altered rock invaded by a stockwerk of quartz veins associated with pyrite and arsenopyrite.

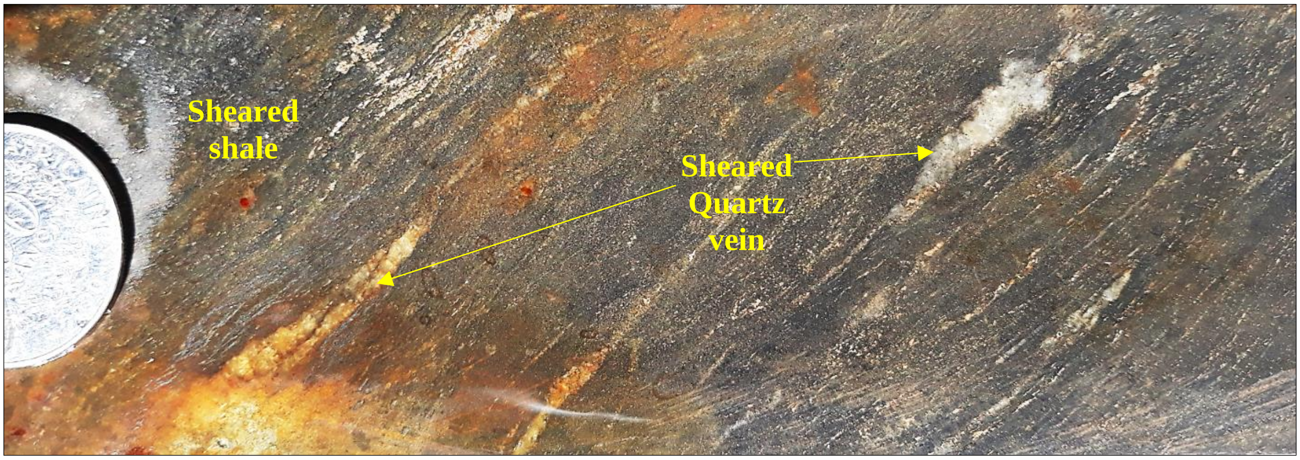


Figure 7.17: Photographs of typical ductile deformation features in hand specimen Drillhole DDH001 G3 -43m. Shear zones and ductile features in the shale layer. Ductile deformation with penetrative foliation, boudinage and rotation and preferential mineral orientation within the shale

7.2.4. Alteration

The main alteration observed in the Garalo gold deposits is the result of hydrothermal mineralizing fluids flow through the porous and fractured coarse-grained graywacke rocks. Alteration resulted in the interaction between fluids and the host graywacke rock. Key alteration mineral associated with the gold mineralization include chlorite-quartz-carbonate-pyrite-arsenopyrite and pyrrhotine alteration assemblages such as quartz-carbonate, quartz-carbonate-chlorite and pyrite-arsenopyrite were observed in association with tension quartz vein corridors and breccia zones (Figure 7.16).

Gold occurs disseminated in the wall-rock or associated with the quartz veins (Figures 7.15 and 7.16).

Quartz is observed as veinlets and fractures-filling or occurs as pervasive alteration of the wall-rock (Figures 7.15, 7.16 and 7.18). Quartz also occurs as stockwork brecciating the host rock.

Chlorite occurs as light-to dark black-green sheet-like aggregates, as disseminated patches, in veins or pervasively disseminated in the groundmass in the mineralized system probably replacing amphibole and biotite minerals in the greywacke host rock (Figure 7.18). Chlorite is also commonly associated with quartz and calcite in veins and with gold and arsenopyrite. The chlorite-calcite association would suggest a syn-ore hydrothermal mineralizing fluid at temperature near 300ºC during gold deposition.

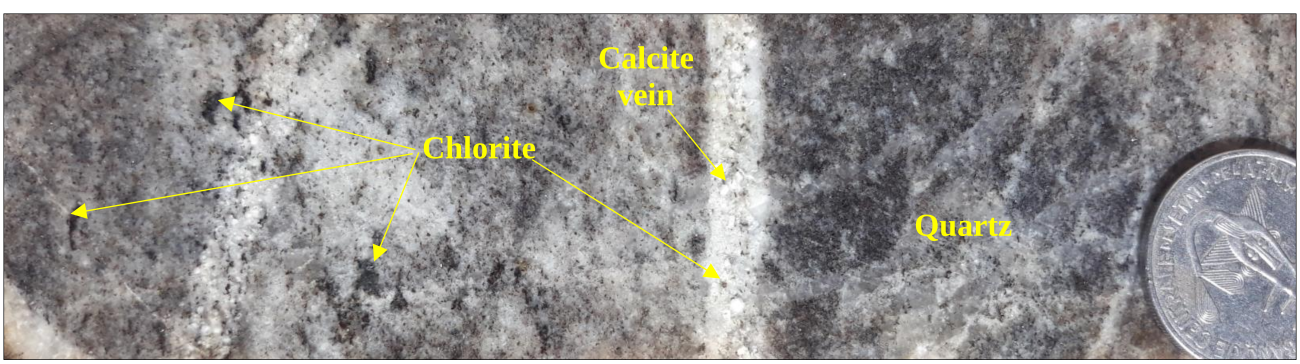


Figure 7.18: Photographs of various deformation and alteration type in hand specimen Drillhole DDH001 G3. Greywacke displaying brittle features with brecciation, veining, chlorite and calcite alteration

Calcite occurs as irregular small patches in the host rock groundmass (Figures 7.18 and 7.19). It can be found also intergrown with quartz or chlorite in veins. During hydrothermal alteration feldspar plagioclase mineral may be partially or totally replaced by calcite both in the matrix and the individual mineral of the host rock.

Sericite occurs as light-yellow aggregates in the greywacke host rock. It is also disseminated as very fine grains in the groundmass of the greywacke and the shale and appears to be a pre-ore alteration mineral.

Pyrite is the most abundant sulphide mineral present (Figures 7.16, 7.18 and 7.19). Generally, two types of pyrite can be distinguished. Anhedral pyrite associated with the syn-ore hydrothermal mineralizing fluid occurring as inclusions in quartz veins, stringer veinlets, blebs, patches and fine grains disseminated into the mineralized rock (Figure 7.16). Euhedral pyrite present both in the undeformed and unmineralized host rock and in the mineralized system.

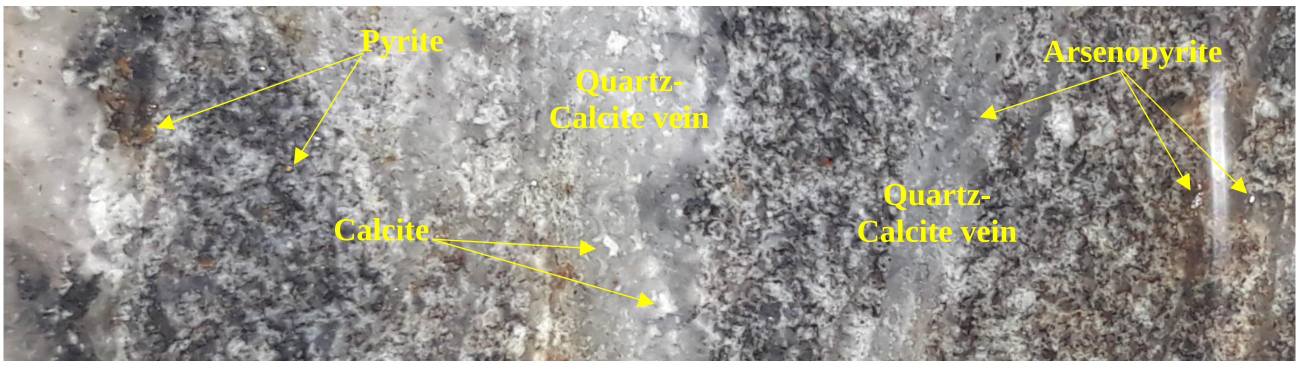


Figure 7.19: Photographs of typical alteration features in hand specimen: G1AD003-161-162m, 7,43 g/t Au

Arsenopyrite exhibits a wide range in grain size, with discrete grains ranging from a few micrometers to the largest grains that exceed several hundred micrometers (Figure 7.16). The arsenopyrite occurs as finely disseminated euhedral crystals, as aggregates of crystals and as relatively large euhedral porphyroblastes. There is a strong association between arsenopyrite, pyrite and the gold mineralization in the ores (Figures 7.16).

Minor pyrrhotite and chalcopyrite are observed in the sulphide assemblage. Pyrrhotite is a common accessory and is intimately associated with arsenopyrite. Trace amounts of chalcopyrite were also observed in the core samples.

8. DEPOSIT TYPES

There are several hundred gold occurrences in Mali. The most important deposits have been discovered quite recently, since the mid-1980s, when the exploration (widely using the soil geochemistry) has been focused on the Proterozoic Birimian epi-metamorphosed volcano-sedimentary formations. It was realized (especially after the Syama discovery) that they might have the same gold potential as the Archean greenstones. The deposits are mainly of the vein type in meta-volcanic rocks associated with mesothermal shear-zone hosted orogenic gold mineralization that form an integral part of the tectono-metamorphic evolution of the West African Shield

The Malian Birimian greenstones, occurring in the south-west and the west, covering an area of about 23 000 km^2, host almost all country known gold deposits. The primary mineralization is almost exclusively of two types: 1. lode mineralization (with native gold in quartz veins and/or in sulphides disseminated in hosting rocks), 2. statabound gold mineralization in tourmalinised quartzites (gold mainly in sulphides). 3. eluvial placers, formed on the outcrops of orebodies with gold locally concentrated even in the lateritic duricrust and 4. alluvial placers - main source of gold mined by "artisans".

Lode gold mineralization in the south-western Mali, hosted in a thin sequence of basaltic and andesitic rocks, interbedded with greywackes, schists and cherts (Kusnir & Diallo, 1986). In the eastern part of Garalo is located Syama deposit, exploited by BHP (an Australian company).

Bougouni greenstone belt hosts Morila deposit, located NE of Bougouni, some 50 km north from Garalo that has a reserve 16.3 Mt at 4.17 g/t Au (68 tons of gold).

Kalana belt skirting the Guinean border, is formed by a set of slightly dipping (10-20∞), nearly parallel quartz veins, 0.5 to 4.6 m thick, in the contact with a small dioritic stock, intruding Birimian schists and greywackes. A number of alluvial placers have been found in the streams/rivers draining the Kalana auriferous zone;

Gold mineralization at Garalo is associated with mesothermal shear-zone hosted gold mineralization, entirely consistent with the majority of Proterozoic terrains worldwide, including the Birimian Series of West Africa. This style of mineralization is generally associated with regionally metamorphosed terrains that have experienced considerable deformation. As such, the deposits are invariably strongly structurally, rather than lithologically controlled.

At the Garalo project, the gold mineralization is contained into a parallel set of shallowly-dipping, north-south to north-north-west-striking, fracture systems that affect the sedimentary sequence near contact with syn-tectonic intrusive dykes. Gold is preferentially developed in the more permeable, altered, coarser grained sedimentary successions within structures. The gold mineralization is generally associated with highly silicified meta-greywacke, quartzite and minor biotite schist that are intruded by a granodioritic stockworks which appear to have influenced the deposition of pervasive, disseminated arsenopyrite with minor pyrrhotite, pyrite and chalcopyrite. Generally, gold is dominantly associated chlorite-quartz–carbonate–sulphides assemblage, stockwork of quartz-carbonate-Sulphide veinlets.

9. EXPLORATION

Successive exploration works have been performed in the Garalo permit between 2001 and 2008. AngloGold Exploration Ltd (AGEX) undertook the first strategic soil sampling survey on a regular grid pattern of 200x50m in 2001 and a regional Airborne Magnetic & Radiometric Survey in 2003. In 2004. PGRM completed a follow-up soil geochemical sampling on a grid pattern of 200x50m. This soil geochemical survey has been completed by Golden Spear Mali (GSM) in 2005 to cover the entire Garalo Permit. Following positive results of the soil geochemical survey, AGEX completed a Ground Induced Polarization (IP) geophysical survey followed by an extensive trenching, RAB and RC drilling between 2003 and 2004. Additional DD and RC drilling programs have been completed by GSM between 2006 and 2008 (Table 9.1).

The following table summarizes exploration works competed in the Garalo Permit between 2001 and 2008.

Program		AGEX			PDRM	GSM			Total
		2001	2003	2004	2004	2005	2006	2008	
Soil Sampling Survey		634			1 559	567			**2 760**
Geophysical Survey	Method	Airborne Magnetic & Radiometric Survey (Sysmin)	Airborne Magnetic & Radiometric Survey				Ground Induced Polarization (IP)		
	area	Southern Mali 400m Line Spacing	Southern Mali 250m Line Spacing				Garalo Permit (G1 and G3 targets		
Trench	*Num*		4						**4**
	Meters		167						**167**
RAB Drilling	*Num*		478	397					**875**
	Meters		10 296	10 432					**20 728**
AC Drilling	*Num*							175	**175**
	Meters							5533.5	**5533.5**
RC Drilling	*Num*		39	9				13	**61**
	Meters		3 803	942				1305	**6050**
DD Drilling	*Num*						6		**6**
	Meters						1 420		**1 420**

Table 9.1: Exploration works completed in the Garalo permit between 2001 and 2008

9.1. SOIL SAMPLING GEOCHEMISTRY SURVEY

9.1.1. Soil geochemical sampling completed by AGEX in 2001 within the Garalo permit

AGEX completed the first strategic soil geochemical survey on the Garalo permit, in September 2001, on a regular grid pattern of 200x50m (Figure 9.1). The sampling grid covered the northern and southern portion of the permit and was focused on the G1 and G3 gold anomalies. A total of 634 soil samples were collected on this grid (Figure 9.1). The samples were analyzed by SGS Laboratory in Bamako, Mali.

Samples collected from soil returned assay values ranging between below detection limit of 0.5 ppb to 1 370 ppb gold (Figure 9.1). Gold values > 75 ppb generally define continuous zones that trend NS in the northern portion of the Permit (G1) and NS to NNW in the southern portion (G3) where the anomaly is co-linear with the main orpaillage zone in the G3 gold target (Figure 9.1). Some high soil values tend to be relatively spotty in distribution. The gold anomalies suggests that the mineralized gold structure may extend up to 1 km long at G1 target and 800 meters in the G3 target (Figure 9.1)

The following Figure shows the soil geochemical sampling program completed by AGEX in 2001 within the Garalo permit.

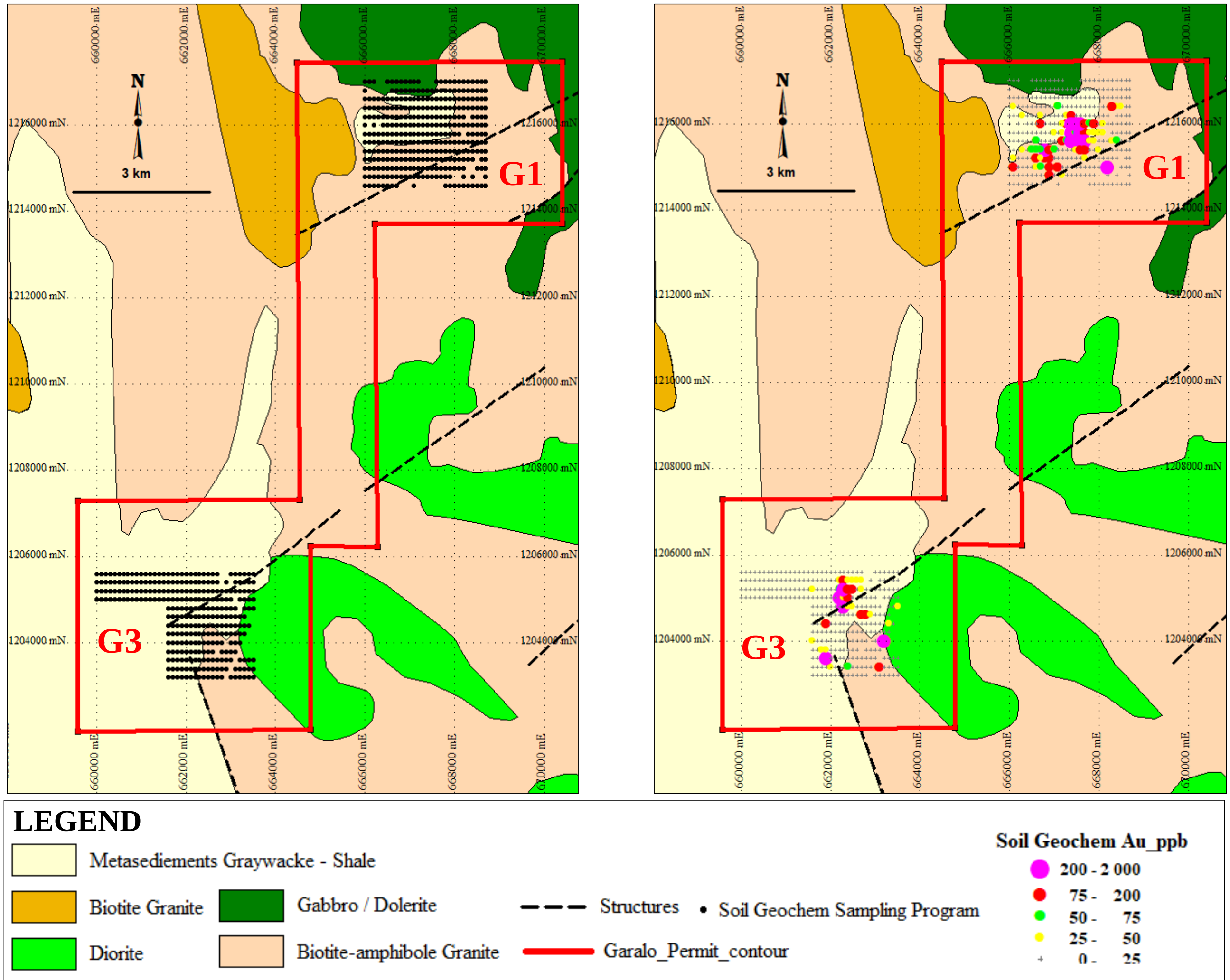


Figure 9.1: Soil geochemical sampling completed by AGEX in 2001 within the Garalo permit

9.1.2. Soil geochemical sampling completed by PGRM in 2004 within the Garalo permit

PGRM soil geochemical sampling follow-up program was focused in area that have not been sampled between G1 and G3 targets (Figure 9.2). The sampling was performed on a regular grid pattern of 200x50m (Figure 9.2). A total of 1559 soil samples were collected on this grid. The samples were analyzed by SGS Laboratory in Bamako, Mali.

Samples collected from PGRM soil returned assay values ranging between below detection limit of 0.5 ppb to 1 285 ppb gold (Figure 9.2). Gold values > 75 ppb were relatively spotty in distribution and did not show a clear extension of previous anomalies in G1 and G3 targets.

The following Figure shows the soil geochemical sampling program and results completed by PGRM in 2004 within the Garalo permit.

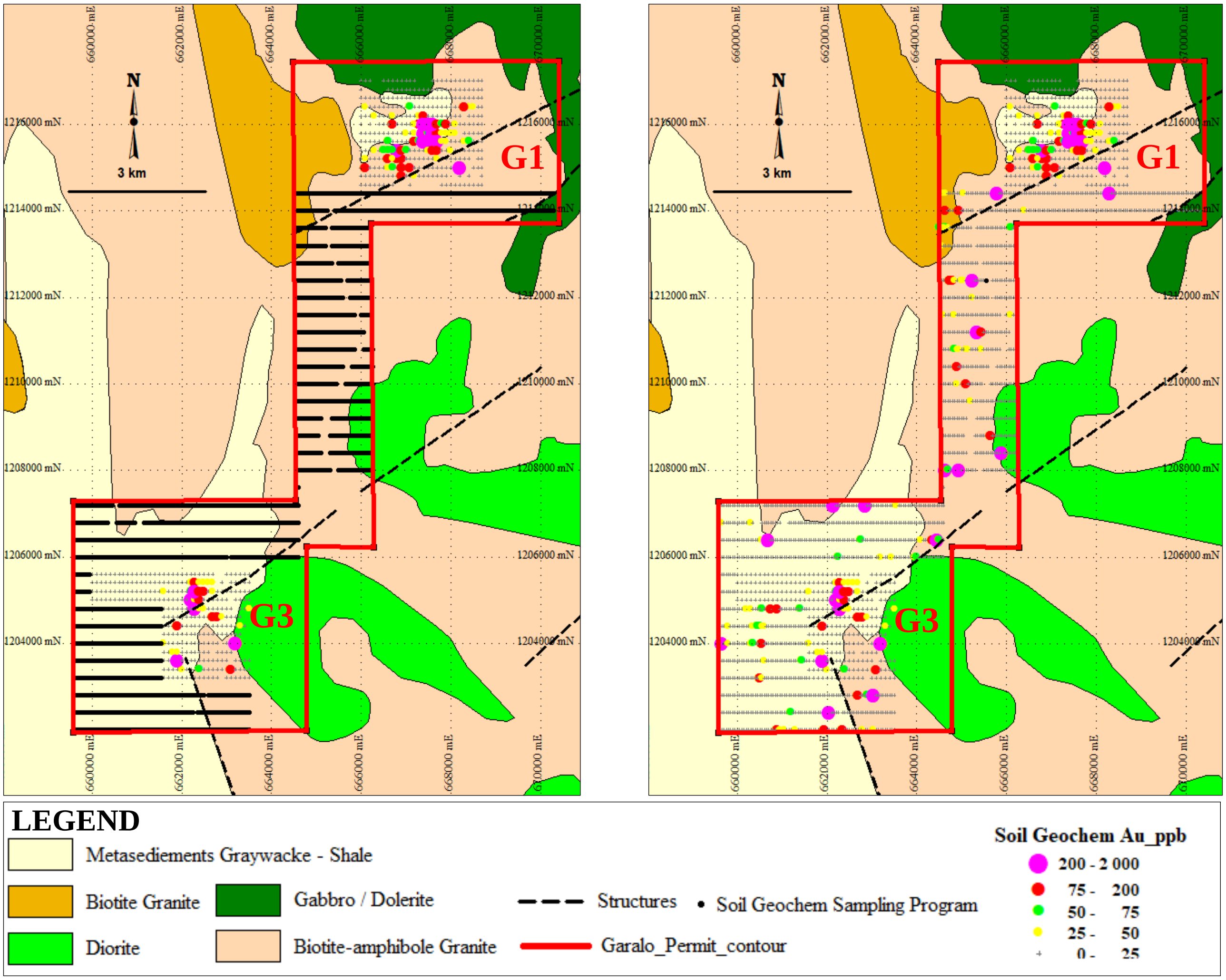


Figure 9.2: Soil geochemical sampling completed by PGRM in 2004 within the Garalo permit

9.1.3. Soil geochemical sampling completed by GSM in 2005 within the Garalo permit

In 2005, GSM collected 567 soil samples over a surface area of 46 km^2 area, covering the southeastern portion of the Garalo permit (Figure 9.3). This area was historically not covered by AGEX. Samples were collected on 400m by 100m grid pattern and submitted to Abilabs Bamako for gold and arsenic assay.

Preliminary anomalous gold-in-soil assays prompted a follow-up survey whereby the anomalous area was infill sampled on a 200 x 50-meter grid configuration. The gold-in-soil results (Figure 9.3) reveals a broad anomalous zone, trending 5.5 kilometers to the northwest. In the northwestern corner of the grid, the anomaly seems to be "displaced" to the east, where the zone links up with an AGEX anomaly to continue for another 1.5 km northwards (Figure 9.3).

The anomalous zones were however of a low gold in soil tenor, but reached up to 350 ppb Au in the northwest. Preliminary ground truthing over the main anomalous lines revealed erosional environs and can thus be interpreted as overlying lithology with elevated gold content.

The arsenic in soil results duplicated the gold in soil anomalies in the south-central part of the trend, but fade out towards the north. GSM interpreted other random arsenic in soil anomalies in the eastern part of the grid to correspond with iron-rich cuirasse plateaus.

The following Figure shows the soil geochemical sampling program and results completed by GSM in 2005 within the Garalo permit

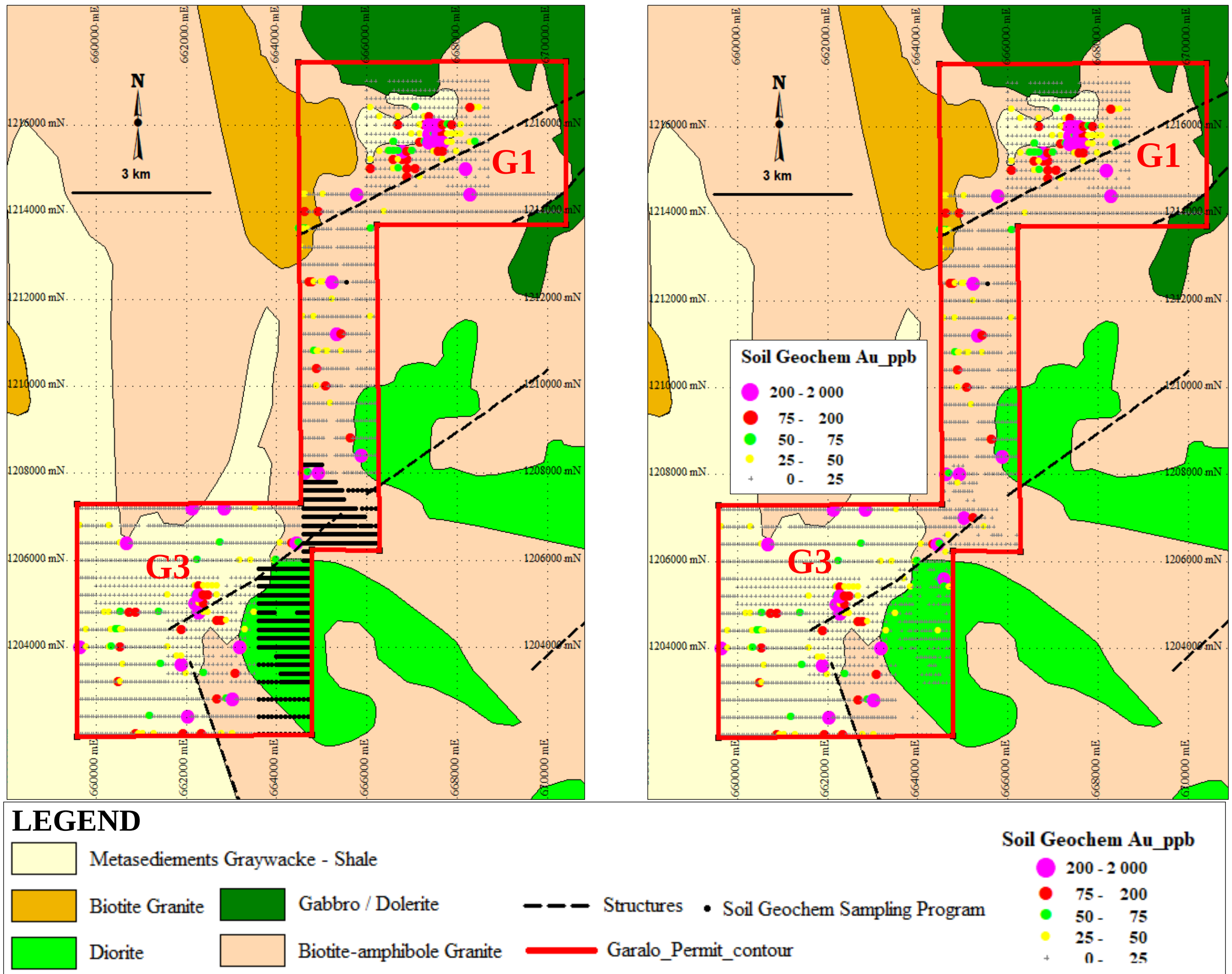


Figure 9.3: Soil geochemical sampling completed by GSM in 2005 within the Garalo permit

These successive soil geochemistry sampling surveys completed by AGEX, PDRM and GSM resulted in the demarcation of seven prospective anomaly zones (Figure 9.4) that were further evaluated by means of drilling and trenching programs.

9.2. Regolith Mapping

Regolith mapping, based on aerial photographs and Landsat images over the permit area, was conducted by an independent consultant during early 2002. Three main regimes, with their related units, were identified as cuirasse, depositional and erosional aeras.

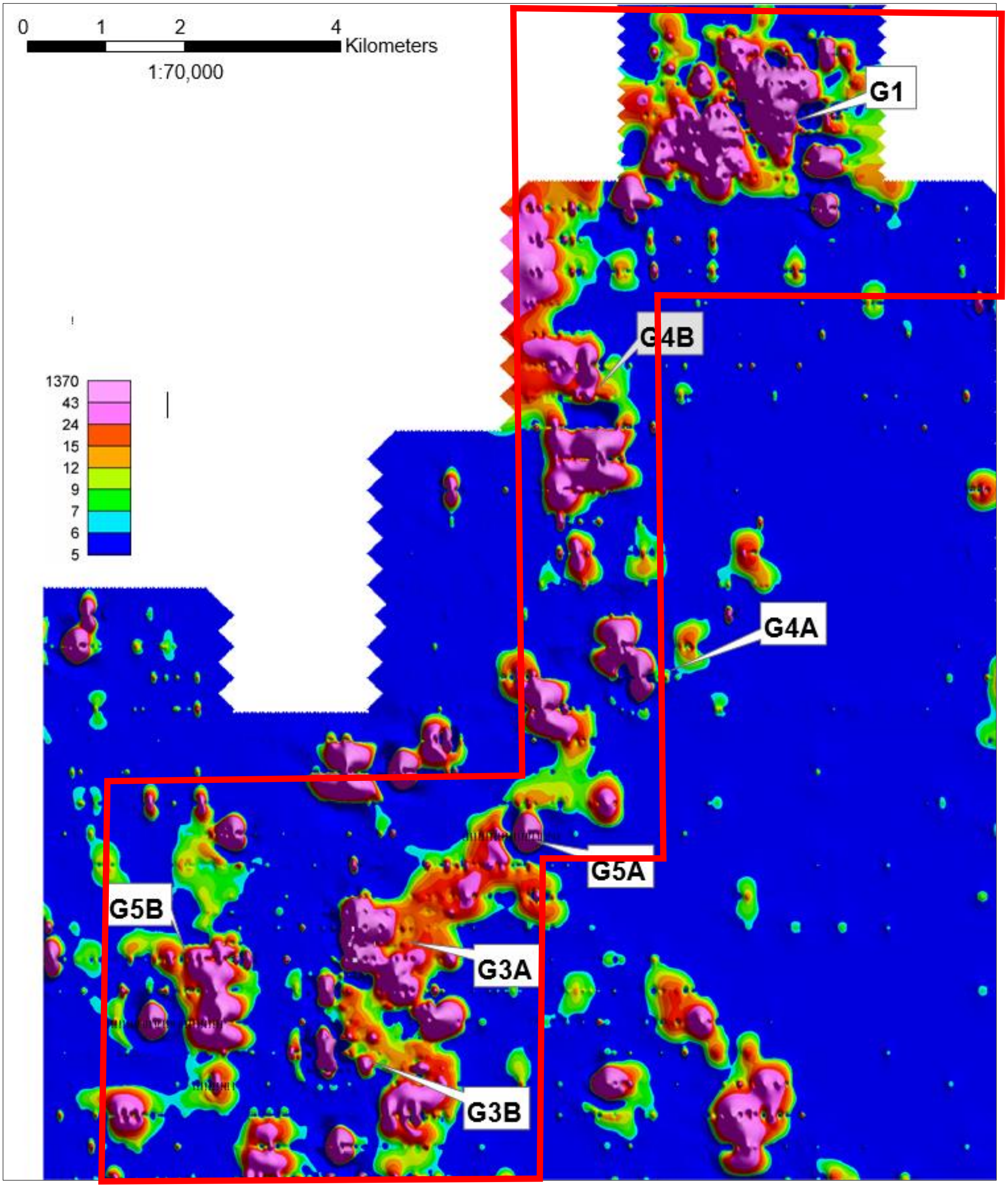


Figure 9.4: Gridded map showing the soil geochemistry sampling surveys completed by AGEX, PDRM and GSM in the Garalo permit and ranking of the anomaly zones

9.3. GEOPHYSICAL SURVEY

9.3.1. Regional Airborne Magnetic & Radiometric Survey

FUGRO of South Africa was contracted by AngloGold Exploration Limited to conduct airborne geophysics including Magnetic and Radiometric Surveys, covering the Kalaka, Kolona, Garalo and Banzana permit areas. The following images were produced for interpretation purposes: Total Field Grey Scale Magnetics, Composite Radiometric U, Th, K and Digital Terrain Model.

An airborne magnetic and radiometric survey was flown over southern Mali in 2001 by Kevron Pty Ltd on behalf of the Malian government as part of their Malian Birimian project (SYSMIN, 2006). The final products were used to aid the production of the regional geology map by BRGM in 2006 (Figure 9.5).

The geophysical interpretation, in conjunction with existing public domain data, allowed for new geological and structural interpretations to be made (Figures 9.6 and 9.7). This in turn allowed for follow-up targets to be generated for further soil geochemical surveys.

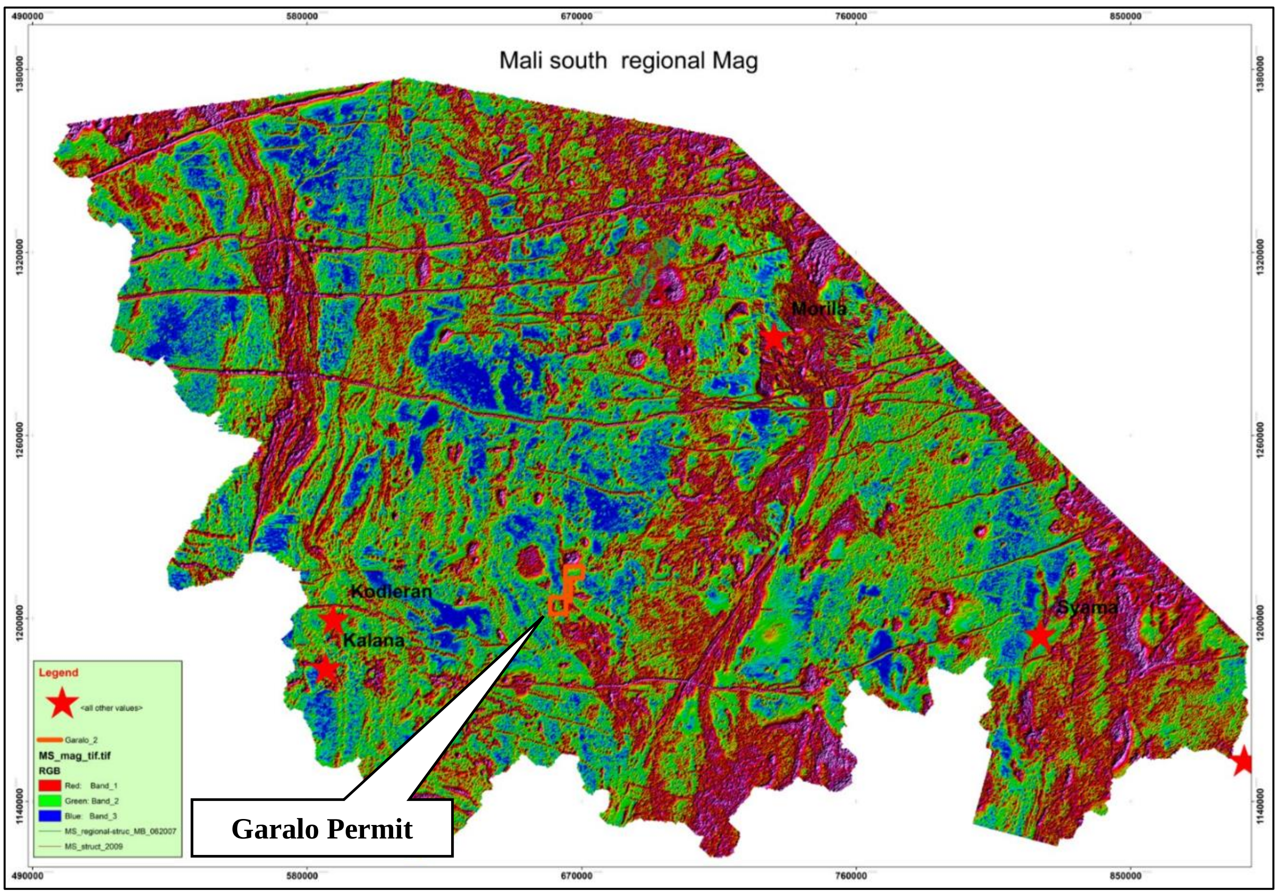


Figure 9.5: Mali South: Regional airborne magnetic survey in 2006 and location of the Garalo Permit

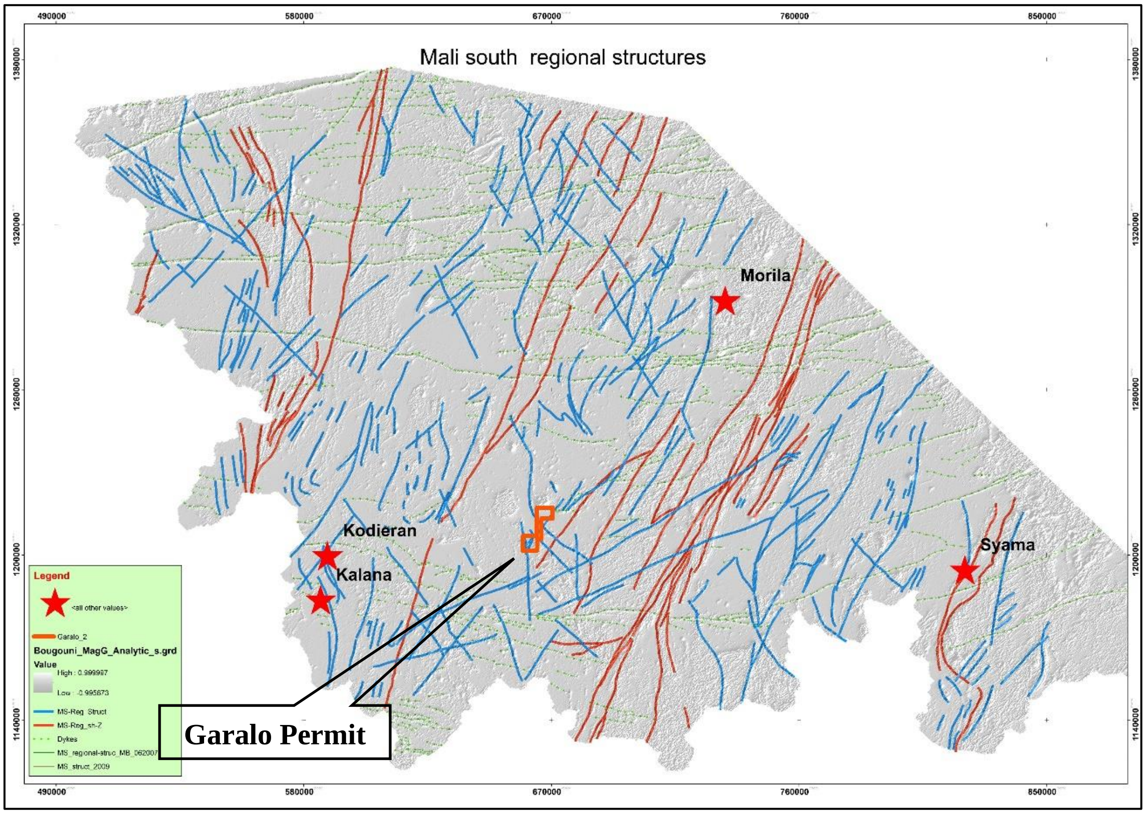


Figure 9.6: Mali South: Regional structural interpretation and location of the Garalo Permit

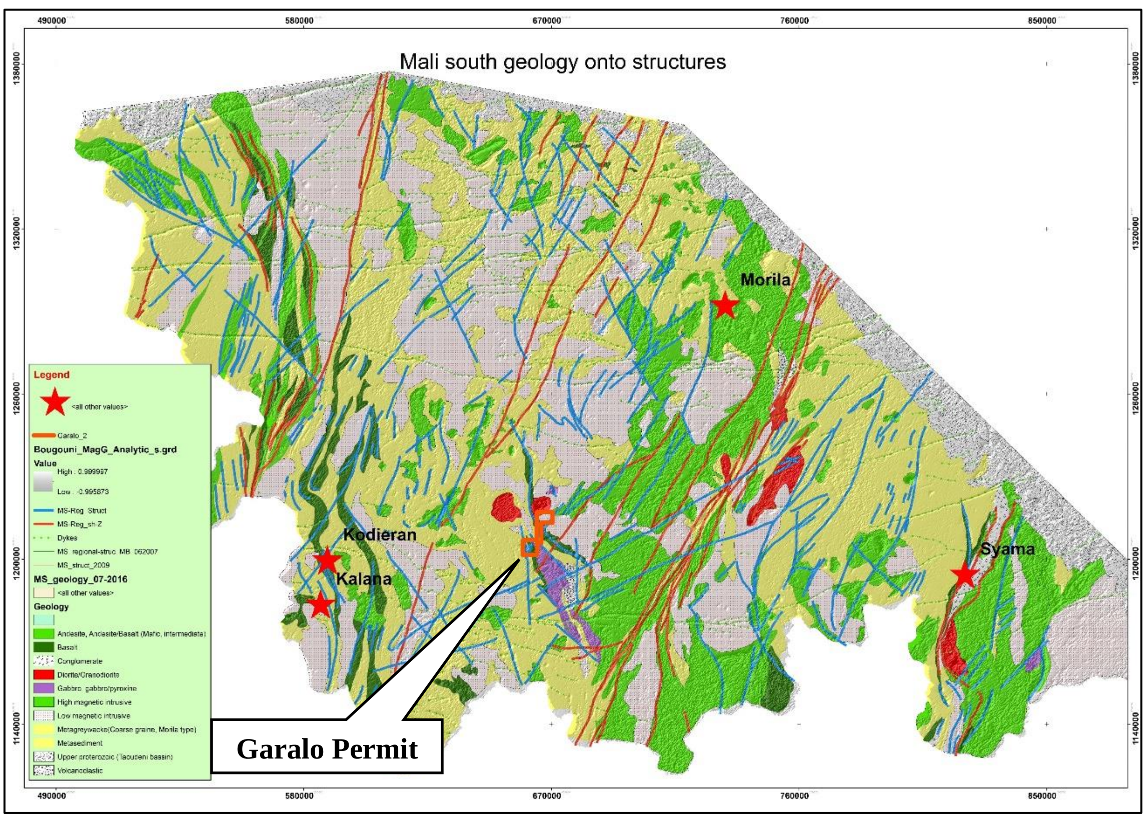


Figure 9.7: Mali South: Regional structural and geological interpretation and location of the Garalo Permit

9.3.2. Ground Geophysical Survey

In January 2006, a ground geophysical grids were established over targets Garalo G1 and G3. Both grids covered the main soil anomalies and drill intersections from the AGEX phases of exploration. Each grid comprised of eleven, one-kilometer lines, which were cut 100 meters apart and pegged at 25-meter intervals.

Sagax Afrique Sa, a Burkina Faso-based geophysical services company was contracted to carry out orientation IP Surveys over targets G1 and GA. The surveys consisted of "gradient array" over both grids followed by a detail interpretation of the IP data in conjunction with existing airborne geophysical data. Gradient Array Induced Polarization/Resistivity surveys were conducted over the G1 and G3 prospects with follow-up pole-dipole surveys conducted over selected traverses.

9.3.2.1. Induced Polarization Specification

A gradient array was centered over the G1 gold soil anomaly. The current electrodes were located 2000 meters apart and this allowed a central block of 1000m x 1000m to be surveyed. A total of 11 x 1km lines were surveyed along East-West traverses with a line spacing of 100 meters and a station spacing of 25 meters.

The high-powered 10KVA transmitting system achieved an input current of 3.5 amps. With a high background resistivity, the very high signal to noise ratio allowed for the efficient collection of high-quality data. 3 lines of pole-dipole induced polarization were surveyed across the main zone of interest using a line spacing of 100 meters and a station spacing of a=50 with n=1 to n=6.

9.3.2.2. Processing of Induced Polarization Results

The chargeability and resistivity parameters calculated from the gradient array data were gridded, contoured and image processed. The resultant maps were then interpreted to define the lateral distribution of chargeable and resistive zones. There was very little information about the vertical distribution of anomalous zones derived from the gradient array data. The data from the pole-dipole surveys were edited using a quality control package capable of averaging selected readings. These data were then processed using inversion software (Loke Res2DINV and Res3DINV) that places the chargeable and resistive sources in their correct spatial position. This allows for depth sections and horizontal sections at selected RL's to be displayed in the form of images and contours.

9.3.2.3. Ground Induced Polarization Geophysical Survey on Target G1A

The regional magnetic survey suggested that the G1 mineralization was located on the southern flank of a broad sub-circular magnetic source that is coincident with a topographical low. A possible source of the magnetic anomaly is a granitoid. There was little structural information evident in the magnetic data at prospect scale.

The G1 soil anomaly is located within a broad magnetic low beneath a cuirasse plateau. The low magnetic response is assumed to be due to meta-sedimentary or felsic rocks, however, alteration involving magnetite destruction may have also contributed to the low magnetic response.

The gradient array survey defined a complex moderately chargeable and resistive zone coincident with the Au soil geochemistry anomaly. A simplified interpretation of these zones has defined five significant chargeable and resistive trends (Figures 9.8 and 9.9).

- T1: is a relatively continuous chargeable and resistive trend. RC drilling has located significant gold mineralization on line 1216000N immediately west of this structure. A westerly dip of the structure would be necessary for this structure to be coincident with mineralization.
- T2 and T3: northerly-trending resistive and chargeable structures. T3 has significant Au mineralization defined on 3 lines on the eastern margin of the structure. This would suggest an easterly dip.
- T4: is a north-northeast resistive and chargeable trend thought to be part of a terminating fault.
- T5: is a weak northerly-trending resistive and chargeable zone.

Sagax suggestions for priority follow-up: T3: An RC drill traverse with holes inclined to the west should be designed to test the strongest chargeable and resistive zone on Line 1 215 700N between 667550E and 667700E

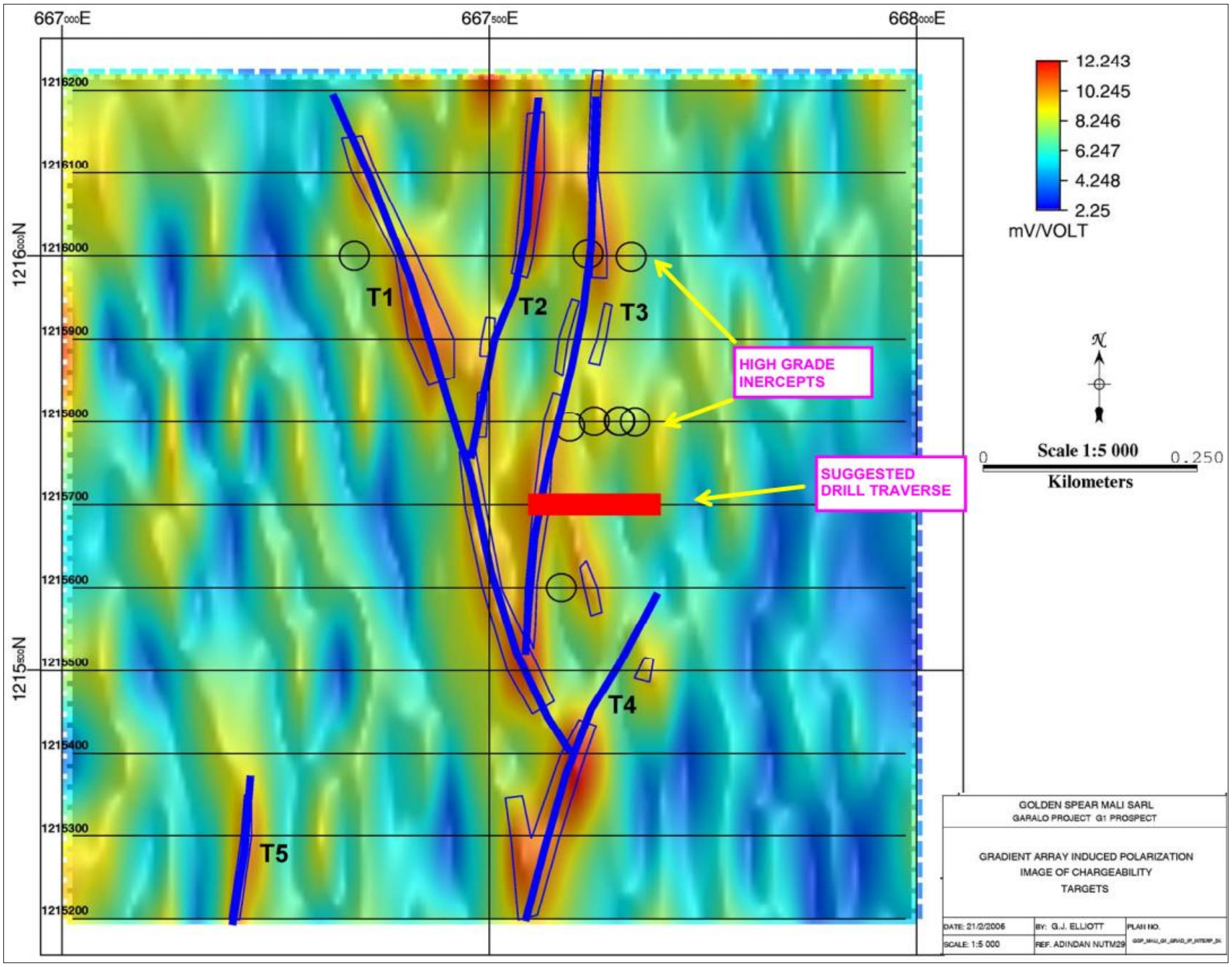


Figure 9.8: Simplified interpretation of the gradient array survey at G1 anomaly and location of the five significant chargeable and resistive trends

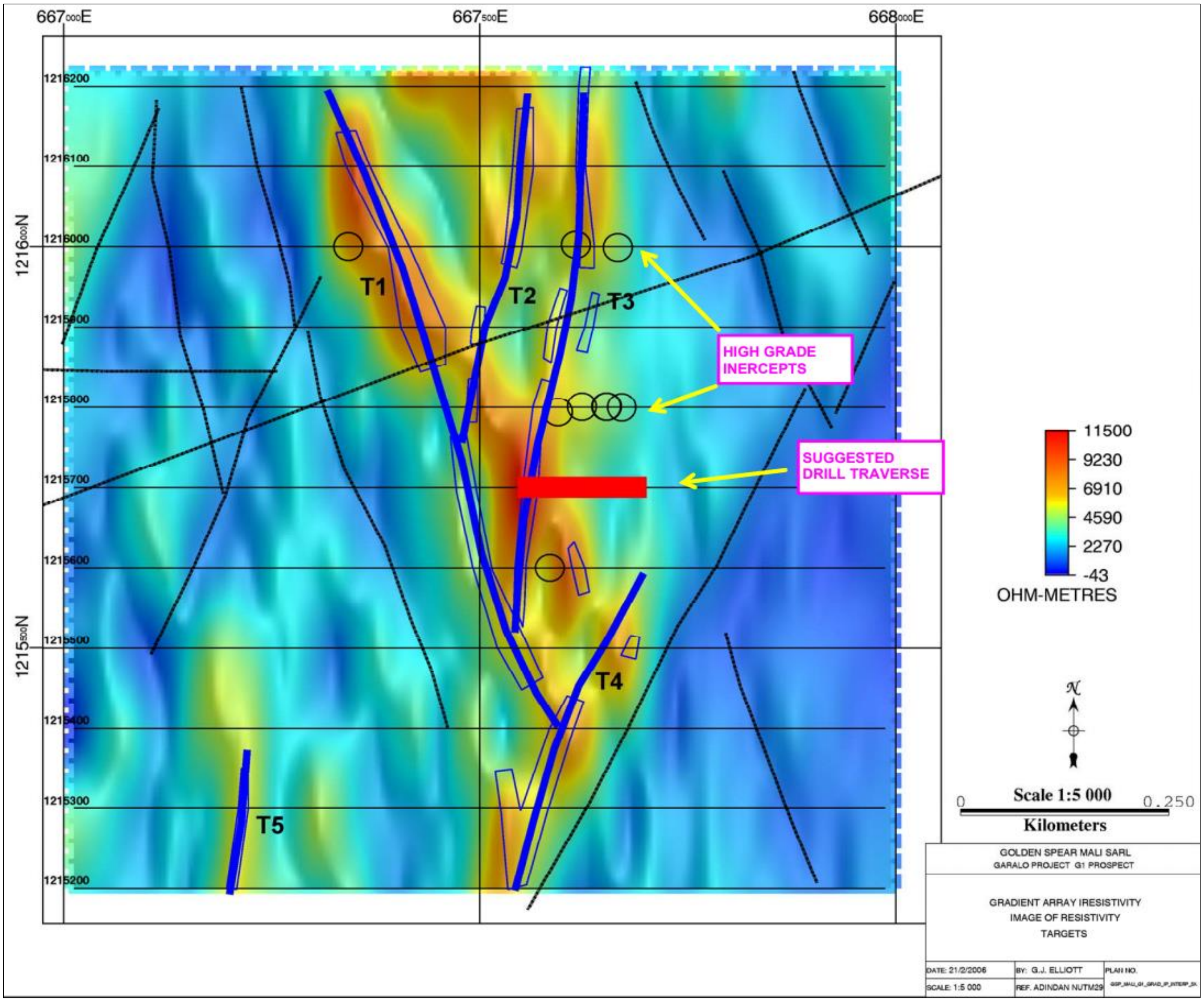


Figure 9.9: Simplified interpretation of the gradient array survey at G1 anomaly, location of the five significant chargeable and resistive trends and Sagax structural interpretation

The results from the surveys on G1 Target produced a very definite resistive and chargeable anomaly which corresponds very well with the gold in soil anomaly and with RC drill intersections obtained by AGEX (Figures 9.8 and 9.9).

Vertical sections from the limited pole-dipole survey successfully project a vertical to easterly dip of the body, whereas the gradient array "mapped" the system as open to the north and to the south.

The fact that all the previous RC boreholes were drilled at 60º to the east, would allow for a narrow, easterly dipping ore body to exist between existing boreholes. Narrow, high grade drill intersections already achieved in the anomalous geophysical trend, together with the +1-kilometer signature from the gradient array leaved Golden Spear with a priority target that required drill confirmation.

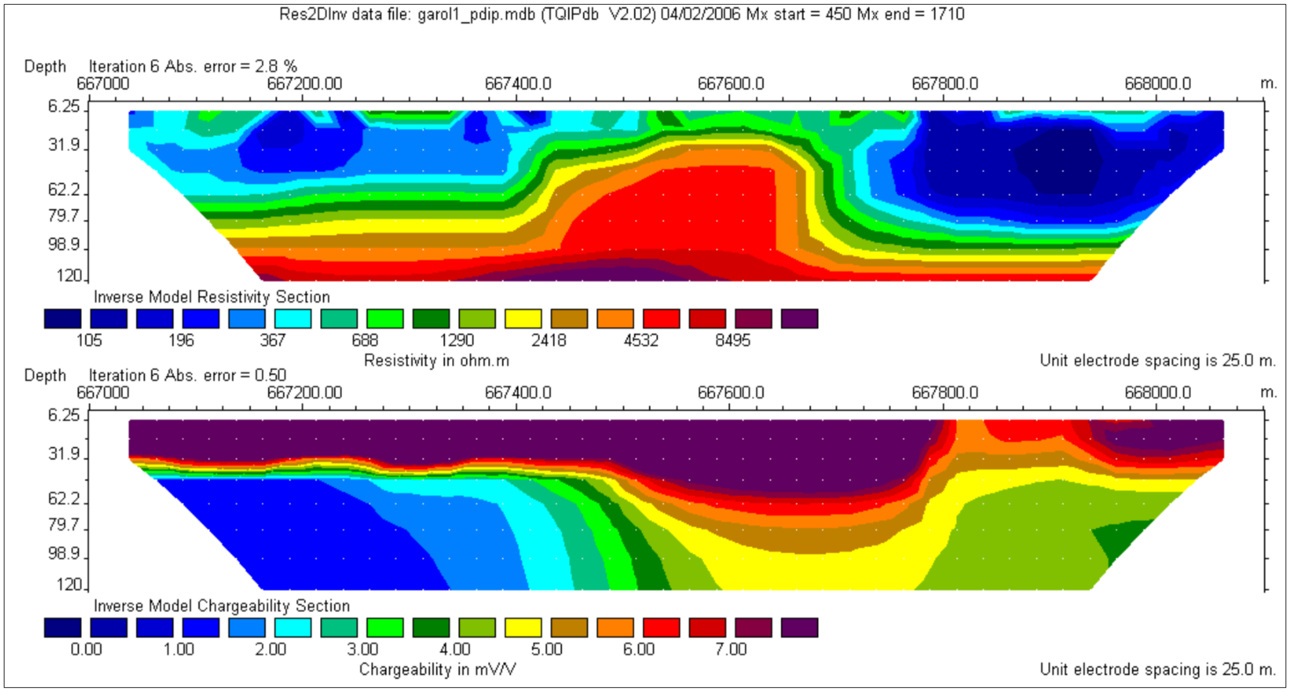


Figure 9.10: Vertical sections from the pole-dipole survey at G1 target

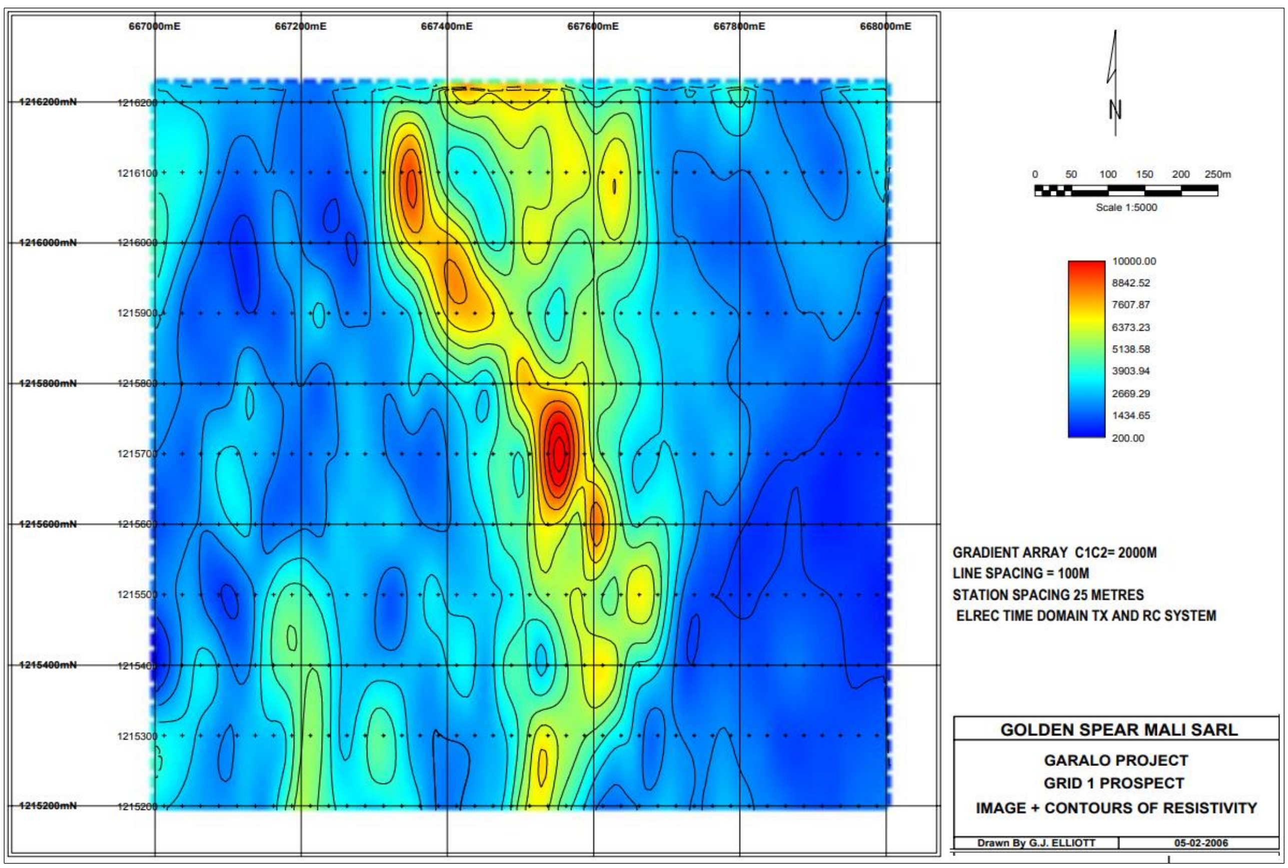


Figure 9.11: Ground Induced Polarization Geophysical Survey on Target G1: Resistivity contours

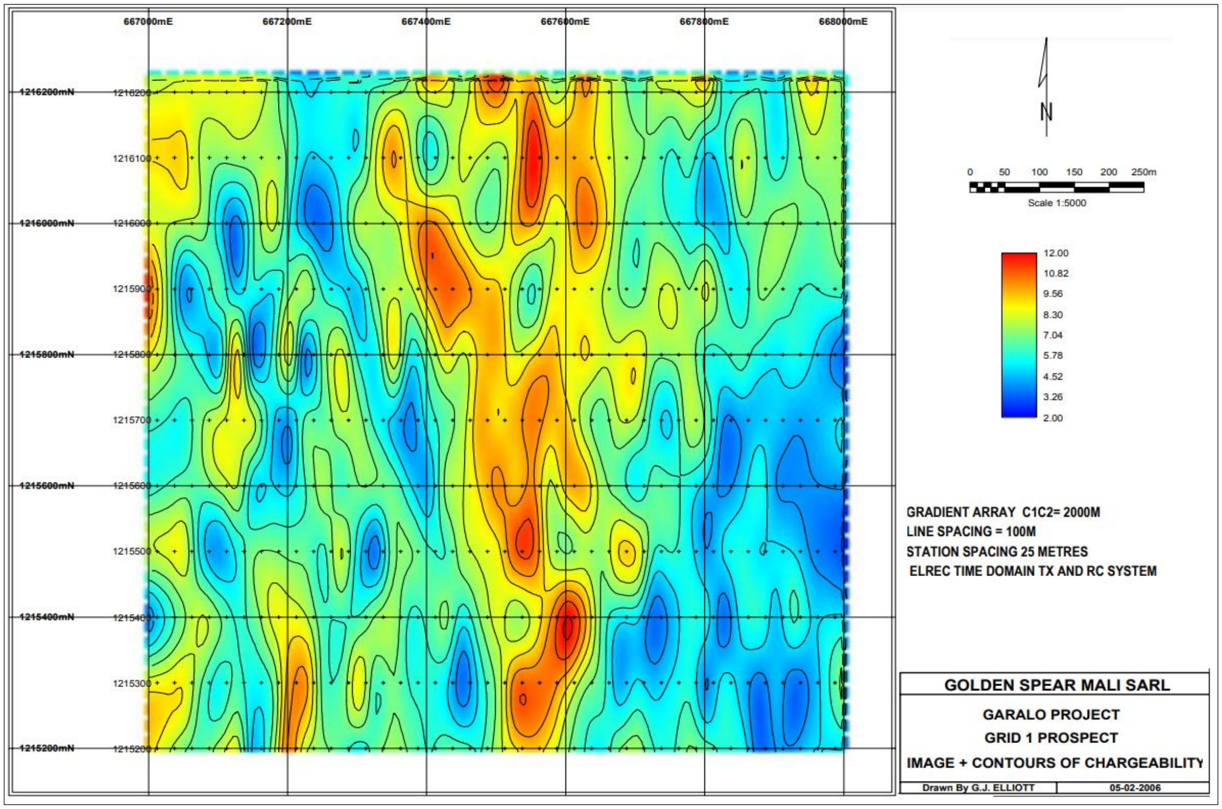


Figure 9.12: Ground Induced Polarization Geophysical Survey on Target G1: Chargeability contours

9.3.2.4. Ground Induced Polarization Geophysical Survey on Target G3

A gradient array was centered over the G3 soil anomaly (Figures 9.13 and 9.14). The western half of the survey area defined a broad increase in chargeable responses with the eastern half relatively non chargeable. The resistive response was higher over western half of the grid. Part of the resistive and chargeable increase was due to responses from the low hills of curaisse on the western side of grid (Figures 9.15 and 9.16). A general increase in the depth of weathering to the north and east of the grid was also evident.

There was a general north-south orientation to the lithology with a northeast and northwest-trending structural fabric (Figures 9.13). The pole-dipole coverage was limited by an equipment breakdown, however, the three lines surveyed show a significant change in response between lines 5300N, 5400N and 5500N. The 3D inversion of these lines has defined a major contact on or about line 5400N. An inferred fault parallel to this contact is also supported by an east-west trend from both the regional magnetics and also a topographic trend parallel with drainage.

A review of the drilling shown that the best Au intersections are located on Line 5400N. The results from the surveys on G3A failed to produce a corresponding resistivity and chargeability anomaly, but outlined a prominent NNW-trending structure intersected by at least two interpreted structures trending NE (Figures 9.15 and 9.16). This east-west striking feature could have a corresponding resistive and chargeable signature, but would fail to show in the gradient array as this geophysical method is only effective when done perpendicular to resistive/chargeable bodies. Sagax suggestions for follow-up was an RC drill traverse oriented north-south along 662350E from 1205450N to 1205300N to test an East –West structure.

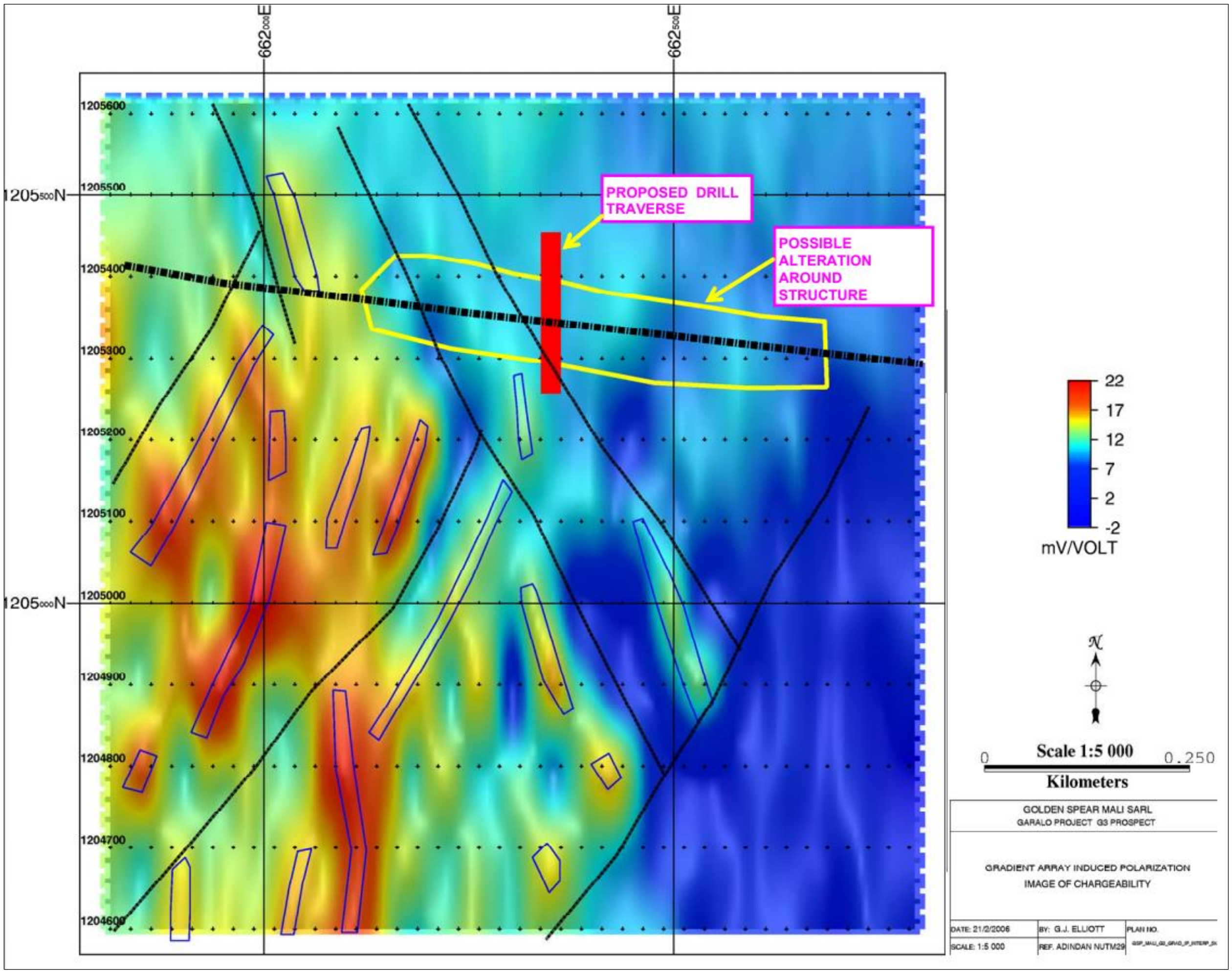


Figure 9.13: Simplified interpretation of the gradient array survey at G3 anomaly and location of the five significant chargeable and resistive trends and structural interpretations

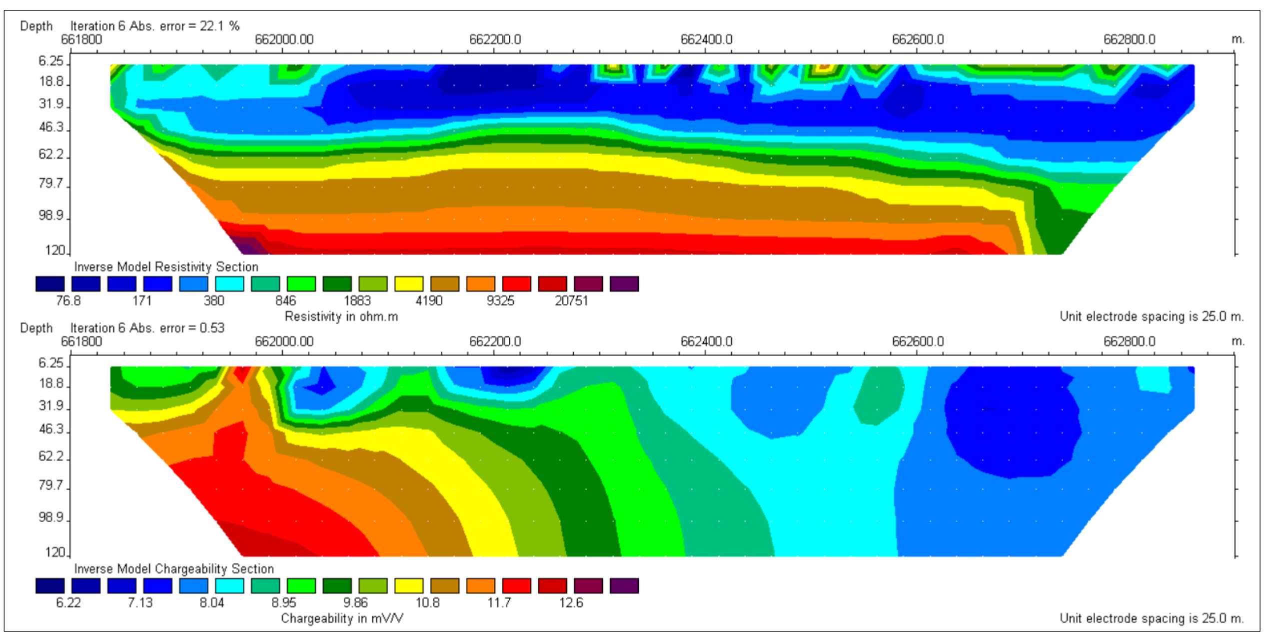


Figure 9.14: Vertical sections from the pole-dipole survey at G3 target

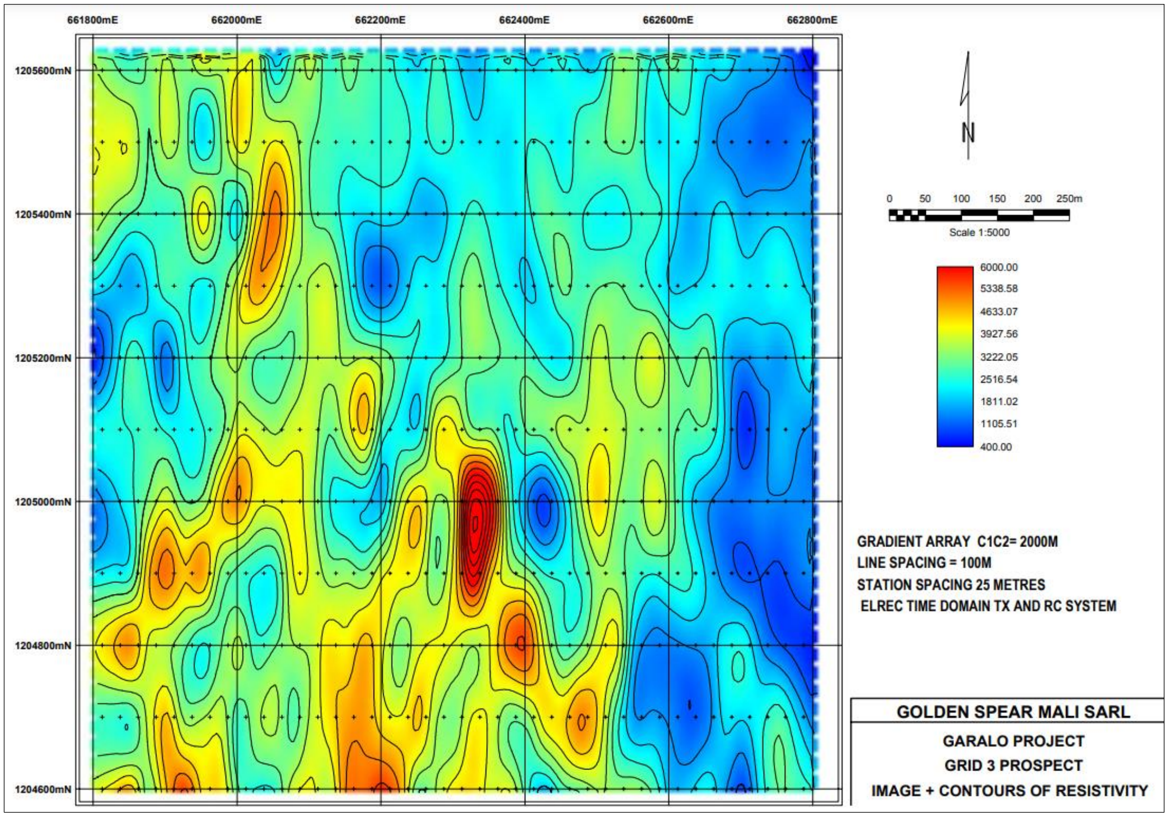


Figure 9.15: Ground Induced Polarization Geophysical Survey on Target G1A: Resistivity contours

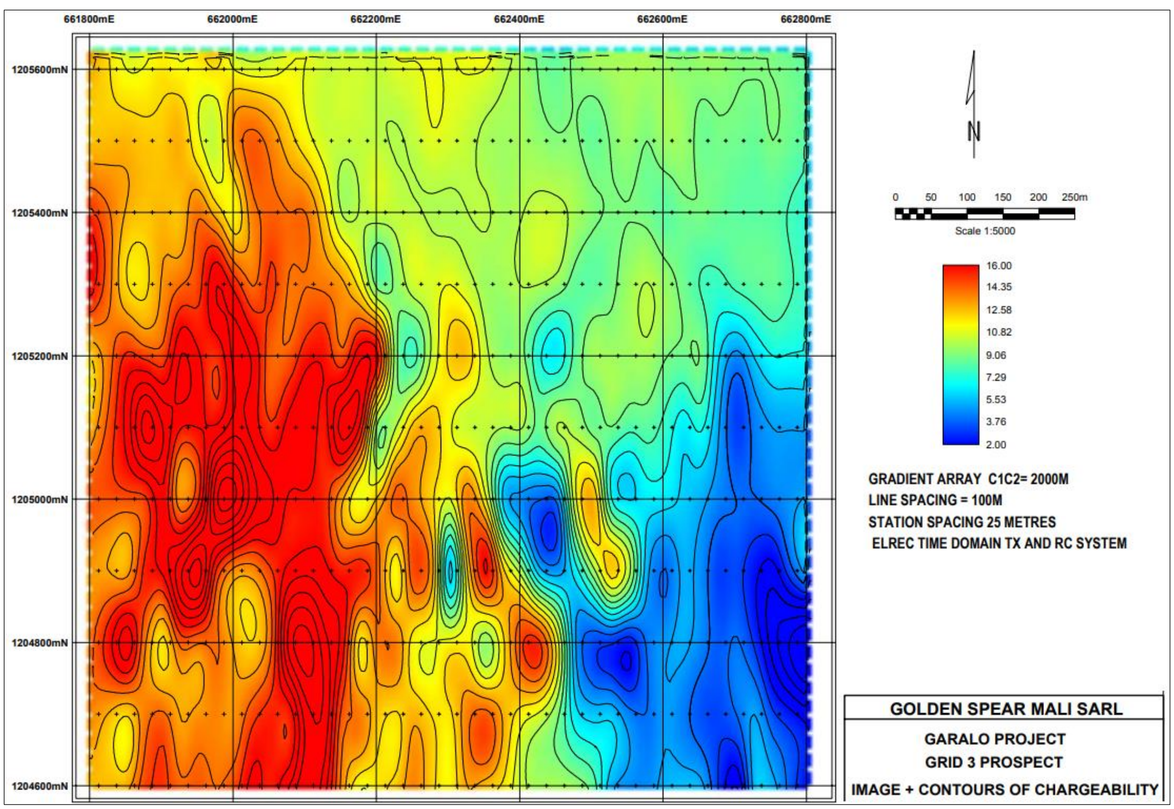


Figure 9.16: Ground Induced Polarization Geophysical Survey on Target G1A: Chargeability contours

9.3.2.5. Conclusions and Recommendations

A combination of a gradient and pole-dipole Induced Polarization lines was surveyed over gold prospects G1 and G3. The G1 mineralization appeared to be immediately adjacent to structurally controlled resistive and chargeable zones. An increase in the chargeable and resistive responses on line 1215700N was suggested as a drill target for higher-grade gold mineralization. The G3 gold mineralization was not coincident with any significant chargeable or resistive responses. There was however, an inferred east-west-trending structure that was coincident with the best gold intersection on drill traverse 1205400N. A north-south drill traverse across this structure was recommended.

The use of a variety of geophysical techniques as an aid to cost effect exploration in this area have been discussed. However, the lack of significant contrasts between the parameters of the host rock and the target prevents a simple approach with a unique solution. A combination of detailed low-level aeromagnetic and Induced Polarization techniques was recommended by Sagax.

9.4. TRENCHING PROGRAM

9.4.1. Trenching Program completed by AGEX on Target G3 in 2003

A trenching program was completed on Target G3 in order to verify the gold in saprolite content directly above selected RAB and RC boreholes. Four trenches for a total of 167 meters were excavated to expose saprolite where possible (Figure 9.17 and Table 9.2). Bottom of the trenches were systematically channel sampled in one-meter intervals and samples were submitted to ALS Chemex Laboratories in Bamako for 50g fire assay.

Project	Target	Trench ID	Easting	Northing	MAMSL	Dip	Azimuth	Length (m)
GARALO	G3	G3T1	662316	1204799	374	2	270	64
GARALO	G3	G3T2	662236	1205001	395	-15	270	44
GARALO	G3	G3T3	662274	1205196	375	3	270	39
GARALO	G3	G3T4	662544	1204999	369	0	270	21

Table 9.2: Trenching Program completed by AGEX on the Target G3 in 2003

Results from the trenching program are summarized in Table 9.3 below:

Trench ID	Length (m)	Gold Intercepts	Comments
G3A – T001	63	1m @ 1.1 g/t Au	Outcrop
G3A – T002	44	No Significant Result	Saprolite
G3A – T003	39	**37m @ 0.3 g/t Au**	Saprolite
G3A – T004	21	No Significant Result	Saprolite

Table 9.3: Garalo G3 – Best Trench Results.

The following Figure shows the trenching program completed by AGEX on Target G3 in 2003

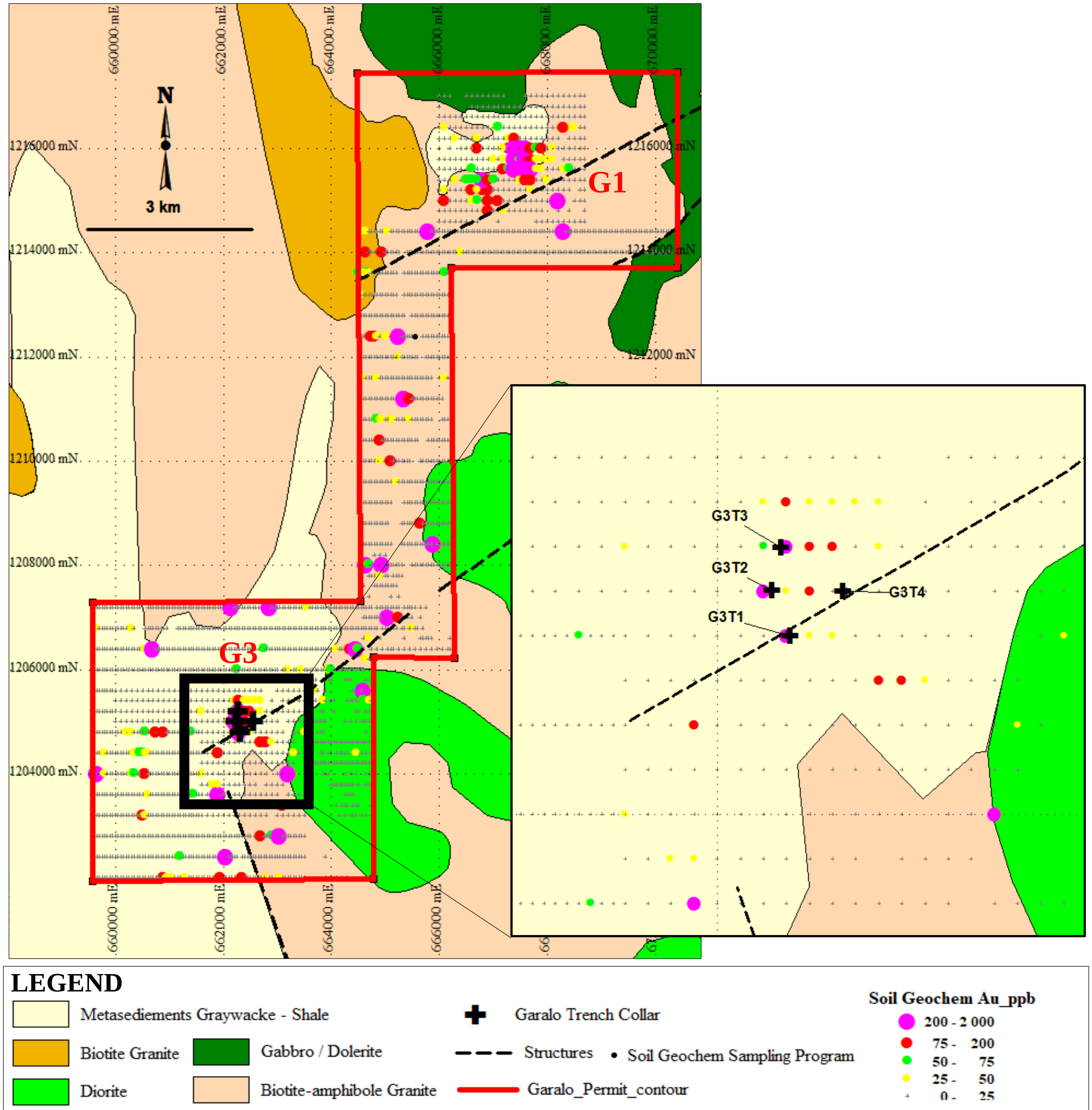


Figure 9.17: Trenching Program completed by AGEX on Target G3 in 2003

9.5. DRILLING PROGRAM

9.5.1. RAB Drilling program completed by AGEX in 2003

In 2003, AGEX, completed a RAB drilling program in the G1 and G3 anomaly zones comprising 478 holes totaling 10,296 meters on a grid pattern of 200x00m (Figure 9.18). RAB holes were vertical with depth varying between 8 to 51 meters. The objectives were to test the large gold anomaly in the G1 and G3 targets.

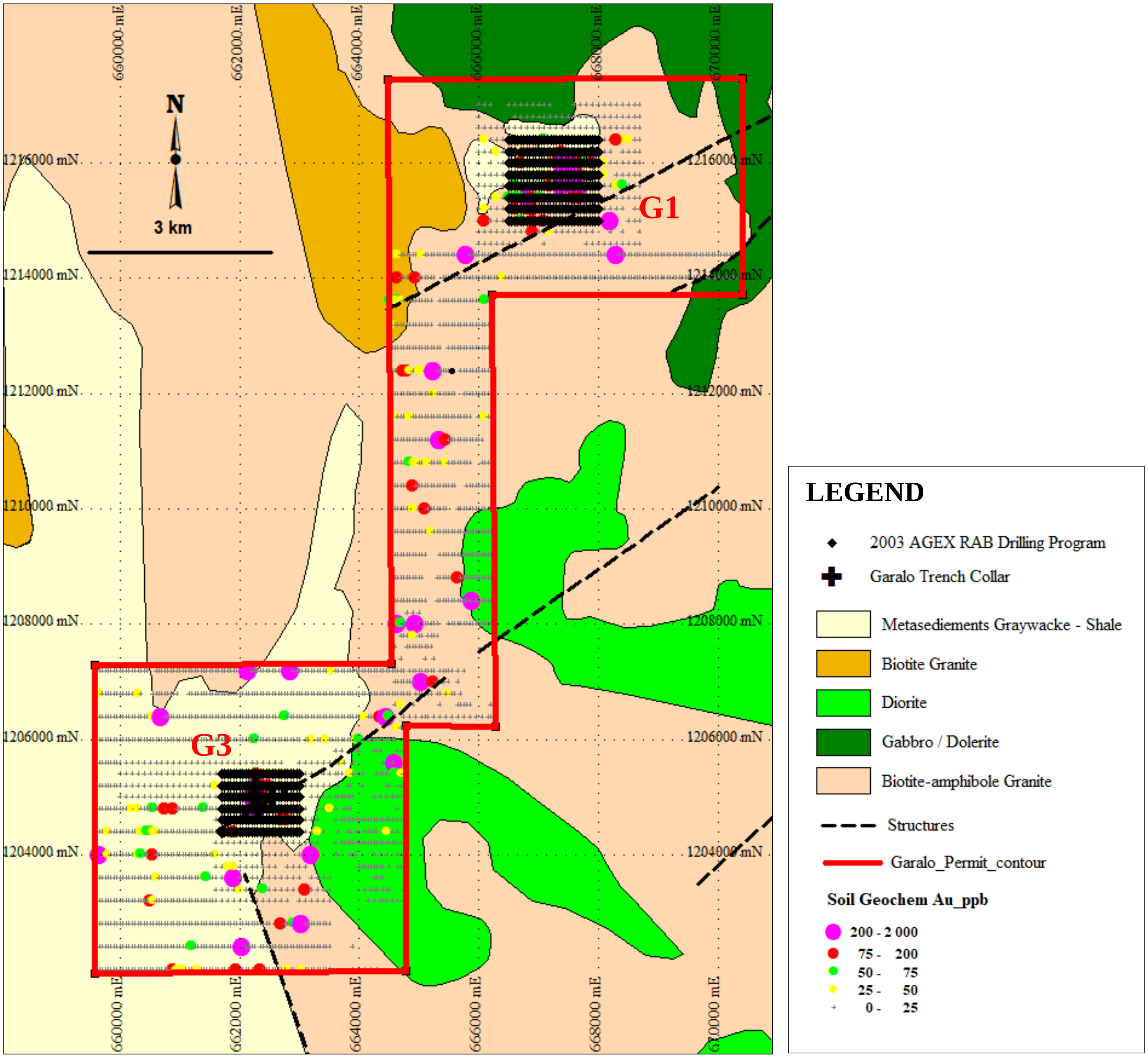


Figure 9.18: RAB Drilling program completed by AGEX in 2003 on G1 and G3 targets

The best results are illustrated in the following Table

Hole ID	From (m)	To (m)	Interval (m)	Au ppm
G1ARAB036	18	24	6	0,97
G1ARAB037	12	14	2	0,66
G1ARAB059	32	34	2	0,75
G1ARAB064	24	26	2	0,81
G1ARAB095	14	20	6	0,31
G1ARAB116	10	13	3	0,48
G1ARAB146	0	20	20	0,75
G1ARAB147	0	2	**2**	**6,13**
G1ARAB174	0	18	18	0,51
G1ARAB178	0	12	12	0,39
G1ARAB180	12	14	2	0,52
G3ARAB042	8	16	8	0,33

Hole ID	From (m)	To (m)	Interval (m)	Au ppm
G3ARAB067	8	14	6	0,55
G3ARAB120	12	17	5	0,53
G3ARAB123	8	9	1	1,35
G3ARAB148	6	12	6	0,49
G3ARAB149	12	18	6	0,64

Table 9.4: RAB Drilling program completed by AGEX in 2003 on G1 and G3 targets – Best Trench Results.

9.5.2. RC Drilling program completed by AGEX in 2003

In 2003, AGEX, completed a RC drilling program in the G1 and G3 anomaly zones comprising 39 holes totaling 3,803 meters on a grid pattern of 200x50m in the G1 and G3 target zones (Figure 9.19). The objectives were to test gold intercepts from previous RAB drilling program. Holes were inclined -60° with an azimuth of 90° (Table 9.5 and Figure 9.19). RC holes were 42 to 105 meters deep.

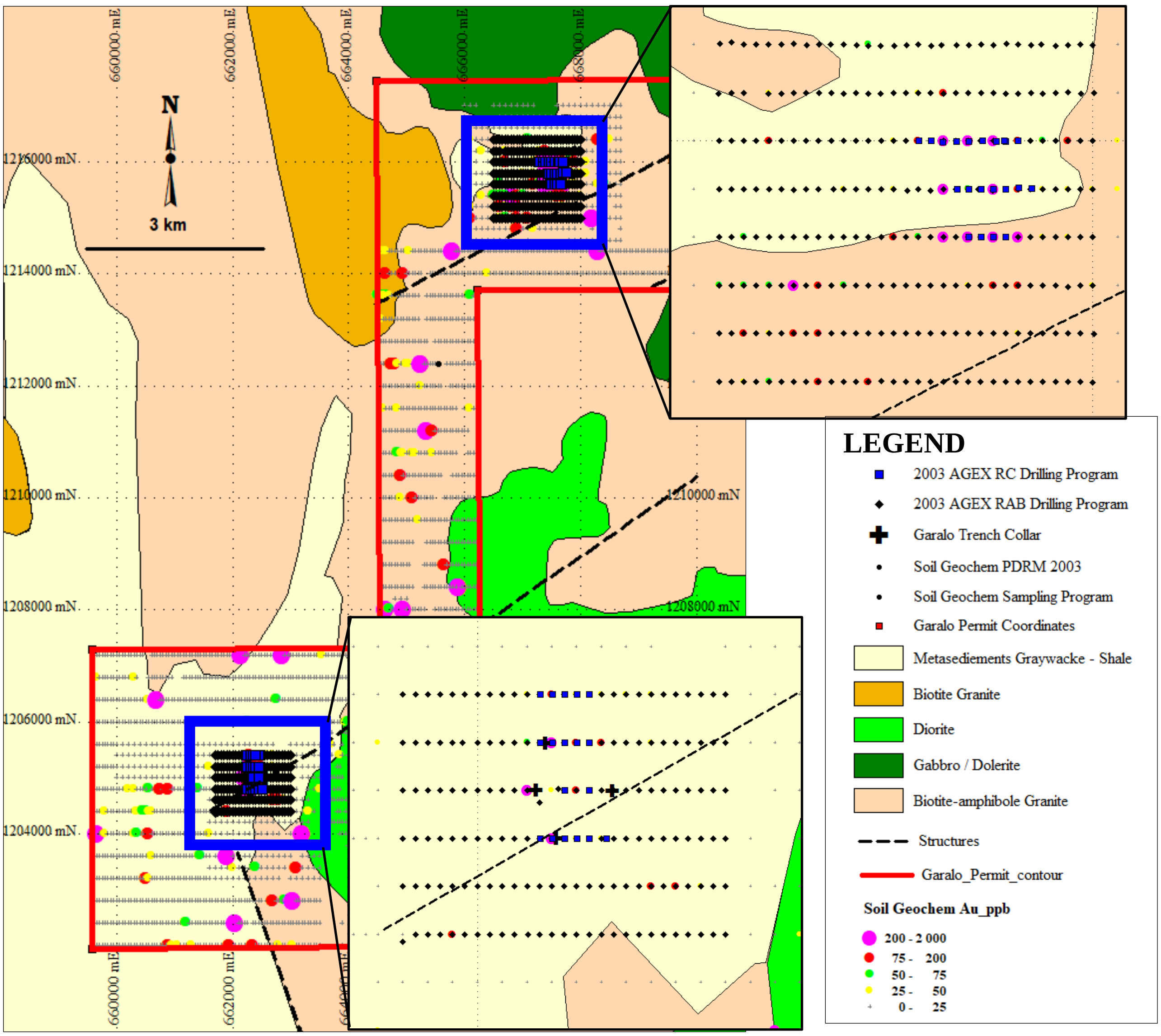


Figure 9.19: RC Drilling program completed by AGEX on the G1 and G3 targets in 2003

The following Table illustrate the technical parameters of the RC Drilling completed by AGEX in 2003

Hole ID	X-UTM	Y-UTM	RL	Depth (m)	Azimuth	Dip	Target	Date	Company
G1ARC114	667502	1215600	401	100	90	-60	G1	01/11/2003	AGEX
G1ARC115	667552	1215600	400	100	90	-60	G1	01/11/2003	AGEX
G1ARC116	667602	1215600	398	100	90	-60	G1	01/11/2003	AGEX
G1ARC117	667652	1215600	398	100	90	-60	G1	01/11/2003	AGEX
G1ARC144B	667456	1215800	411	100	90	-60	G1	01/11/2003	AGEX
G1ARC145	667502	1215800	410	105	90	-60	G1	01/11/2003	AGEX
G1ARC146	667552	1215800	410	105	90	-60	G1	01/11/2003	AGEX
G1ARC147	667602	1215800	403	105	90	-60	G1	01/11/2003	AGEX
G1ARC148	667652	1215800	400	97	90	-60	G1	01/11/2003	AGEX
G1ARC149	667703	1215805	399	100	90	-60	G1	01/11/2003	AGEX
G1ARC150	667754	1215804	398	100	90	-60	G1	01/11/2003	AGEX
G1ARC172	667302	1216000	404	100	90	-60	G1	01/11/2003	AGEX
G1ARC173	667352	1216000	409	100	90	-60	G1	01/11/2003	AGEX
G1ARC174	667399	1215996	410	100	90	-60	G1	01/11/2003	AGEX
G1ARC175	667453	1215999	403	100	90	-60	G1	01/11/2003	AGEX
G1ARC176	667504	1215997	402	100	90	-60	G1	01/11/2003	AGEX
G1ARC177	667557	1216000	402	102	90	-60	G1	01/11/2003	AGEX
G1ARC178	667612	1215998	401	102	90	-60	G1	01/11/2003	AGEX
G1ARC179	667652	1215999	400	42	88	-60	G1	01/11/2003	AGEX
G1ARC179B	667644	1216000	400	55	90	-60	G1	01/11/2003	AGEX
G1ARC180	667699	1216000	399	100	85	-60	G1	01/11/2003	AGEX
G3ARC066	662252	1204800	387	100	90	-60	G3	01/11/2003	AGEX
G3ARC067	662302	1204800	386	100	90	-60	G3	01/11/2003	AGEX
G3ARC068	662352	1204800	386	100	90	-60	G3	01/11/2003	AGEX
G3ARC069	662402	1204800	386	100	90	-60	G3	01/11/2003	AGEX
G3ARC070	662452	1204800	386	100	90	-60	G3	01/11/2003	AGEX
G3ARC071	662520	1204800	385	100	90	-60	G3	01/11/2003	AGEX
G3ARC095	662352	1205000	386	100	90	-60	G3	01/11/2003	AGEX
G3ARC097	662452	1205000	386	100	90	-60	G3	01/11/2003	AGEX
G3ARC120	662252	1205200	388	100	90	-60	G3	01/11/2003	AGEX
G3ARC121	662302	1205200	387	100	90	-60	G3	01/11/2003	AGEX
G3ARC122	662352	1205200	387	100	90	-60	G3	01/11/2003	AGEX
G3ARC123	662402	1205200	387	100	90	-60	G3	01/11/2003	AGEX
G3ARC124	662452	1205200	386	100	90	-60	G3	01/11/2003	AGEX
G3ARC147	662252	1205400	385	100	90	-60	G3	01/11/2003	AGEX
G3ARC148	662302	1205400	385	100	90	-60	G3	01/11/2003	AGEX
G3ARC149	662352	1205400	385	100	90	-60	G3	01/11/2003	AGEX
G3ARC150	662402	1205400	384	90	90	-60	G3	01/11/2003	AGEX
G3ARC151	662452	1205400	384	100	90	-60	G3	01/11/2003	AGEX

Table 9.5: Technical parameters of the RC Drill holes completed by AGEX on the G1 and G3 targets in 2003

9.5.2.1. RC Drilling program completed by AGEX on Target G1A in 2003

Thirty angled (60º) RC boreholes for a total of 2 955 meters were drilled with azimuth 090 degrees (Figure 9.19). Best results from this campaign are summarized in Table 9.6 below:

Hole No	From (m)	To (m)	Width (m)	Grade g/t	Comments
G1ARC113I	136	138	2	1.67	Metasediment associated with granitoid
G1ARC114	38	40	2	1.14	Metasediment with arsenopyrite + granitoid
G1ARC115	76	78	2	1.52	Metasediment with arsenopyrite + granitoid
G1ARC115	**86**	**90**	**4**	**1.42**	Metasediment with arsenopyrite + granitoid
G1ARC115I	48	50	2	1.91	Metasediment
G1ARC117	64	66	2	2.13	Metasediment with arsenopyrite
G1ARC144B	78	82	4	1.32	Metasediment
G1ARC145	**62**	**66**	**4**	**1.24**	Metasediment + arsenopyrite intruded by
G1ARC146	78	80	2	1.24	Metasediment + arsenopyrite intruded by
G1ARC147	18	20	2	1.36	Saprolite
G1ARC147	**82**	**86**	**4**	**1.15**	Metasediment with arsenopyrite + granitoid
G1ARC147	104	105	2	2.06	Metasediment with arsenopyrite + granitoid

Hole No	From (m)	To (m)	Width (m)	Grade g/t	Comments
G1ARC147I	12	14	2	11.55	In saprolite
G1ARC147I	**68**	**76**	**8**	**2.77**	**Greywacke + arsenopyrite intruded by Including 4m @4.87g/t**
G1ARC148	30	32	2	1.34	Metasediment + arsenopyrite intruded by
G1ARC148	**40**	**50**	**10**	**6.14**	**Metasediment + arsenopyrite intruded by Including 2m @ 26.9g/t**
G1ARC148	48	50	2	1.38	Metasediment
G1ARC172	4	6	2	1.29	In saprolite
G1ARC172	16	18	2	1.54	In saprolite
G1ARC172	**82**	**88**	**6**	**1.75**	**Metasediment + arsenopyrite intruded by**
G1ARC173	**8**	**12**	**4**	**2.85**	In saprolite
G1ARC175	60	62	2	1.37	Metasediment + arsenopyrite intruded by granite
G1ARC176	24	26	2	1.75	Saprolite
G1ARC178	0	2	2	35.1	Saprolite associated with quartz
G1ARC178	6	8	2	1.07	Saprolite
G1ARC179	32	34	2	1.98	Metasediment + arsenopyrite intruded by granite
G1ARC179B	42	44	2	1.95	Metasediment + arsenopyrite intruded by granite

Table 9.6: RC Drill Program on Garalo G1A: Best Results Highlights

The following Figure shows the location of the RC drill holes and the best gold intercepts

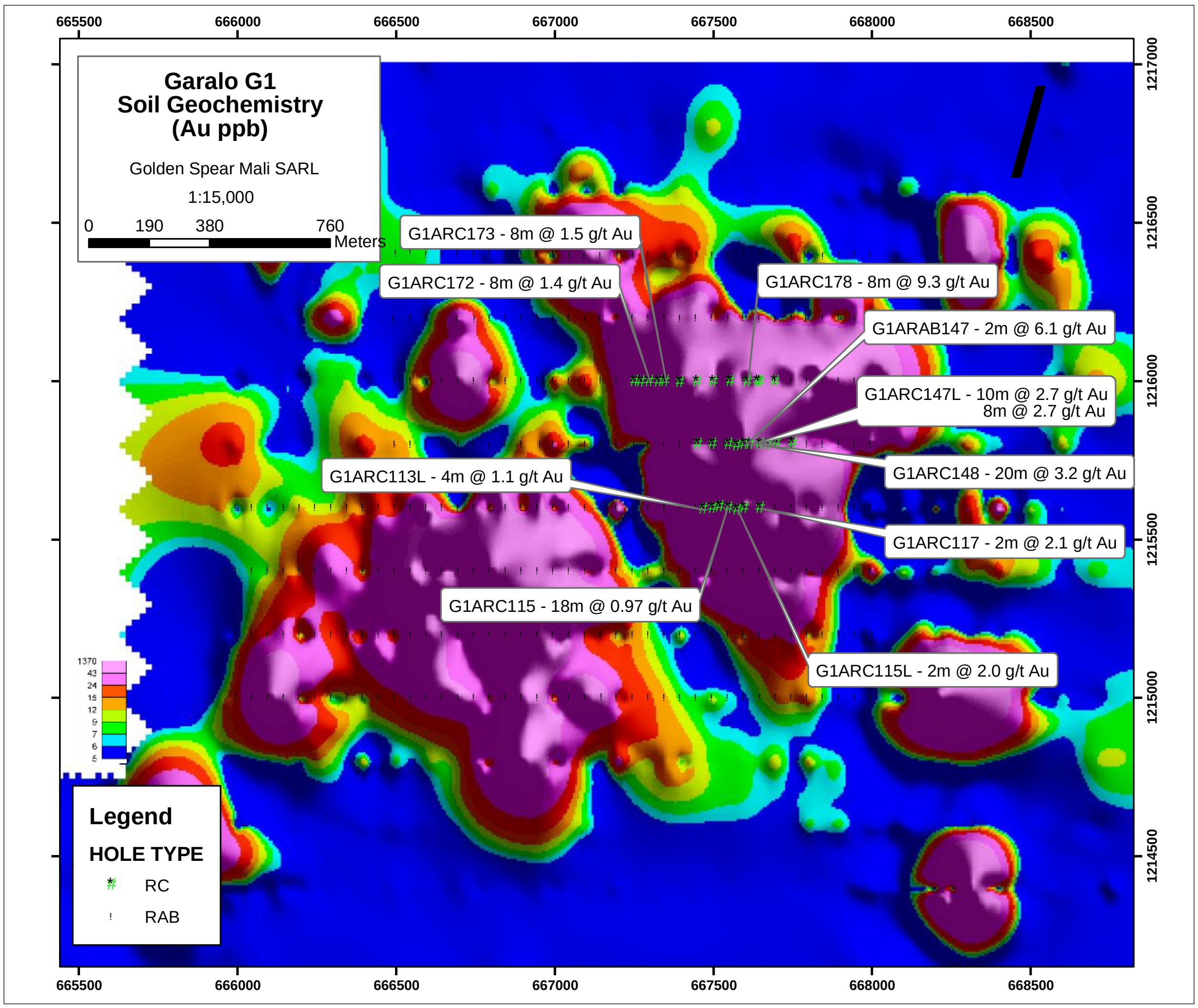


Figure 9.20: Location of the RC drill holes and the best gold intercepts on the G1 Target in 2003

9.5.2.2. RC Drilling program completed by AGEX on Target G3A in 2003

Eighteen angled (60^0) RC boreholes for a total of 1 790 meters were drilled in four fences with azimuth 090 degrees (Figure 6.21). Best results from this campaign are summarized in Table 9.7 below:

Hole No	From m	To m	Width m	Grade g/t	Comments
G3ARC120	96	98	2	2.11	In metasediment
G3ARC147	30	34	4	1.34	In saprolite associated with quartz vein
G3ARC148	28	30	2	1.45	In saprolite
G3ARC148	60	62	2	1.48	In metasediment

Table 9.7: RC Drill Program on Garalo G3A: Best Results Highlights

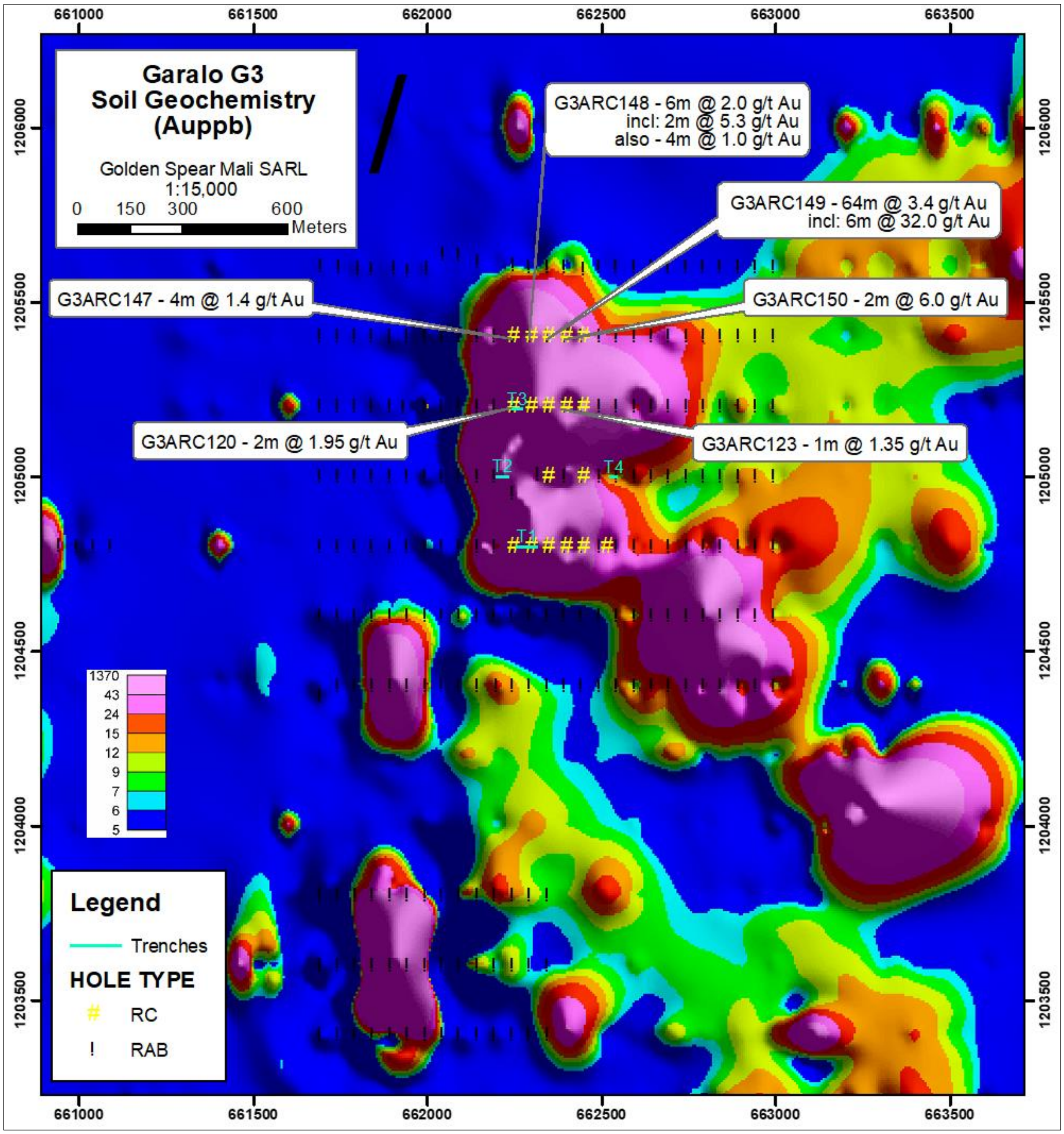


Figure 9.21: Location of the RC drill holes and the best gold intercepts on the G1 Target in 2003

9.5.3. RC Drilling program completed by AGEX in 2004

In 2004, following results of the RAB and RC drilling results of the 2003 program, AGEX completed a RC drilling program focused on G1 target. The RC program comprised 9 holes totaling 942 meters on a grid pattern of 200x50m (Figure 9.22). The objectives were to test the deep extension of the gold mineralization from previous RC drilling programs.

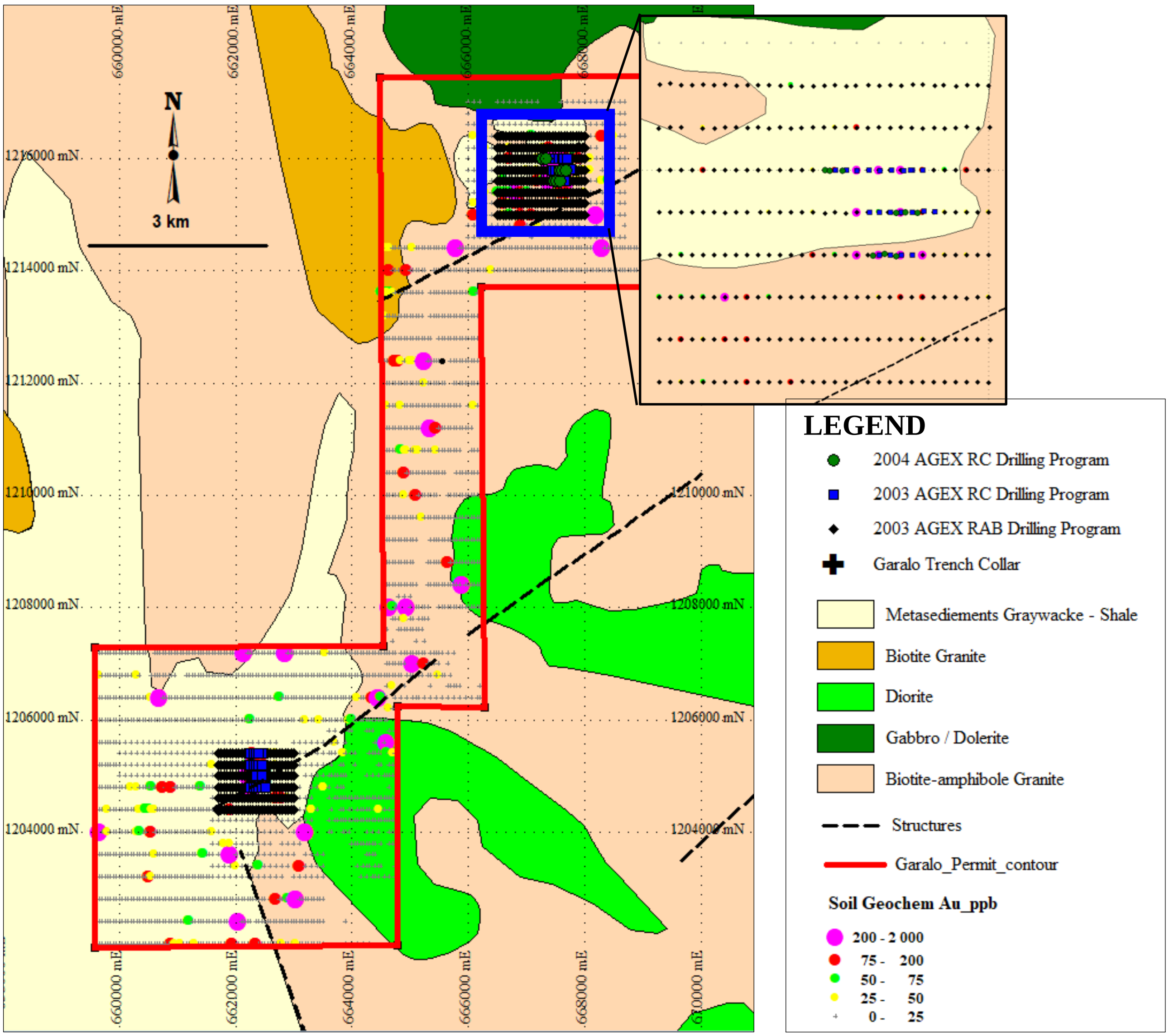


Figure 9.22: RC Drilling program completed by AGEX in G1 Target in 2004

The following table illustrate the technical parameters of the RC Drilling completed by AGEX in 2004

Hole ID	X-UTM	Y-UTM	RL	Depth (m)	Azimuth	Dip	Target	Date	Company
G1ARC113I	667473	1215596	402	150	90	-60	G1	21/06/2004	AGEX
G1ARC114I	667524	1215604	394	130	90	-60	G1	19/06/2004	AGEX
G1ARC115I	667579	1215594	402	70	90	-60	G1	19/06/2004	AGEX

Hole ID	X-UTM	Y-UTM	RL	Depth (m)	Azimuth	Dip	Target	Date	Company
G1ARC146I	667578	1215797	405	150	90	-60	G1	23/06/2004	AGEX
G1ARC147I	667620	1215801	402	90	90	-60	G1	22/06/2004	AGEX
G1ARC148I	667676	1215799	403	30	90	-60	G1	15/06/2004	AGEX
G1ARC171	667255	1216000	402	120	90	-60	G1	26/06/2004	AGEX
G1ARC171I	667275	1215998	406	132	90	-60	G1	24/06/2004	AGEX
G1ARC172I	667332	1215998	405	70	90	-60	G1	15/06/2004	AGEX

Table 9.8: Technical parameters of the RC Drill Holes completed by AGEX on G1 Target in 2004

Best results from this RC Drilling campaign are summarized in Table 9.7 below

Hole ID	From (m)	To (m)	Interval (m)	Au ppm
G1ARC113I	136	140	4	1,15
G1ARC115I	48	50	2	1,96
G1ARC147I	0	18	**18**	**1,69**
G1ARC147I	68	76	**8**	**2,70**
G1ARC148I	12	22	10	0,39
G1ARC172I	50	56	6	0,32

Table 9.9: RC Drill Holes completed by AGEX on G1 Target in 2004: Best Results

9.5.4. RAB Drilling program completed by AGEX in 2004

In 2004, AGEX completed a RAB drilling program focused on others clusters of gold anomaly zones within the Garalo permit (Figure 9.23). The program comprised 397 RAB holes totaling 10,432 meters on a grid pattern of 200x50m (Figure 9.23). RAB Holes were vertical with depth varying between 4 to 49 meters

Best results from this RAB Drilling campaign are summarized in Table 9.10 below

Hole ID	From (m)	To (m)	Interval (m)	Au ppm
G1BRAB004	18	24	6	1,74
G1BRAB035	26	28	2	1,17
G1BRAB037	24	26	**2**	**2,51**

Table 9.10: RAB Drilling program completed by AGEX in 2004: Best Results

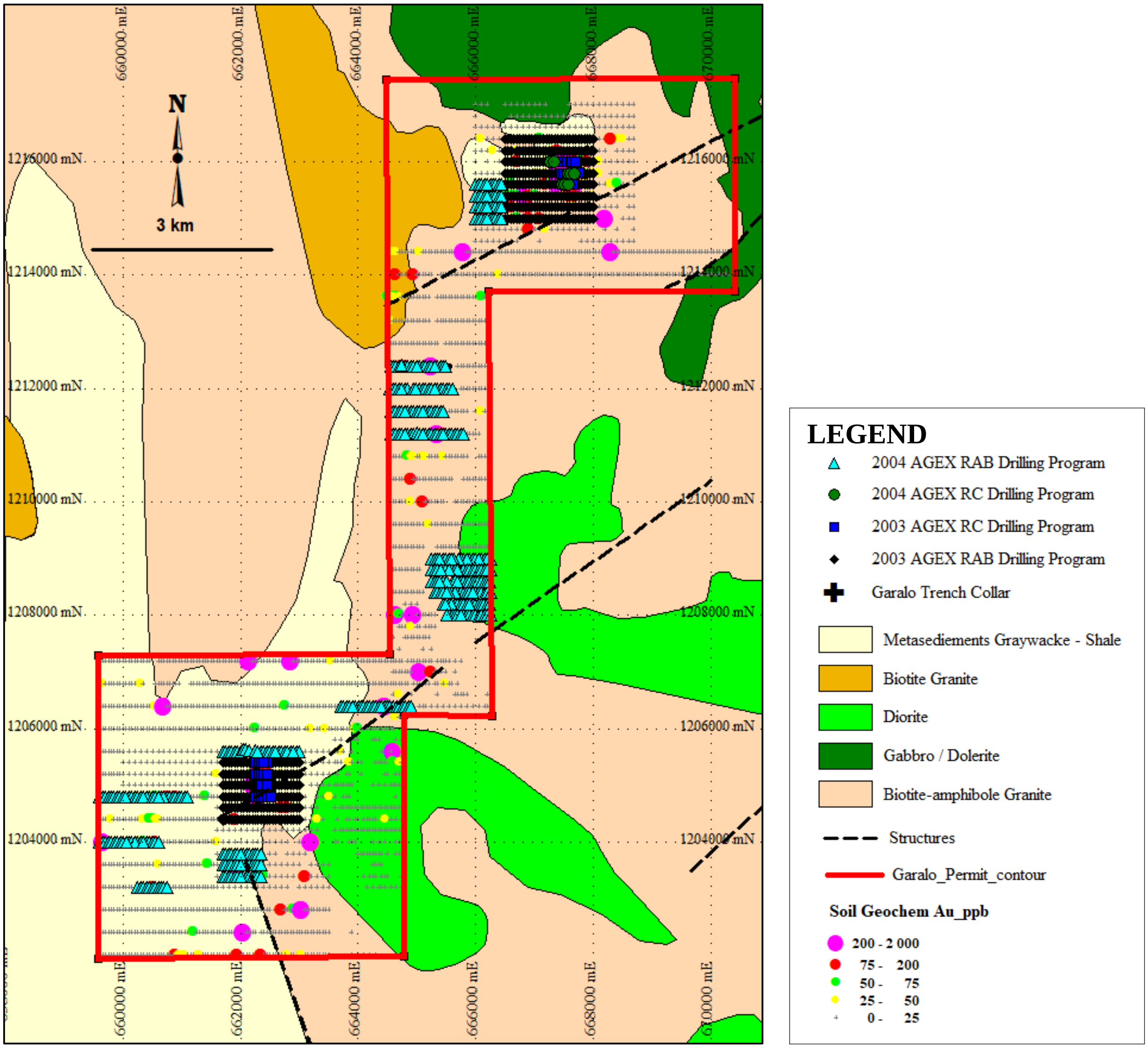


Figure 9.23: RAB Drilling program completed by AGEX in 2004 (in bleu triangle)

9.5.5. Diamond Drilling program completed by GSM in 2006

In 2006, GSM completed a DD drilling program focused on G1 and G3 anomaly zones. The drilling program comprised 6 holes totaling 1420 meters (Figure 9.24). The objectives were to test the deep extension of the gold mineralization from previous RC drilling program. Holes were inclined -50° with an azimuth of 270°. DD holes were 180 to 300 meters deep (Figure 9.24 and Table 9.11)

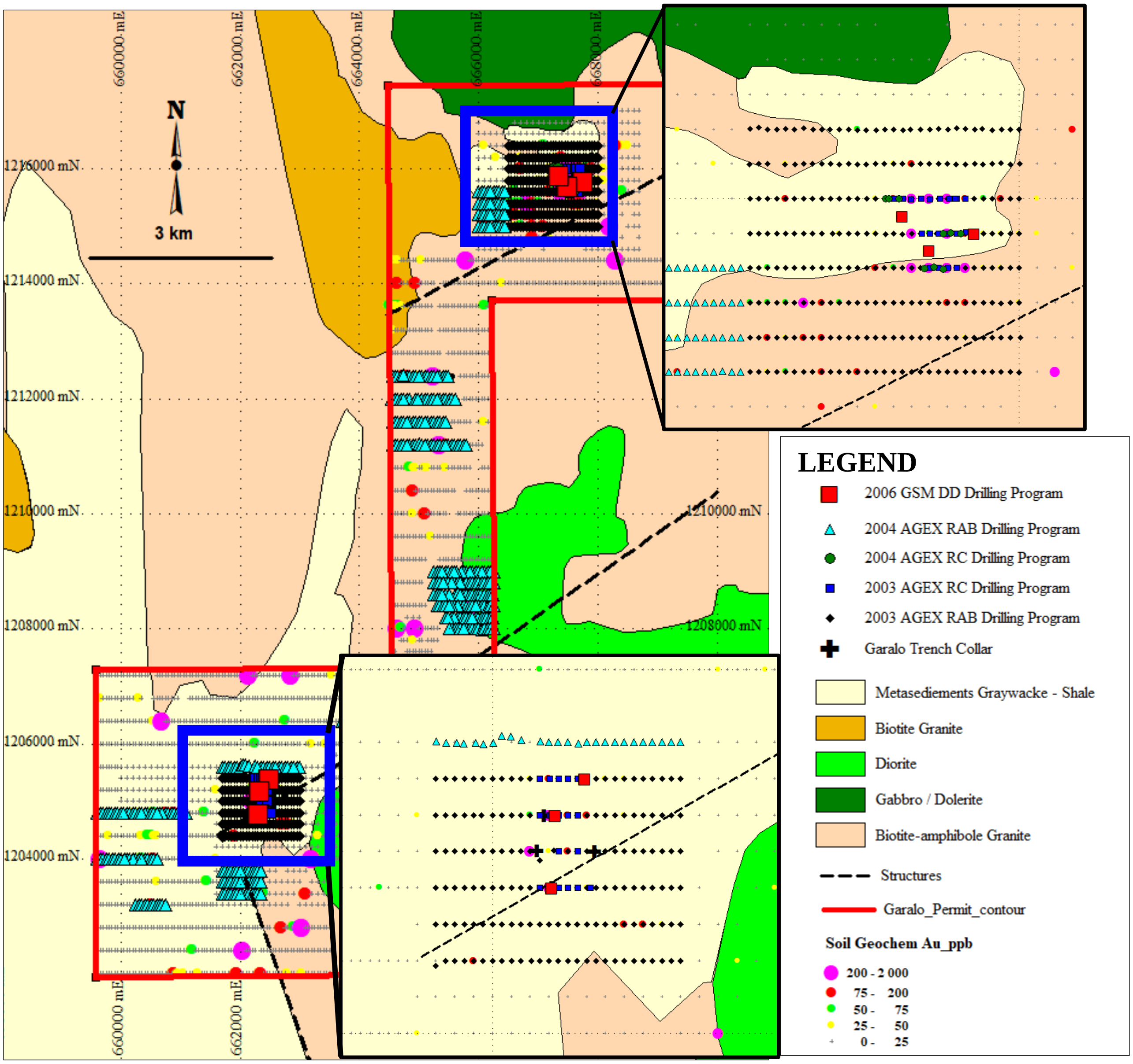


Figure 9.24: Diamond Drilling program completed by GSM on the G1 and G3 targets in 2006

The following Table illustrate the technical parameters of the diamond drilling program completed by GSM in 2006

Hole ID	X-UTM	Y-UTM	RL	Depth (m)	Azimuth	Dip	Target	Date	Company
G1AD001	667750	1215800	390	258,75	270	-50	G1A	10-2006	GSM
G1AD002	667500	1215700	390	300,78	270	-50	G1A	10-2006	GSM
G1AD003	667350	1215900	390	200,91	270	-50	G1A	10-2006	GSM
G3AD001	662490	1205400	390	270,89	270	-50	G3A	10-2006	GSM
G3AD002	662335	1205200	390	180,12	270	-50	G3A	10-2006	GSM
G3AD003	662315	1204800	390	207,99	270	-50	G3A	10-2006	GSM

Table 9.11: Technical parameters of the DD Drill Holes completed by GSM on the G1 and G3 targets in 2006

9.5.5.1. Diamond Drilling program completed by GSM on G3A Target in 2006

Three diamond boreholes for a total of 657 meters were completed on the G3 target area (Table 9.11). All boreholes were collared at azimuth 270º and inclination of -50º before being pre-collared by means of Reverse Circulation drilling to the oxidation front, where after the boreholes were completed by NQ2 diamond coring. Single shot down-hole surveys were conducted every 60m upwards from the end of hole. The core was marked up in one-meter intervals after which certain sections were orientated to assist in detailed structural and lithological logging. The NQ core was successfully orientated from 50m to 270m below collar.

Sampling at one-meter intervals commenced after splitting of the core by means of an electric core saw. The remaining RC chips and half of the diamond core are safely stored at the regional camp in Garalo. 5% Standard samples were inserted into every batch before submission to ALS Chemex (ABILABS) Laboratory in Bamako for fire assay on a 50g charge.

G3A D001 was collared at UTM coordinate 662490 / 1205400 with azimuth 270º and inclination -50º (Table 9.11 and Figure 9.26). The borehole intersected what is interpreted as sheared meta-volcanic, displaying high muscovite and/or biotite alteration with lesser amounts of chloritization, carbonatization and sporadic silicification. Preliminary structural measurements from the orientated core show this zone of shearing (50m to 250m) to be sub-vertical and striking west-southwest. A zone of elevated silicification including two quartz-feldspar veins (40cm and 80cm) was encountered from 129 to 135m below collar. This zone is moderately mineralized with pyrite, pyrrhotite and lesser amounts of arsenopyrite. A steeply eastward dip and south-southwest strike was tentatively assigned to this vein system. Sporadic narrow quartz-feldspar veins with associated wall rock mineralization were intersected up to termination of the borehole at 270m below collar. Gold assays returned 4m @ 1.44 g/t Au from 159m down hole (Table 9.12).

G3A D002 was collared at UTM coordinate 662335 / 1205200 (200m southwest of G3A D001) with azimuth 270º and inclination -50º (Table 9.11 and Figure 9.26). This borehole intersected the same lithologies as in G3A D001, but displayed very little shearing and alteration. A few quartz-feldspar veins with associated mineralization were intersected in the transition zone (oxides to sulphides) but most potential sulphides mineralization are oxidized and thus not clearly visible. The borehole was terminated at 180m below collar and the core was successfully orientation from 45m to 180m below collar. Gold assays returned 2m @ 1.44 g/t Au from 73m and also 1m @ 1.19 g/t Au from 147m down hole.

G3A D003 was collared at UTM coordinate 662315 / 1204800 with azimuth 2700 and inclination -500 (Fi Table 9.11 and Figure 9.27). The borehole intersected a 30m well mineralized shear zone bounded by two narrow zones of intense deformation / faulting, striking north-south. Sulphide mineralization in this zone consists mainly of pyrite, pyrrhotite and minor arsenopyrite. Lithologies intersected in G3AD003 include meta-greywacke, quartzite and a fine grained sulphidic sedimentary unit. The borehole was terminated at 207m below collar and the NQ core was successfully orientated to the end of the borehole.

Best results from this DD Drilling campaign in G3 are summarized in Table 9.12 and in Figure 9.25 below

Hole ID	From (m)	To (m)	Interval (m)	Au ppm	Comments
G3AD001	159	163	4	1,44	

Hole ID	From (m)	To (m)	Interval (m)	Au ppm	Comments
G3AD002	**73**	**75**	**2**	**1,44**	
G3AD002	**161**	**162**	**1**	**1,19**	
G3AD003	120	125	5	0,55	
G3AD003	144	146	2	0,50	
G3AD003	160	163	3	0,65	

Table 9.12: DD Drill Program on Garalo G3A: Best Results Highlights

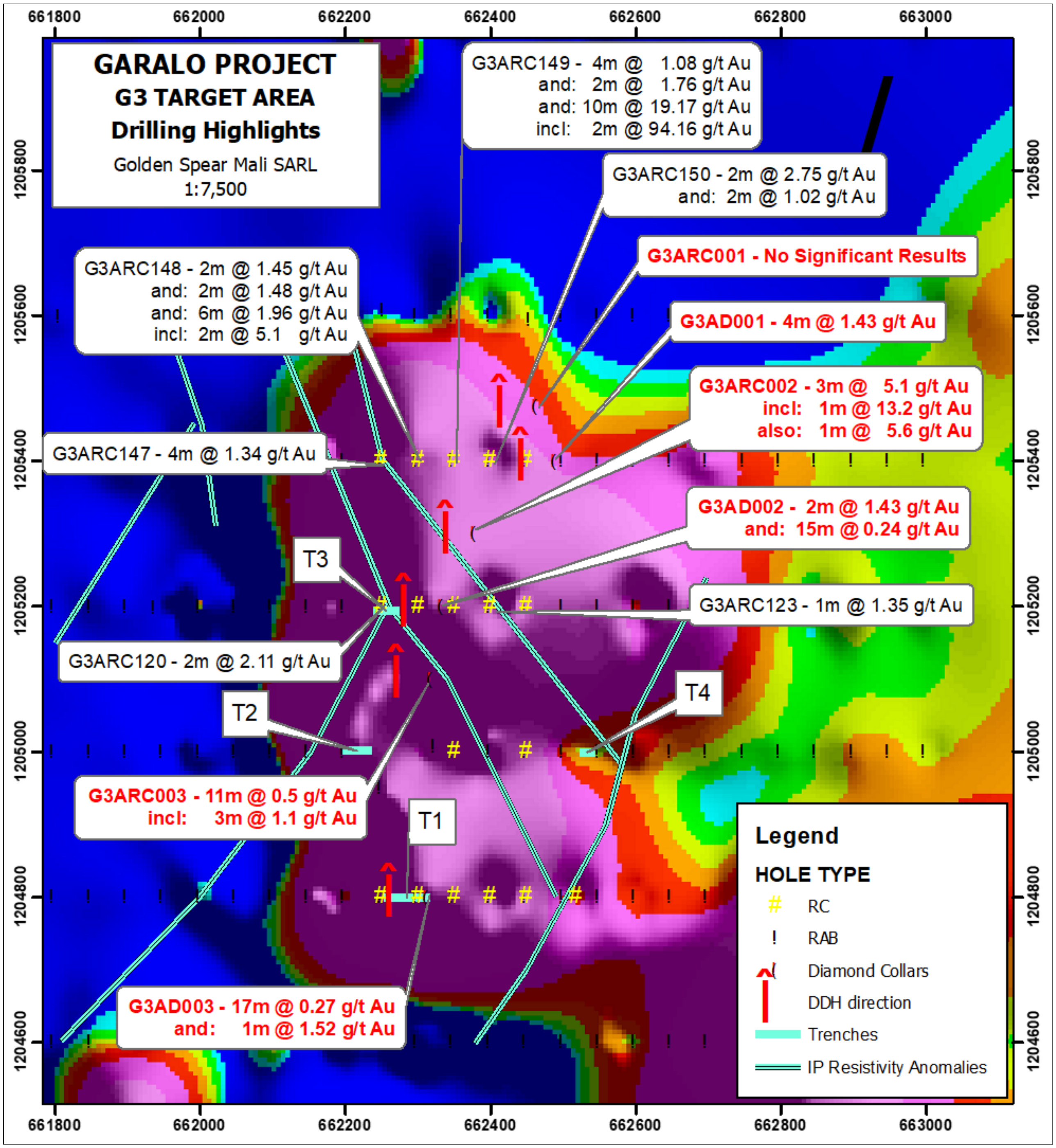


Figure 9.25: Drill Program on Garalo G3A: Best Results Highlights

Lithologies intersected included metagraywacke and quartzites, intruded by granodiorite in a “stockwork” configuration. Mineralisation in the form of disseminated arsenopyrite was observed in all lithologies with very little isolated pyrite and pyrrhotite. Gold mineralization is directly associated with the intensity of arsenopyrite mineralization. Best intersections correspond with a drastic increase of up to 2% arsenopyrite content in the form of disseminated crystals and concentrations along quartz “stockwork” veining.

The drill program successfully evaluated proposed targets on the G3A area. Results from the AGEX drilling above G3AD003 were however seen as a reason for concern. Preliminary interpretations were proving the G3A target area to be falling short of GSM’s economic parameters.

Structural features observed in the drill core (veins, fractures, contacts etc.) display a wide range of orientations which at this stage leads to a “stockwork” model for mineralization associated with the intrusion of the granodiorite into the metasedimentary sequence. Continuation of the gold mineralization along strike and down dip was expected to be very erratic in terms of grade and width and would warrant intensive evaluation in terms of drill spacing.

Positive aspects of this target area were highlighted by economic gold mineralization identified to date and the continuation of the IP anomaly across the entire 1000 meters of the surveyed area (open ended).

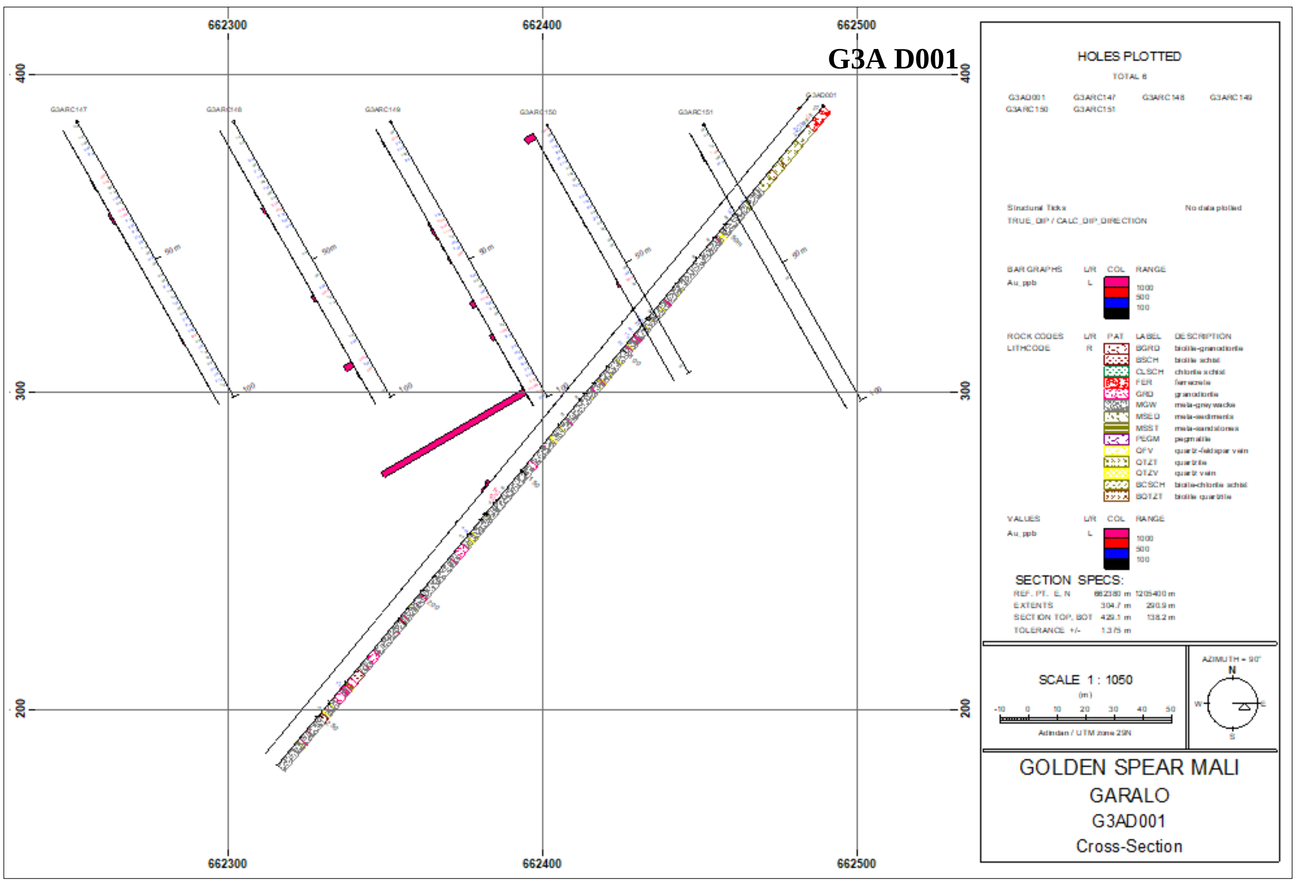


Figure 9.26: Geological cross-section over DD drill G3DD001 at G3 Target

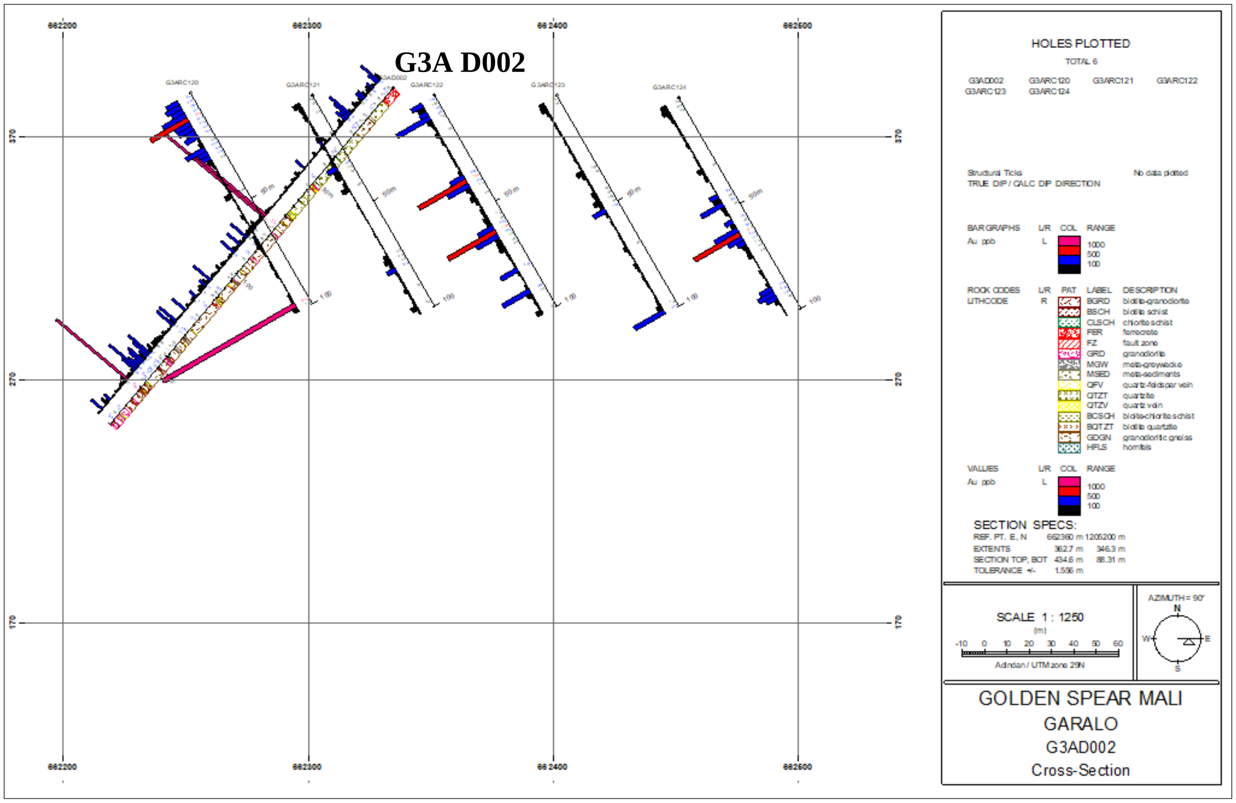


Figure 9.27: Geological cross-section over DD drill G3DD002 at G3 target

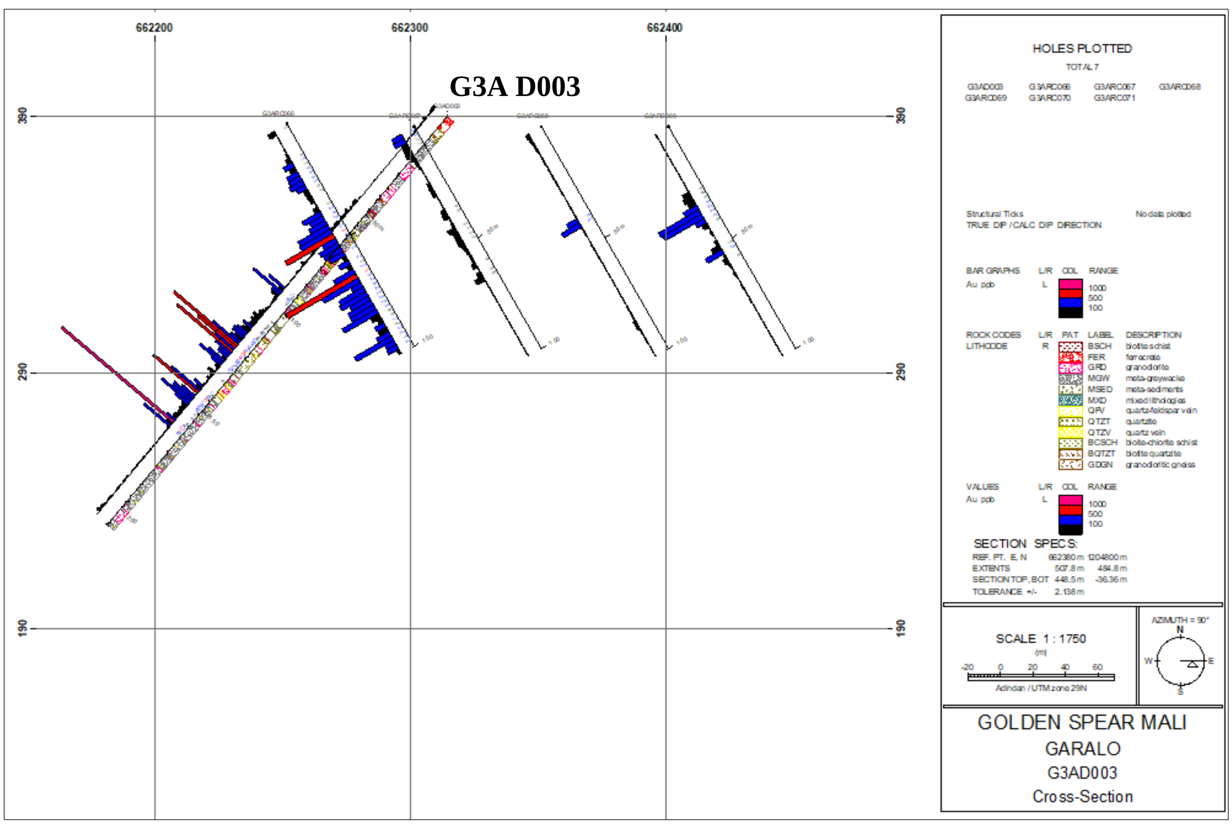


Figure 9.28: Geological cross-section over DD drill G3DD003 at G3 target

9.5.5.2. Diamond Drilling program completed by GSM on G1A Target in 2006

Three diamond boreholes for a total of 657 m were completed on the G1 target area (Figure 9.24 and Table 9.11). Holes were collared at azimuth 090^0 or 270^0 and inclination of -50^0 before being pre-collared by means of RC drilling to the oxidation front, where after the boreholes were completed by NQ2 diamond coring. Single shot down-hole surveys were conducted every 60 meters upwards from the end of hole.

The core was marked up in one-meter intervals after which certain sections were orientated to assist in detailed structural and lithological logging. Sampling at one-meter intervals commenced after splitting of the core by means of an electric core saw. The remaining RC chips and half of the diamond core were safely stored at the regional camp in Garalo.5% Standard samples were inserted into every batch before submission to ALS Chemex (ABILABS) Laboratory in Bamako for fire assay on a 50g charge.

Best results from this DD Drilling campaign in G1 are summarized in Table 9.13 and in Figure 9.25 below

Num	Hold ID	From (m)	To (m)	Interval (m)	Au ppm	Comments
1	G1AD001	120	123	3	1,13	
2		126	127	**1**	**3,50**	
3		156	158	2	0,48	
4		200	201	**1**	**6,22**	
5		204	206	2	0,44	
6		250	252	2	1,52	
7	G1AD002	44	48	4	0,62	
8		92	94	2	0,67	
9	G1AD003	57	59	**2**	**10,35**	
10		64	65	**1**	**43,00**	
11		151	167	**16**	**1,24**	including 1m@7g/t

Table 9.13: DD Drill Program on Garalo G1A: Best Results Highlights

G1A D001 was collared at UTM coordinate 667750 / 1215800 with azimuth 270^0 and inclination -50^0 (Figure 9.24 and Table 9.11). The borehole intersected highly silicified meta-greywacke, quartzite and minor biotite schist. These lithologies were intruded by a granodioritic stockwork which appear to have influenced the deposition of pervasive, disseminated arsenopyrite with minor pyrrhotite, pyrite and chalcopyrite. The main mineralized zone was encountered between 90m and 160m, which proves a basically vertical orebody. Smaller, sporadic mineralization was intersected down-hole before it was terminated at 258m below surface.

The NQ core was successfully orientated from 55m to 258m below collar. Structural logging proved the immediate environment to be affected by a zone of vertical shearing trending 290 – 310^0. The granodioritic seem to strike NS with varying dips, while the mineralization is tentatively interpreted to be associated with this intrusive event although it occurs mainly in the meta-greywacke and quartzite.

Gold assays returned 3m@1,13g/t from 120m, 1m@3,50 g/t from 126m, 1m@6,22 g/t from 201m and 2m@1,52g/t from 250m (Table 9.13).

G1A D002 was collared at UTM coordinate 667500 / 1215700 (100m south of G1A D001) with azimuth 090^0 and inclination -50^0 (Figure 9.24 and Table 9.11). This borehole intersected the same lithologies as G1A D001, but is dominated by intense biotite alteration (and less silicification) which resulted in the majority of the borehole being logged as biotite schist. Mineralization is less visible and the hole was terminated at 300m below collar following the intersection of a wide granodioritic intrusive in most of the last 100m of the borehole. The NQ core was successfully orientated from 31 to 300m and the structural logging was completed.

Gold assays returned 4m @ 0,62 g/t Au from 44m down hole (Table 9.13).

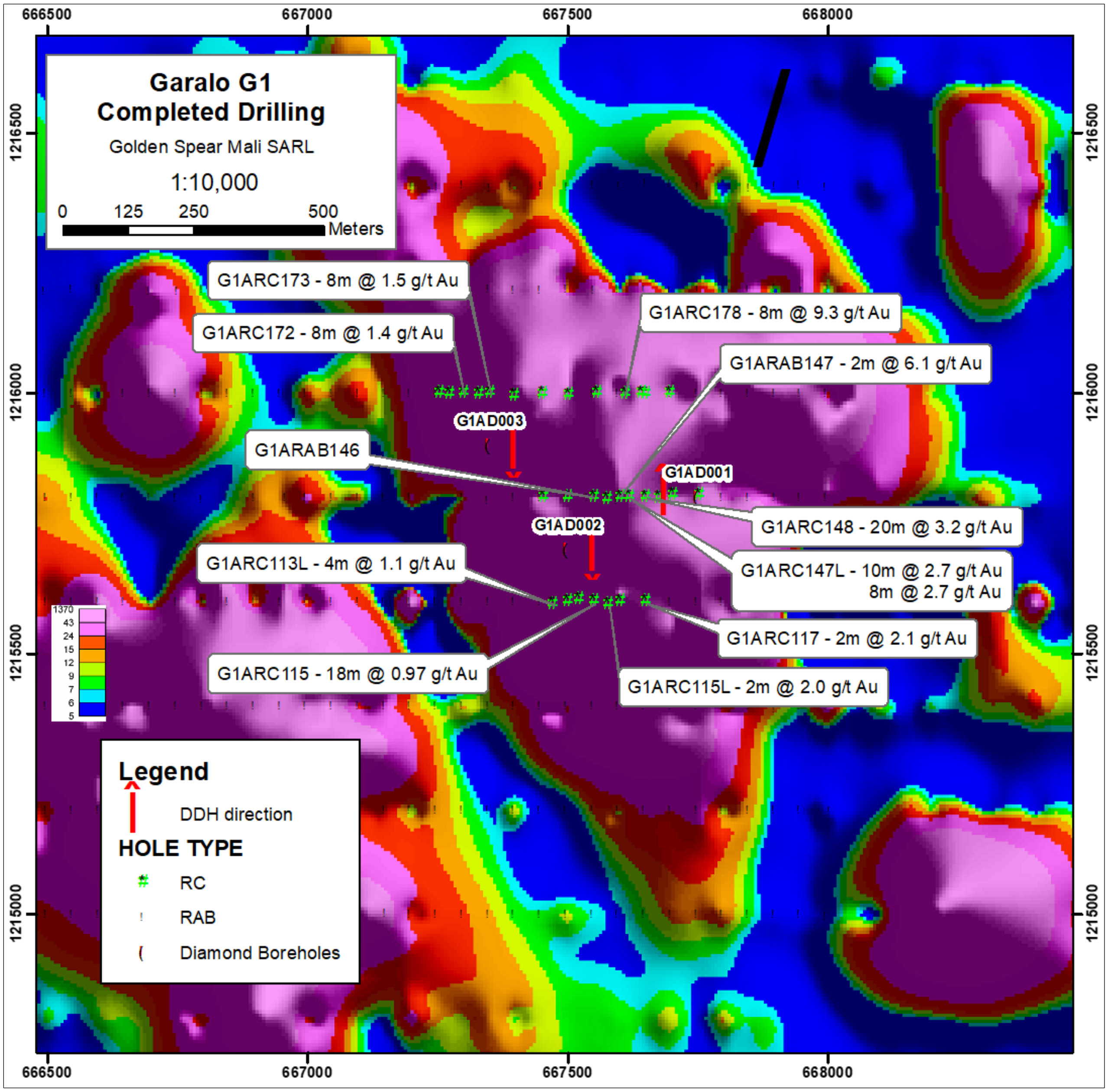


Figure 9.29: Best gold intercepts from G1 targets

G1A D003 G3A D003 was collared at UTM coordinate 662315 / 1204800 with azimuth 270º and inclination -50º (Figure 18). The borehole intersected a 30m well mineralized shear zone bounded by two narrow zones of intense deformation / faulting, striking north-south. Sulphide mineralization in this zone consists mainly of pyrite, pyrrhotite and minor arsenopyrite. Lithologies intersected in G3AD003 include meta-greywacke, quartzite and a fine grained sulphidic sedimentary unit. The borehole was terminated at 207m below collar and the NQ core was successfully orientated to the end of the borehole.

Gold assays returned 2m@10,35g/t from 57m, 1m@43,00g/t from 64m and 16m@1,24g/t from 151m (Table 13)

Lithologies from G1AD001 were repeated with high associated silicification. Pervasive, disseminated arsenopyrite (with minor pyrrhotite, pyrite and chalcopyrite) was intersected from the start of NQ coring at 31m to about 120m before the termination of the borehole at 200m below collar. The NQ core was successfully orientated from 31 to 200m and the structural logging was completed.

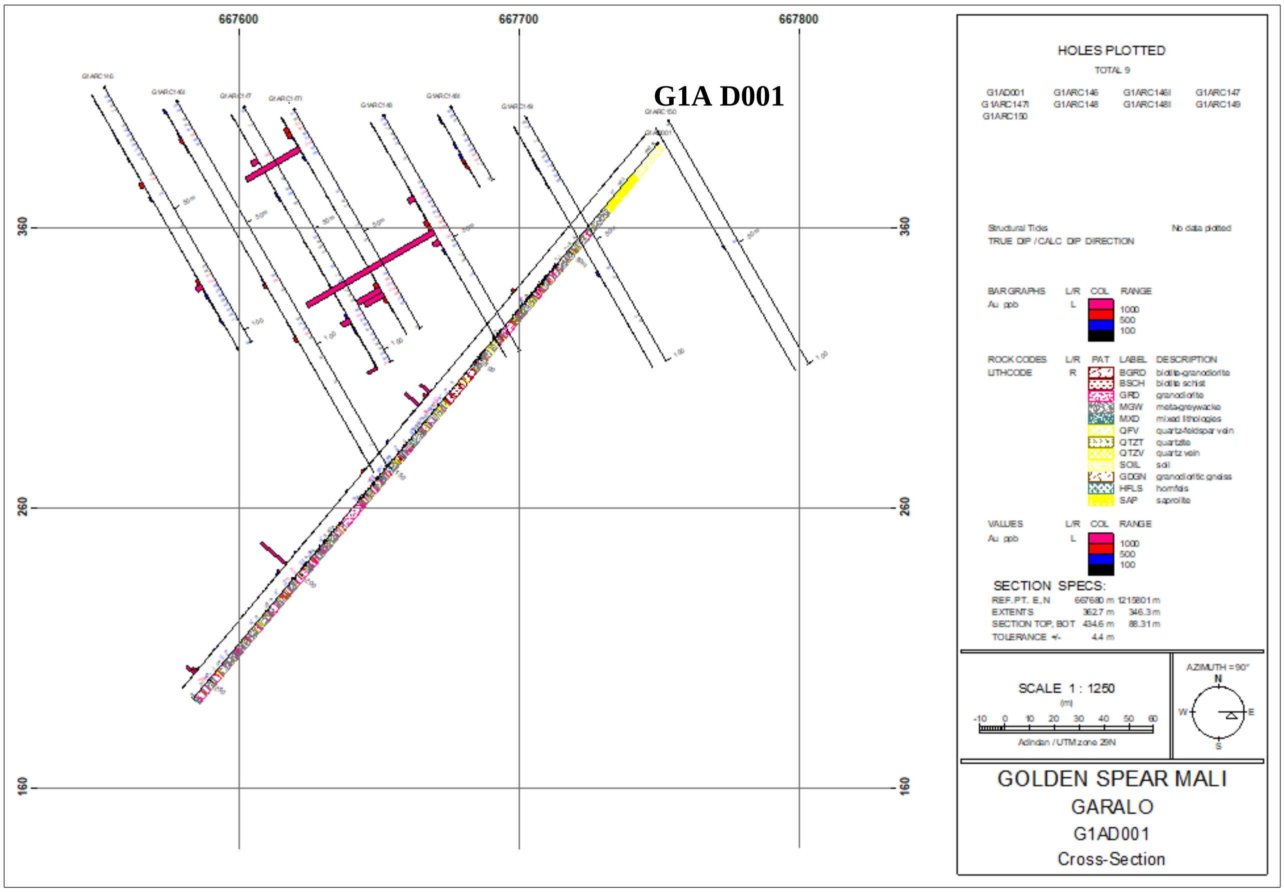


Figure 9.30a: Geological cross-section over DD drill G3DD001 at G1 target

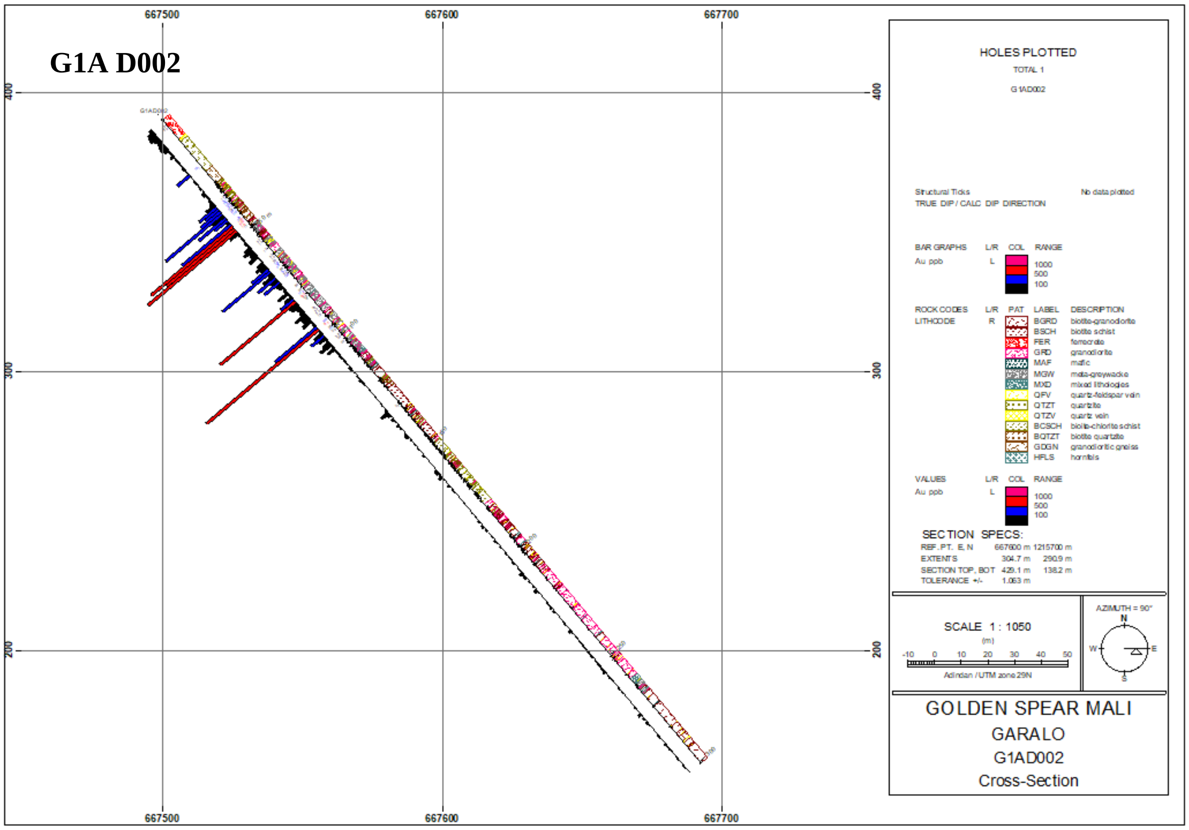


Figure 9.30b: Geological cross-section over DD drill G3DD002 at G1 target

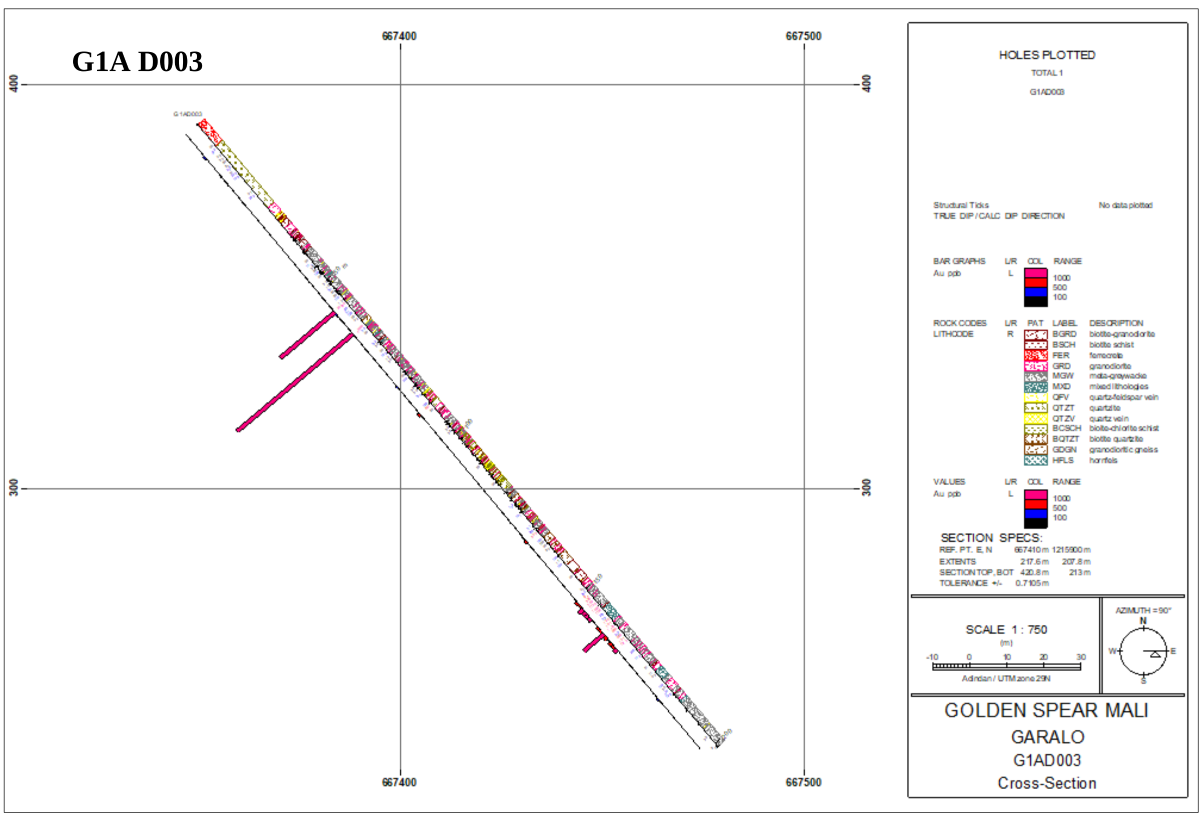


Figure 9.31a: Geological cross-section over DD drill G3DD003 at G1 target

9.5.6. AC Drilling program completed by GSM in 2008

9.5.6.1. Grid G6 - Air-Core Drill Program

During the 2008 field season, an Air Core (AC) Drill Program was utilised to test the existence of possible gold mineralisation in the lateritic and saprolite horizons. Twelve fences were drilled across three anomalous areas on 200 meters line spacing. Boreholes on selected lines were drilled in a toe-heel configuration, while boreholes on other lines were spaced 50 meters apart (Figure 9.31).

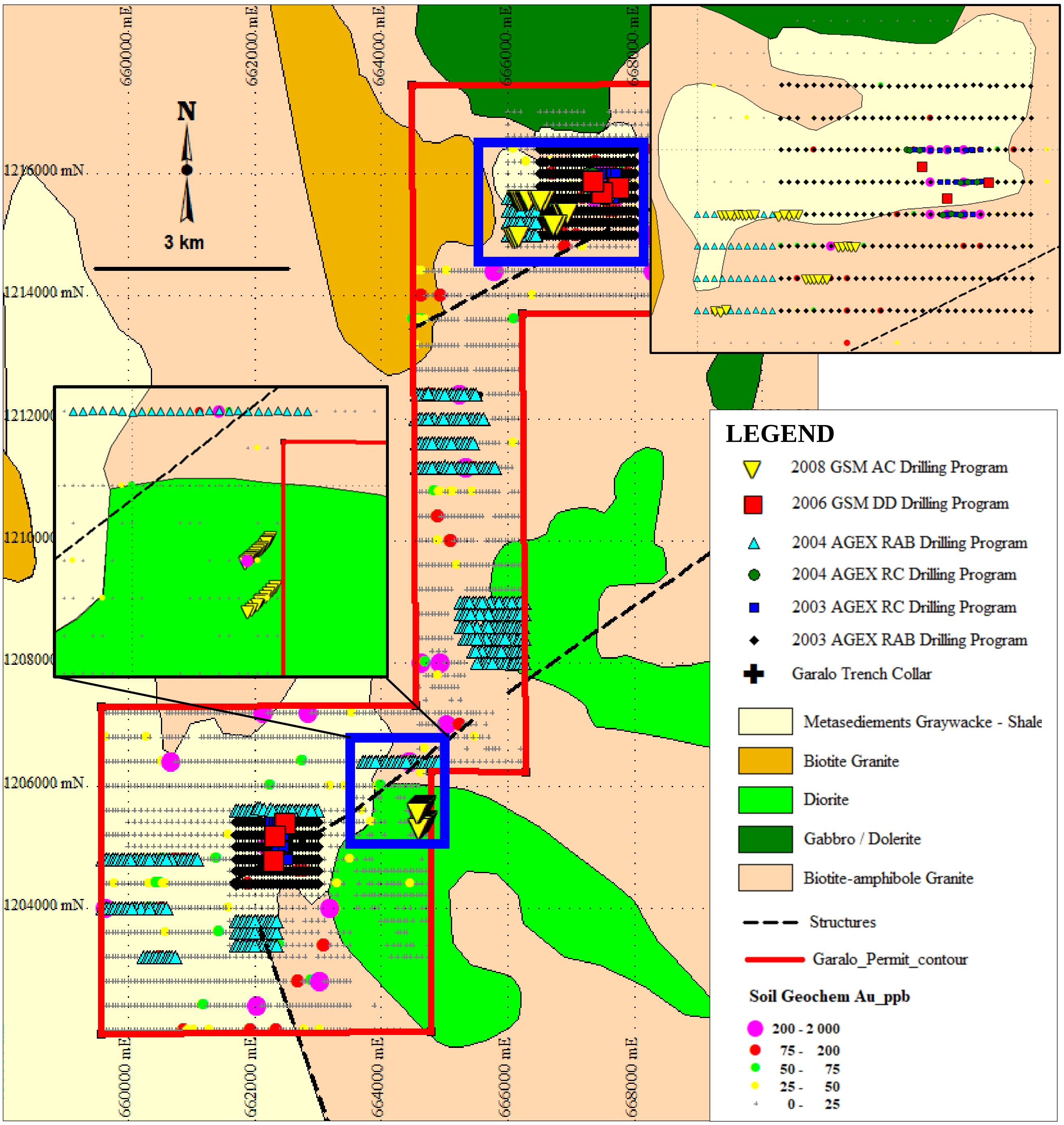


Figure 9.31b: AC Drilling program completed by GSM on the G1B and G6 Targets in 2008

147 AC Boreholes for a total of 4 347.5 meters were drilled to the saprock horizon. Boreholes were collared as follows (Figures 9.31, and 9.32 and Table 9.14):

G6AC 001 to G6AC 026 – azimuth 225º and inclination -50º.
G6AC 027 to G6AC 079 – azimuth 090º and inclination -50º
G6AC 080 to G6AC 130 – azimuth 045º and inclination -50
G6AC 131 to G6AC 137 – azimuth 090º and inclination -50º
G6AC 138 to G6AC 147 – azimuth 045º and inclination -50º
Sampling was carried out on a one-meter interval during the drilling process. 1 460 three-meter composite samples were dispatched to ALS Abilab Laboratory in Bamako for 50g Fire-Assay with an AA finish. 5% Standard, blank and duplicates were inserted as a matter of routine.

Following this drilling program, it was decided not to continue with exploration in the Grid G6 area, but to rather focus on the Grid G1A area during the next field season.

The following Table illustrate the technical parameters of the AC Drilling program completed by GSM in 2008

Hole ID	X-UTM	Y-UTM	RL	Depth (m)	Azimuth	Dip	Target	Date	Company
G1BAC001	666149	1215600	412	29	90	-50	G1B	02-2008	GSM
G1BAC002	666174	1215599	412	33	90	-50	G1B	02-2008	GSM
G1BAC003	666200	1215599	409	36	90	-50	G1B	02-2008	GSM
G1BAC004	666224	1215596	412	36	90	-50	G1B	02-2008	GSM
G1BAC005	666247	1215601	412	15	90	-50	G1B	02-2008	GSM
G1BAC006	666275	1215600	413	51	90	-50	G1B	02-2008	GSM
G1BAC007	666296	1215600	415	60	90	-50	G1B	02-2008	GSM
G1BAC008	666326	1215601	414	54	90	-50	G1B	02-2008	GSM
G1BAC009	666348	1215602	416	44	90	-50	G1B	02-2008	GSM
G1BAC010	666490	1215593	418	30	90	-50	G1B	02-2008	GSM
G1BAC011	666524	1215601	415	65	90	-50	G1B	02-2008	GSM
G1BAC012	666553	1215597	415	51	90	-50	G1B	02-2008	GSM
G1BAC013	666580	1215601	414	51	90	-50	G1B	02-2008	GSM
G1BAC014	666606	1215604	409	47	90	-50	G1B	02-2008	GSM
G1BAC015	666850	1215401	397	48	90	-50	G1B	02-2008	GSM
G1BAC016	666875	1215400	396	45	90	-50	G1B	02-2008	GSM
G1BAC017	666903	1215404	398	39	90	-50	G1B	02-2008	GSM
G1BAC018	666925	1215400	396	45	90	-50	G1B	02-2008	GSM
G1BAC019	666950	1215400	402	42	90	-50	G1B	02-2008	GSM
G1BAC020	666655	1215200	395	19	90	-50	G1B	02-2008	GSM
G1BAC021	666679	1215200	397	29	90	-50	G1B	02-2008	GSM
G1BAC022	666702	1215200	395	37,5	90	-50	G1B	02-2008	GSM
G1BAC023	666728	1215201	393	36	90	-50	G1B	02-2008	GSM
G1BAC024	666754	1215200	394	35	90	-50	G1B	02-2008	GSM
G1BAC025	666780	1215200	394	51,5	90	-50	G1B	02-2008	GSM
G1BAC026	666108	1215003	409	50	90	-50	G1B	02-2008	GSM
G1BAC027	666143	1214995	404	55	90	-50	G1B	02-2008	GSM
G1BAC028	666175	1215010	410	52	90	-50	G1B	02-2008	GSM
G6AC001	664717	1205730	364	17	225	-50	G6	02-2008	GSM
G6AC002	664709	1205718	365	18	225	-50	G6	02-2008	GSM
G6AC003	664699	1205710	367	15	225	-50	G6	02-2008	GSM
G6AC004	664695	1205706	367	21	225	-50	G6	02-2008	GSM
G6AC005	664685	1205694	368	27	225	-50	G6	02-2008	GSM
G6AC006	664673	1205680	368	23,5	225	-50	G6	02-2008	GSM
G6AC007	664664	1205669	368	20,5	225	-50	G6	02-2008	GSM
G6AC008	664651	1205663	369	25,5	225	-50	G6	02-2008	GSM
G6AC009	664640	1205648	369	25	225	-50	G6	02-2008	GSM

Hole ID	X-UTM	Y-UTM	RL	Depth (m)	Azimuth	Dip	Target	Date	Company
G6AC010	664628	1205636	368	21,5	225	-50	G6	02-2008	GSM
G6AC011	664618	1205626	364	19	225	-50	G6	02-2008	GSM
G6AC012	664610	1205621	363	14	225	-50	G6	02-2008	GSM
G6AC013	664602	1205614	365	18	225	-50	G6	02-2008	GSM
G6AC014	664591	1205604	365	15	225	-50	G6	02-2008	GSM
G6AC015	664587	1205598	367	20	225	-50	G6	02-2008	GSM
G6AC016	664741	1205469	365	11	225	-50	G6	02-2008	GSM
G6AC017	664725	1205451	362	18	225	-50	G6	02-2008	GSM
G6AC018	664708	1205436	360	21	225	-50	G6	02-2008	GSM
G6AC019	664689	1205418	358	23	225	-50	G6	02-2008	GSM
G6AC020	664670	1205400	362	21	225	-50	G6	02-2008	GSM
G6AC021	664662	1205391	363	29	225	-50	G6	02-2008	GSM
G6AC022	664647	1205376	361	26	225	-50	G6	02-2008	GSM
G6AC023	664634	1205365	362	23	225	-50	G6	02-2008	GSM
G6AC024	664618	1205346	360	24	225	-50	G6	02-2008	GSM
G6AC025	664600	1205333	357	22	225	-50	G6	02-2008	GSM

Table 9.14: Technical parameters of the AC Drilling program completed by GSM on G1B and G6 targets in 2008

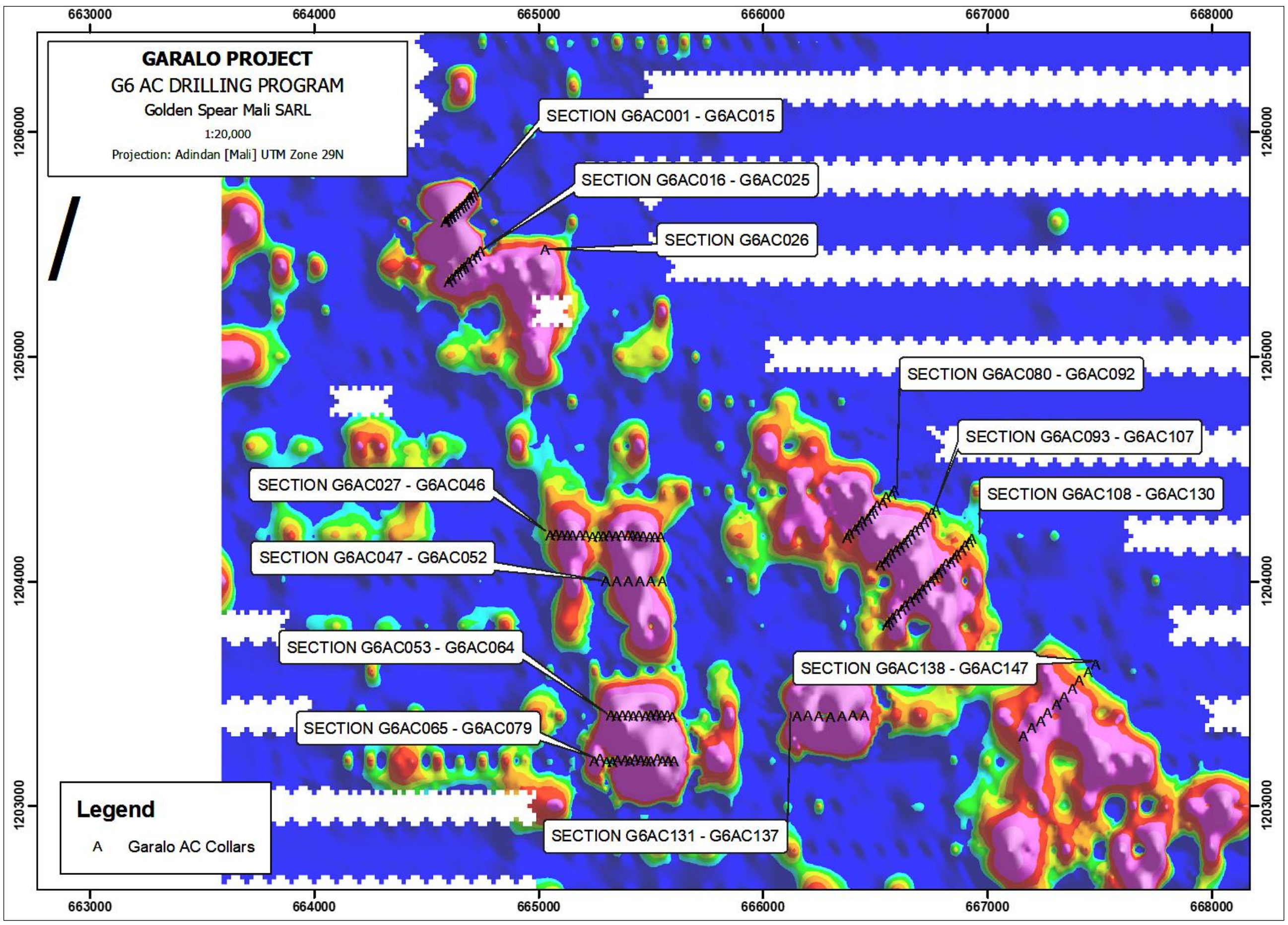


Figure 9.32: Location map of the AC drill holes in the G6 target

Assays returned disappointing results with the best intersection being 3m@0,45 g/t Au. Results are summarised in Table 9.15.

Hole ID	From (m)	To (m)	Interval (m)	Au (ppb)
G6AC 014	9	12	3	123
G6AC 018	3	6	3	451
G6AC 027	12	15	3	178
G6AC 030	21	24	3	376
G6AC 050	15	21	6	115
G6AC 052	6	9	3	344
G6AC 053	12	24	12	262
G6AC 058	15	18	3	207
G6AC 059	24	27	3	142
G6AC 061	3	15	12	216
G6AC 062	30	33	3	356
G6AC 063	45	48	3	101
G6AC 069	30	33	3	439
G6AC 072	39	45	6	352
G6AC 074	0	12	12	199
G6AC 076	3	6	3	102
G6AC 079	12	15	3	192
G6AC 083	9	15	6	132
G6AC 084	24	27	3	236
G6AC 086	9	12	3	135
G6AC 087	9	15	6	210
G6AC 090	15	18	3	321
G6AC 092	0	3	3	103
G6AC 098	30	33	3	166
G6AC 099	3	30	27	193
G6AC 100	18	31	12	173
G6AC 120	21	24	3	121
G6AC 121	30	33	3	122
G6AC 122	21	24	3	171
G6AC 128	3	6	3	183
G6AC 132	1	24	23	139
G6AC 142	9	12	3	274
G6AC 145	33	37	4	100

Table 9.15: A/C Drilling Program on Garalo G6: Best Results Highlights

Sections illustrating all the A/C boreholes are presented in Figures 9.33 to 9.43.

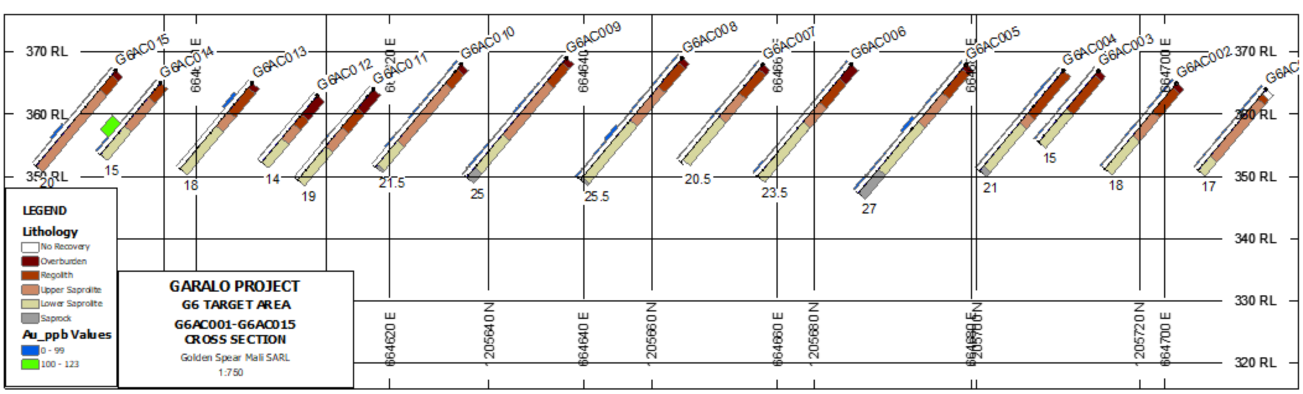


Figure 9.33: Geological cross-section over Line G6AC-001 – G6AC015 at G6 target

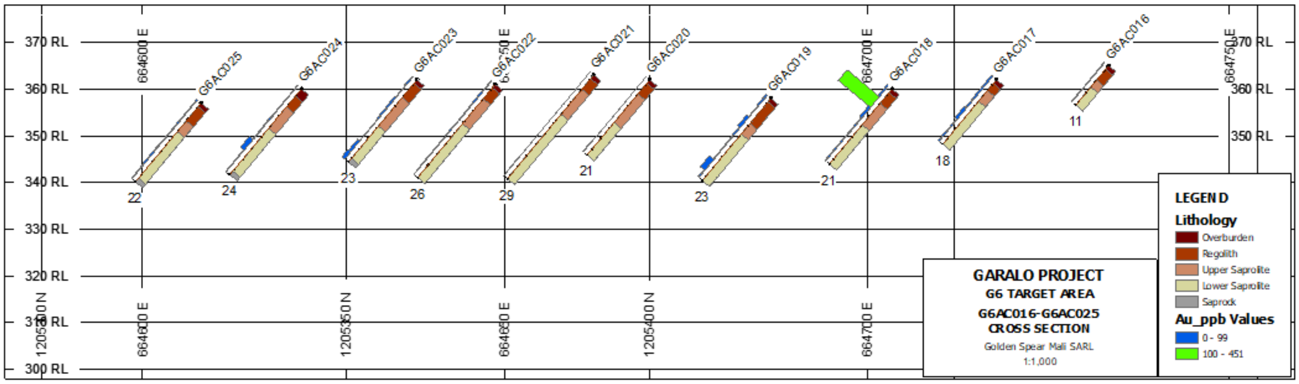


Figure 9.34: Geological cross-section over Line G6AC-016 – G6AC025 at G6 target

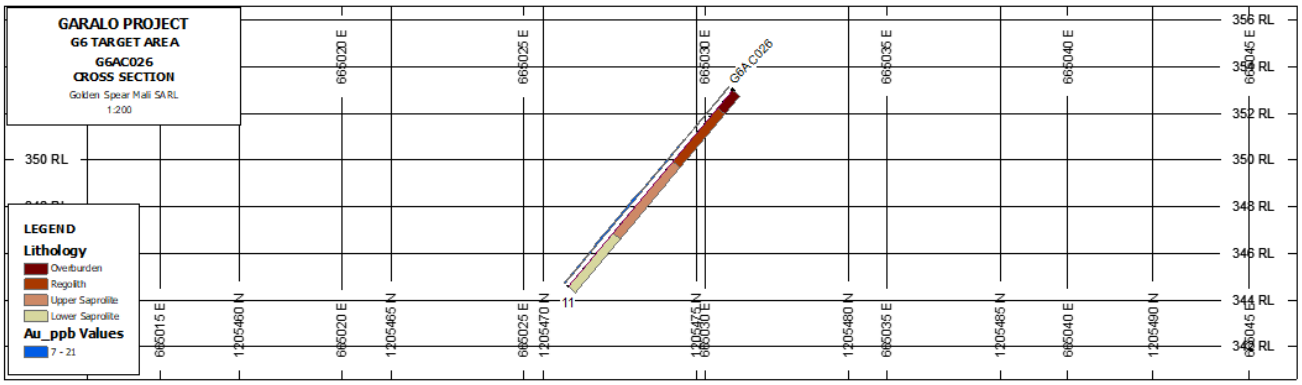


Figure 9.35: Geological cross-section over Line G6AC-026 at G6 target

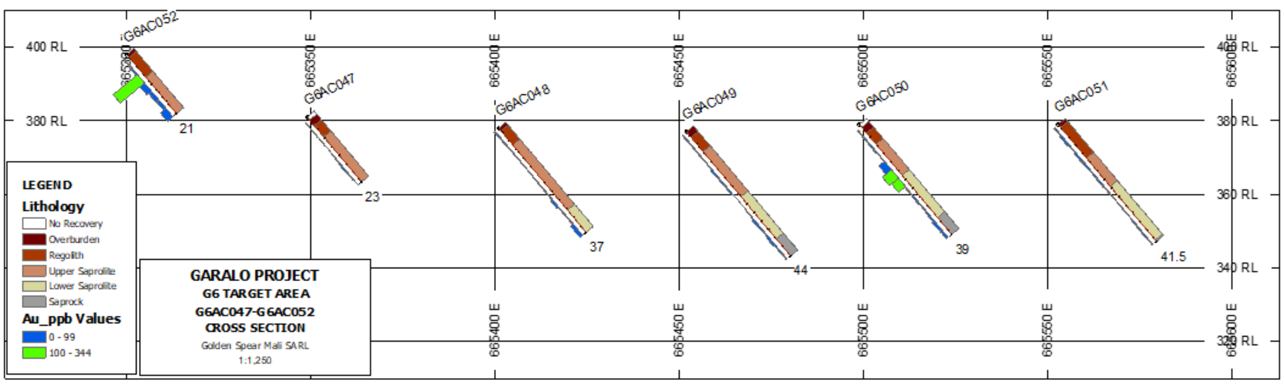


Figure 9.36: Geological cross-section over Line G6AC-051 – G6AC052 at G6 target

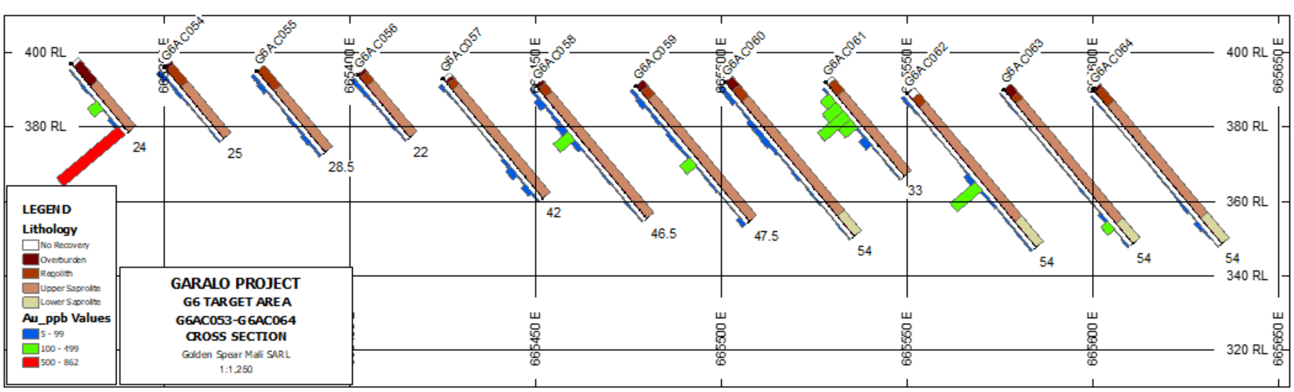


Figure 9.37: Geological cross-section over Line G6AC-053 – G6AC064 at G6 target

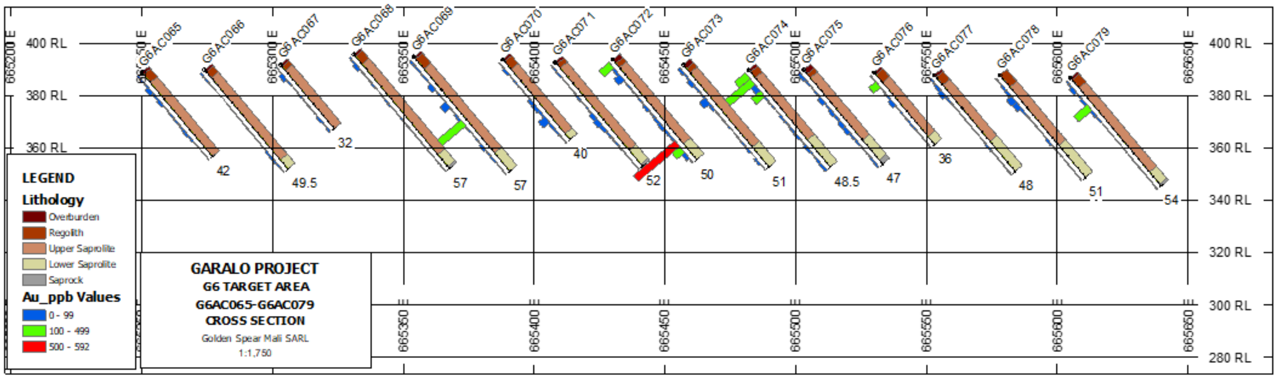


Figure 9.38: Geological cross-section over Line G6AC-065 – G6AC079 at G6 target

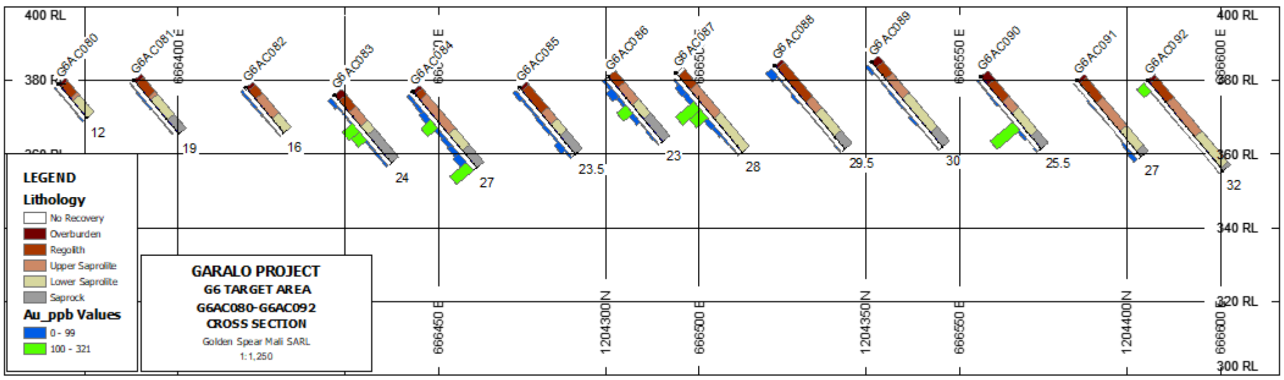


Figure 9.39: Geological cross-section over Line G6AC-080 – G6AC092 at G6 target

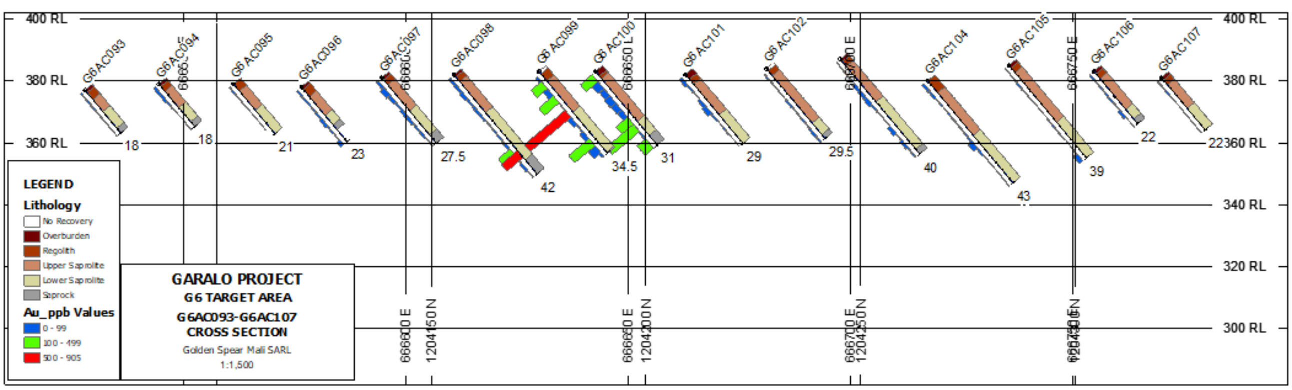


Figure 9.40: Geological cross-section over Line G6AC-093 – G6AC107 at G6 target

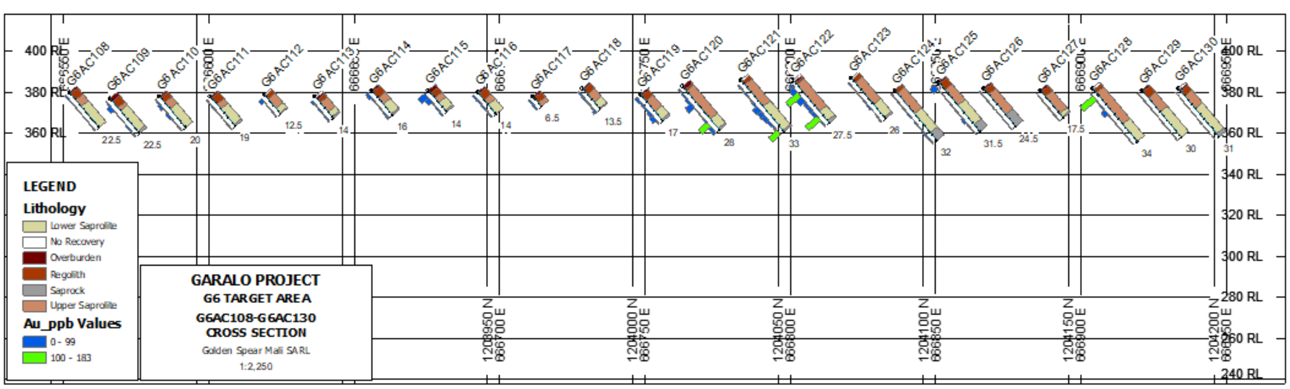


Figure 9.41: Geological cross-section over Line G6AC-108 – G6AC130 at G6 target

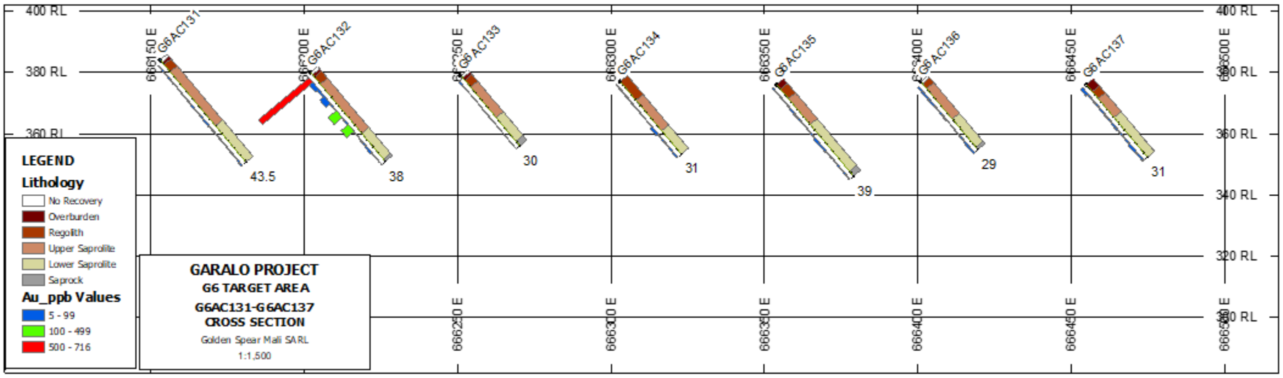


Figure 9.42: Geological cross-section over Line G6AC-131 – G6AC137 at G6 target

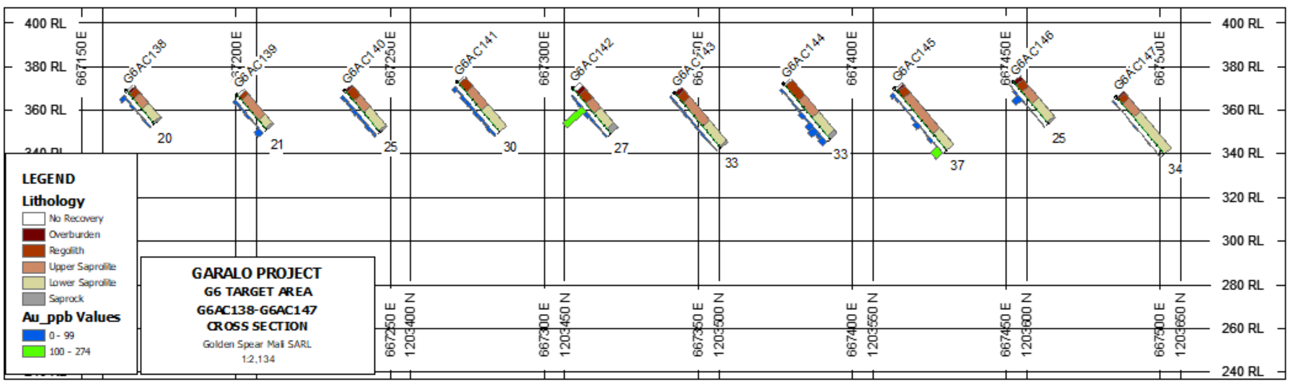


Figure 9.43: Geological cross-section over Line G6AC-138 – G6AC147 at G6 target

9.5.6.2. Grid G1B - Air-Core Drill Program

AGEX RAB drill program conducted on the G1B Grid area returned sporadic anomalous assay results. It was decided to test these results with a limited number of Air-Core boreholes during the 2008 field season (Figure 9.44). Four fences were drilled in between previously drilled RAB boreholes. Boreholes were drilled in a toe-heel configuration in order to evaluate the anomalous assay results with a more sterile sampling technique. (Figure 9.44). All boreholes were completed with azimuth 090º and inclination of -55º.

28 Boreholes for a total of 1 186 meters were drilled to the saprock horizon. Sampling was carried out on a one-meter interval during the drilling process. 395 three-meter composite samples were dispatched to ALS Abilab Laboratory in Bamako for 50g Fire-Assay with an AA finish. 5% Standard, blank and duplicates were inserted as a matter of routine. Assays returned generally disappointing results, except on line 3 where a number of low ore-grade intersections were achieved with the best intersection being 3m@1,35g/t Au. The best results are summarized in Table 9.16. Results are summarized in Table 9.16

Hole ID	From (m)	To (m)	Interval (m)	Au (ppb)
G1BAC 003	6	15	9	197
G1BAC 007	36	39	3	101
G1BAC 008	12	27	15	210
G1BAC 010	27	30	3	172
G1BAC 011	63	65	2	432
G1BAC 013	15	18	3	276
G1BAC 014	33	36	3	216
G1BAC 016	**42**	**45**	**3**	**1 350**
G1BAC 017	21	30	9	468
Incl.	**21**	**24**	**3**	**1 025**

Hole ID		From (m)	To (m)	Interval (m)	Au (ppb)
G1BAC 018		6	30	24	256
	Incl.	**24**	**27**	**3**	**1 060**
G1BAC 021		3	6	3	367
G1BAC 022		18	37.5	19.5	166
G1BAC 023		30	33	3	271
G1BAC 024		**30**	**33**	**3**	**1 165**
G1BAC 026		2	5	3	132
G1BAC 027		23	26	3	178

Table 9.16: 2008 A/C Drilling Program on Garalo G1B: Best Results Highlights

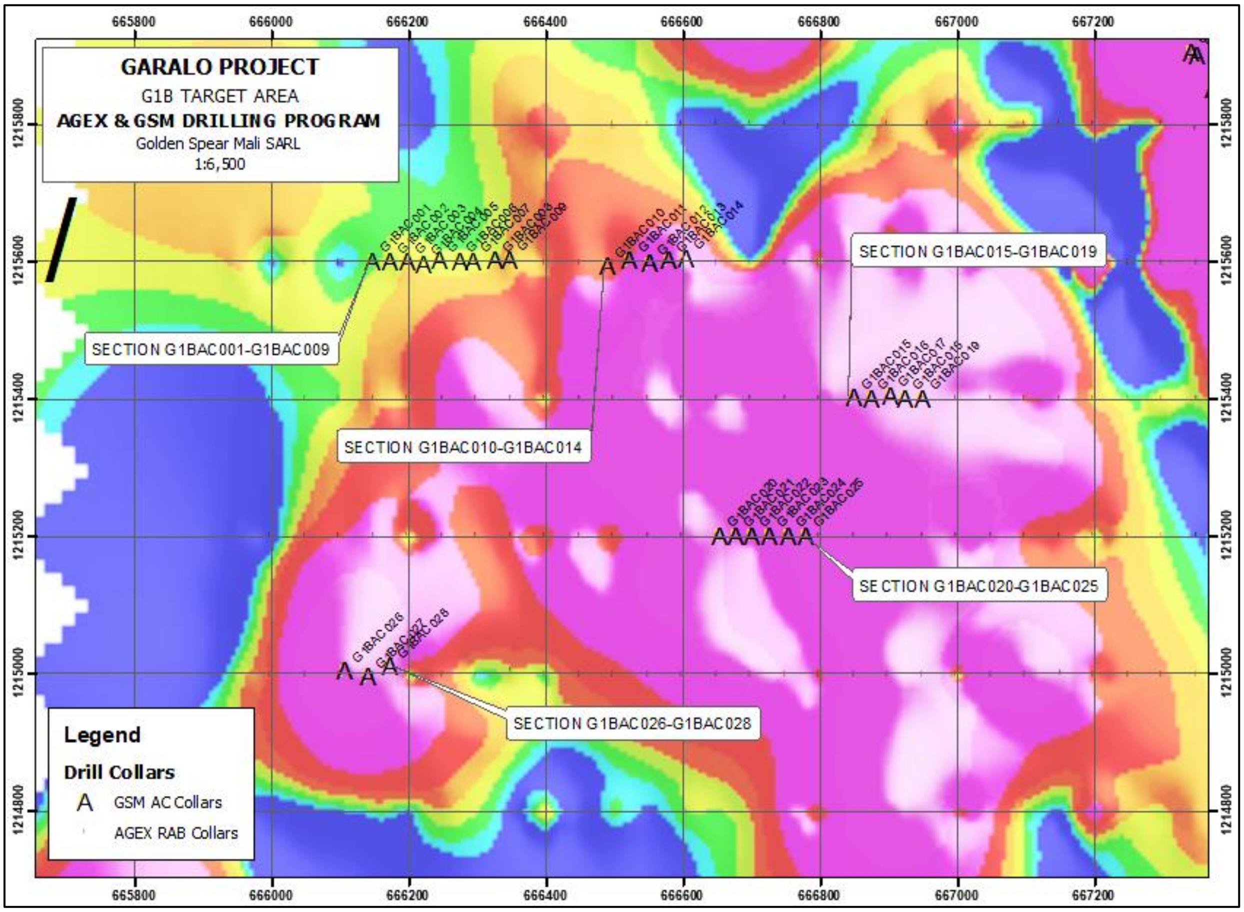


Figure 9.44: Location map of the Air-Core Drill Program on G1B target in 2008

Sections illustrating all the A/C boreholes are presented in Figures 9.45 to 9.49

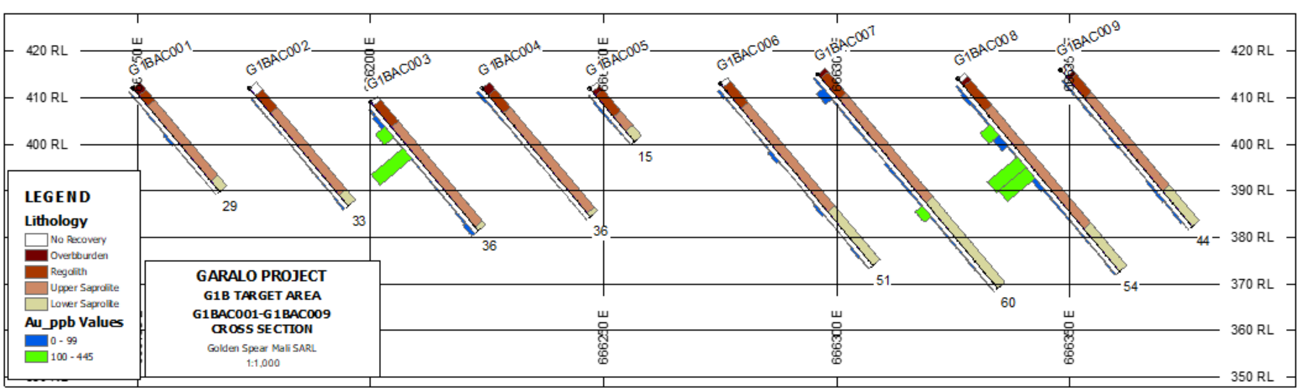


Figure 9.45: Geological cross-section over Line G1BAC-001 – G1BAC-009 at G1B target

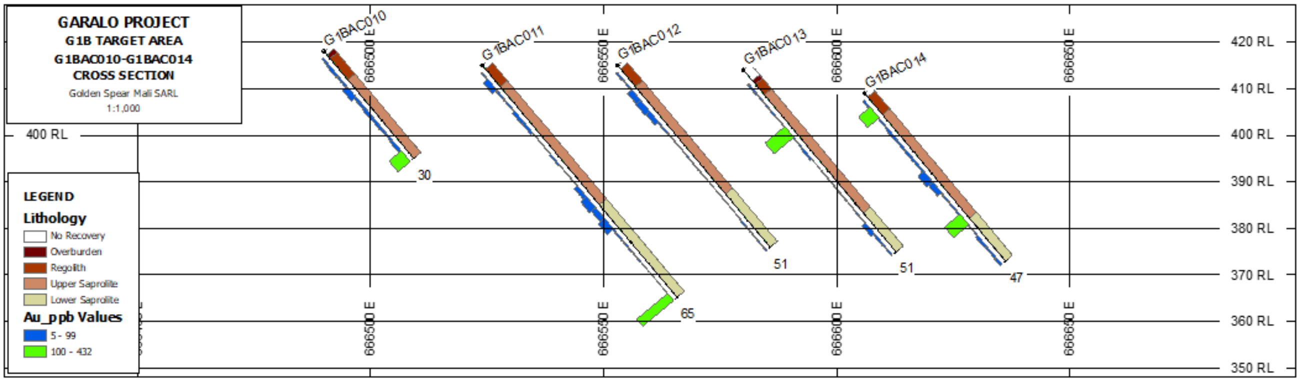


Figure 9.46: Geological cross-section over Line G1BAC-010 – G1BAC-014 at G1B target

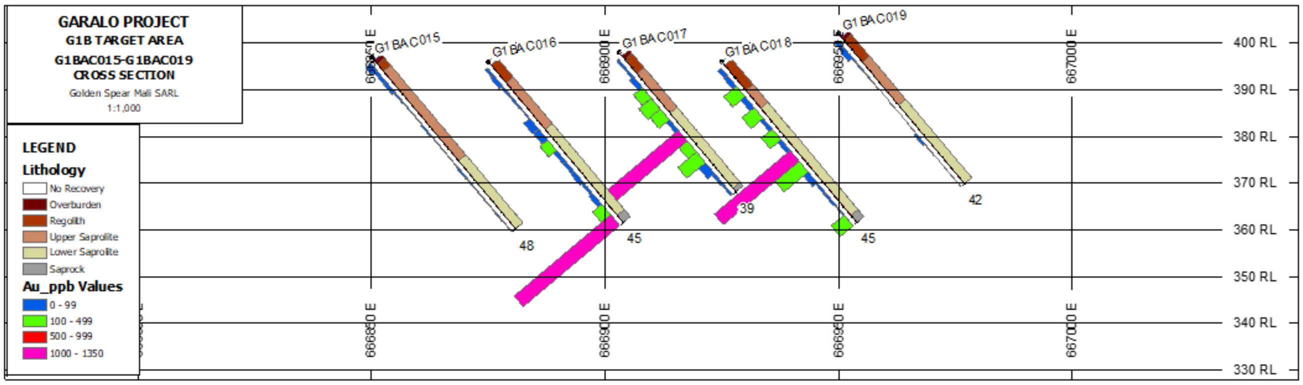


Figure 9.47: Geological cross-section over Line G1BAC-015 – G1BAC-019 at G1B target

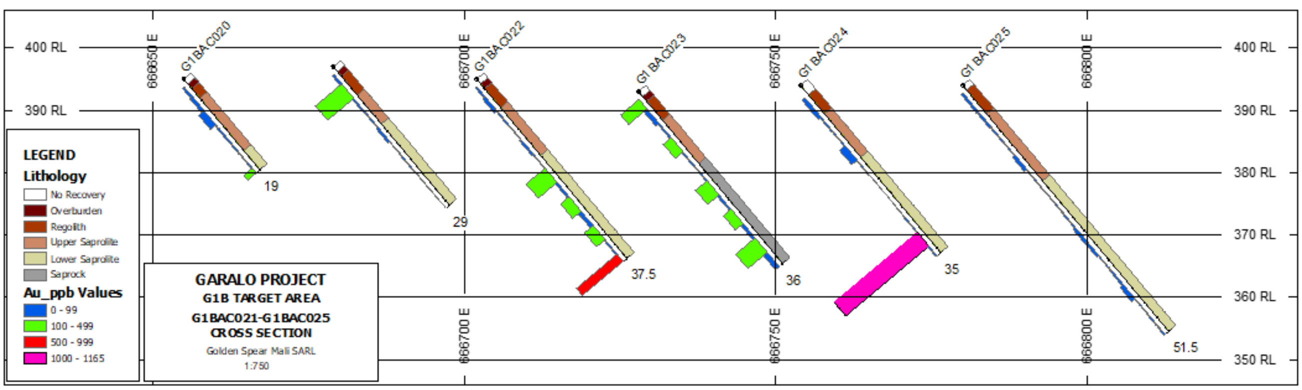


Figure 9.48: Geological cross-section over Line G1BAC-020 – G1BAC-025 at G1B target

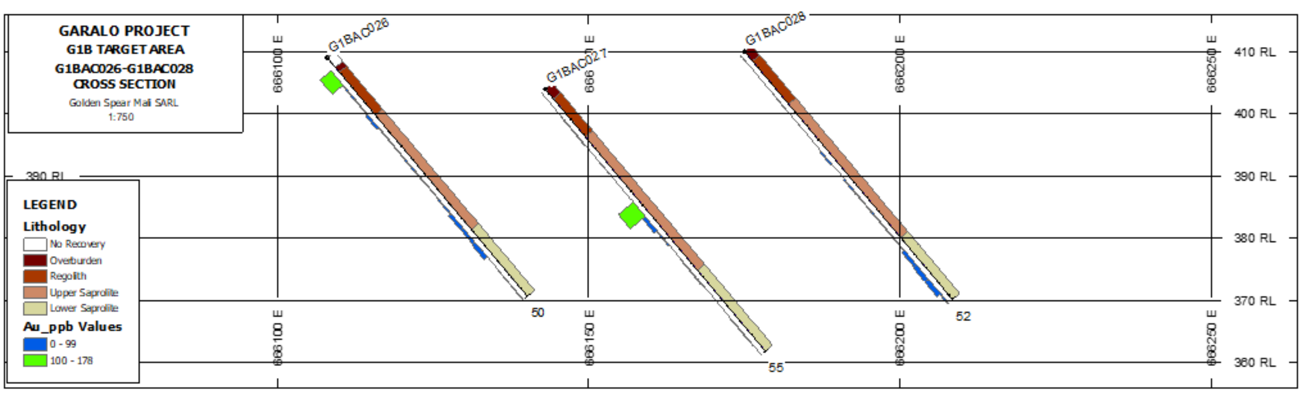


Figure 9.49: Geological cross-section over Line G1BAC-026 – G1BAC-028 at G1B target

9.5.7. RC Drilling program completed by GSM in 2008

In 2008, GSM completed an RC drilling program focused on G1 and G3 anomaly zones. The objectives were to test the lateral extension of the gold mineralization from previous RC drilling program. The Figure 9.50 shows the location of the RC Drilling program completed by GSM in 2008.

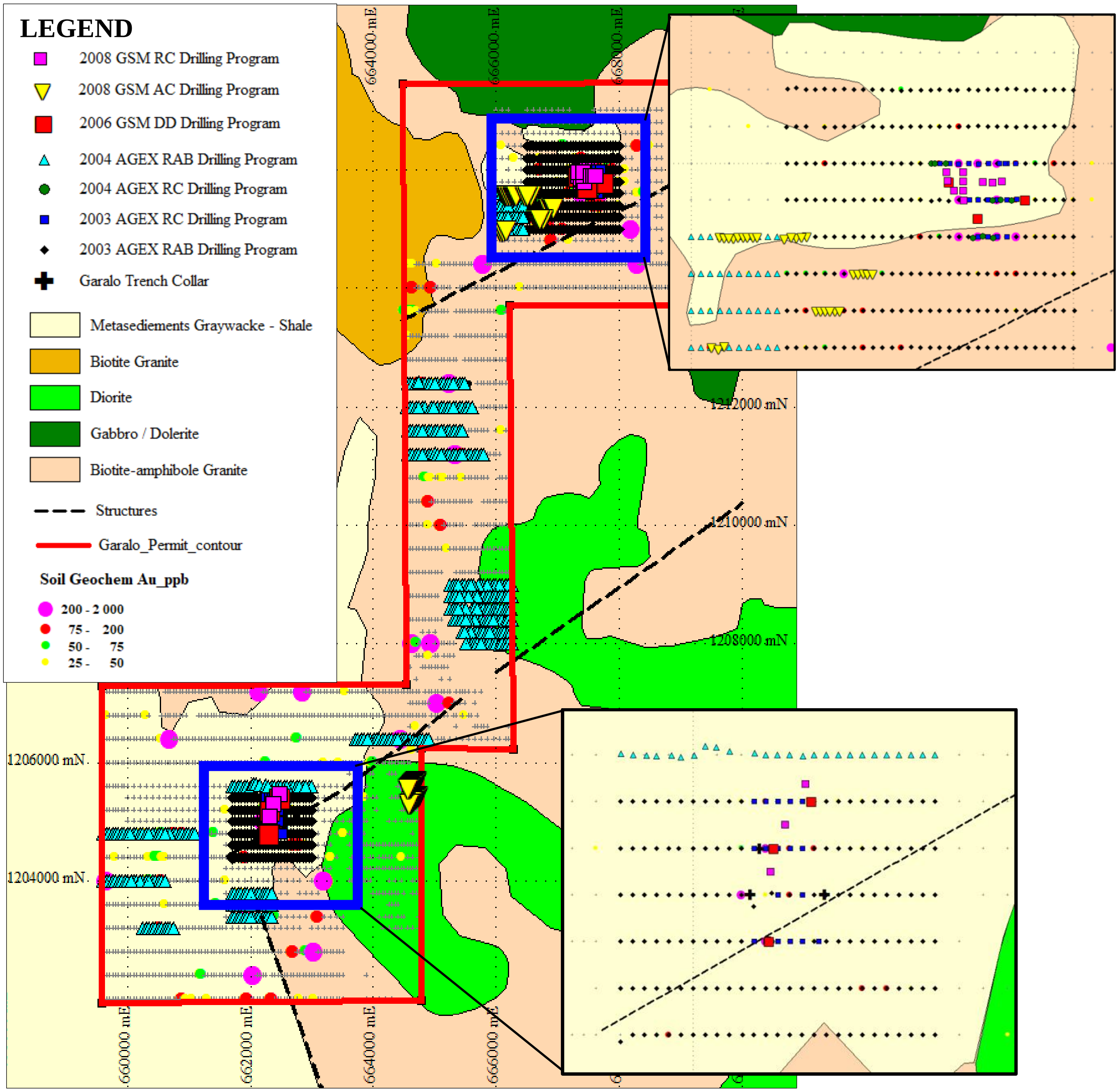


Figure 9.50: RC Drilling program completed by GSM in 2008

9.5.7.1. RC Drilling program completed by GSM in 2008 on G1 Target

Following the positive results obtained from the 2007 diamond drilling campaign it was decided to follow up with a Reverse Circulation Drill Program. The boreholes were collared in a step-out configuration from borehole G1AD003 which intersected 2m@10,35g/t from 57m, 1m@43,00g/t from 64m and 16m@1,24g/t from 151m. Ten Reverse Circulation boreholes were completed for a total of 975 m. All boreholes were collared with azimuth 090º and inclination of -55 to -60º (Figure 9.50 and Table 9.17).

Samples were collected on one-meter intervals and riffle split to obtain a 2-3 kg representative sample. Samples were dispatched to ALS Abilabs Laboratory in Bamako for Fire Assay on a 50g charge. 5% Duplicates, Standards and Blanks were inserted as a matter of routine.

Hole ID	X-UTM	Y-UTM	RL	Depth (m)	Azimuth	Dip	Target	Date	Company
G1ARC001	667341	1215904	398	114	090	-60	G1A	05-2008	GSM
G1ARC002	667373	1215850	399	100	090	-55	G1A	05-2008	GSM
G1ARC003	667423	1215850	401	96	090	-55	G1A	05-2008	GSM
G1ARC004	667426	1215799	400	72	090	-55	G1A	05-2008	GSM
G1ARC005	667424	1215901	399	96	090	-55	G1A	05-2008	GSM
G1ARC006	667336	1215952	398	107	090	-55	G1A	05-2008	GSM
G1ARC007	667423	1215951	393	90	090	-55	G1A	05-2008	GSM
G1ARC008	667526	1215899	390	100	090	-55	G1A	05-2008	GSM
G1ARC009	667576	1215896	390	100	090	-55	G1A	05-2008	GSM
G1ARC010	667625	1215901	390	100	090	-55	G1A	05-2008	GSM
G3ARC001	662465	1205475	390	108	270	-50	G3A	10-2006	GSM
G3ARC002	662380	1205300	390	102	270	-50	G3A	10-2006	GSM
G3ARC003	662320	1205100	390	120	270	-50	G3A	10-2006	GSM

Table 9.17: Technical parameters of the RC Drilling program completed by GSM in 2008

Lithologies intersected include métagreywacke and quartzites, intruded by granodiorite in a "stockwork" configuration. Mineralisation in the form of disseminated arsenopyrite was observed in all lithologies with very little isolated pyrite and pyrrhotite. Gold mineralization is directly associated with the intensity of quartz veining and associated arsenopyrite mineralization. Best intersections correspond with a drastic increase of up to 2% arsenopyrite content in the form of disseminated crystals and concentrations along quartz "stockwork" veining. Assays returned economic gold mineralization in most boreholes.

The best results are summarised in Table 9.18 and Figure 9.51.

Hold ID	From (m)	To (m)	Interval (m)	Au ppm
G1ARC001	28	29	1	1,87
	39	42	3	1,68
	94	99	5	0,34
G1ARC002	65	68	3	0,46
	81	87	**6**	**6,66**
	92	94	2	0,48
	97	100	3	0,53
G1ARC003	53	55	**2**	**2,42**
	78	79	**1**	**7,64**
	87	90	**3**	**22,11**
	94	96	2	0,97
G1ARC004	21	26	**5**	**3,65**
G1ARC005	1	3	2	0,55
	14	15	1	0,94
	30	39	9	0,54
	60	62	2	0,50
G1ARC006	75	80	5	1,09
	83	96	**13**	**1,02**
G1ARC007	9	12	3	0,42
	53	61	8	1,08
G1ARC008	0	3	3	0,50
	40	42	2	1,10

Hold ID	From (m)	To (m)	Interval (m)	Au ppm
	45	52	7	0,32
	64	65	1	1,63
	73	76	3	0,72
	95	100	5	0,42
G1ARC009	3	6	3	0,52
	38	40	2	**17,05**
	63	66	3	0,59
	70	74	4	0,43
G1ARC010	0	11	11	0,56
	58	61	3	0,48
	87	91	4	0,42

Table 9.18: RC Drilling Program on Garalo G1A: Best Results Highlights.

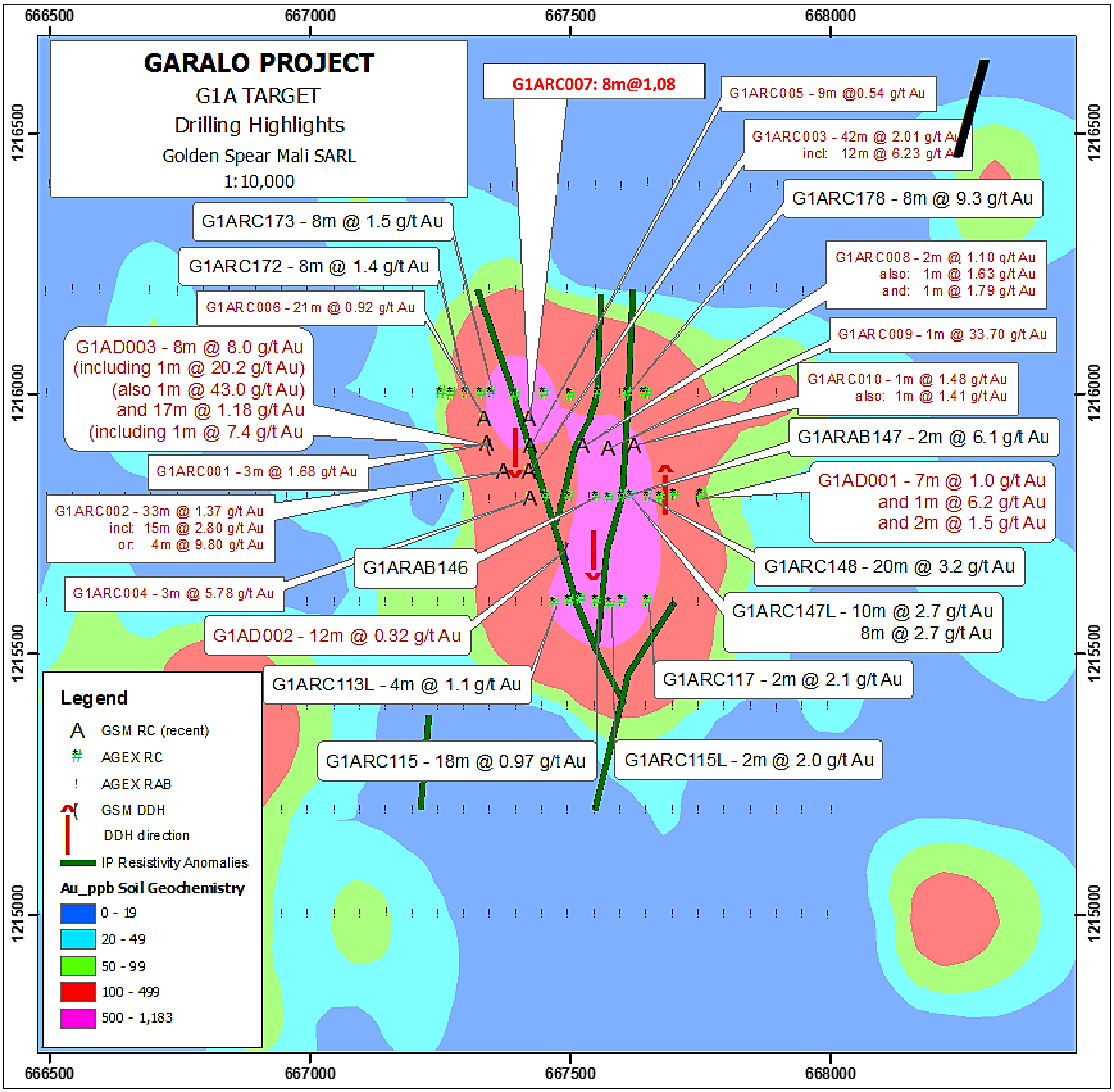


Figure 9.51: Best gold intercepts from G1 targets

Sections illustrating the RC drilling program on G1 in 2008 are presented in Figures 9.52 and 9.55 below:

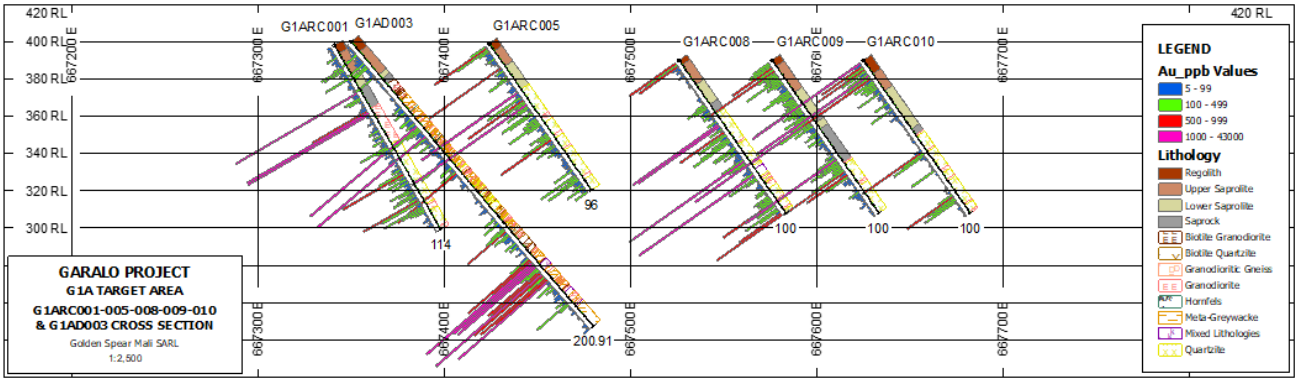


Figure 9.52: Geological cross-section over Line G1ARC-001 – G1ARC-010 at G1A target

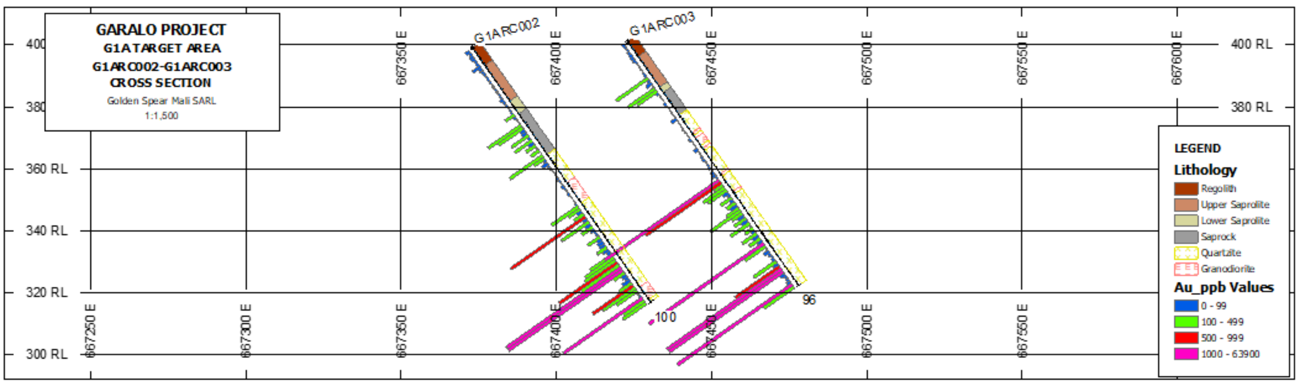


Figure 9.53: Geological cross-section over Line G1ARC-002 and – G1ARC-003 at G1A target

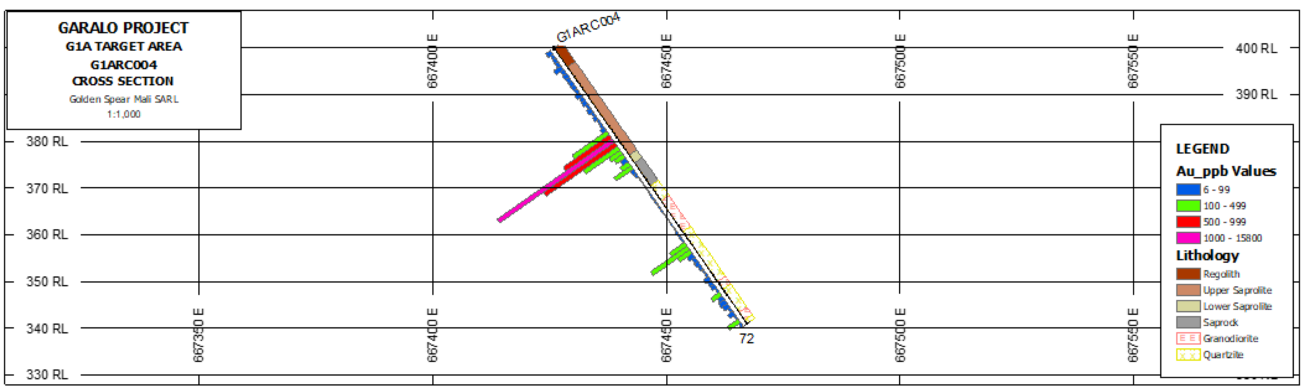


Figure 9.54: Geological cross-section over G1ARC-004 at G1A target

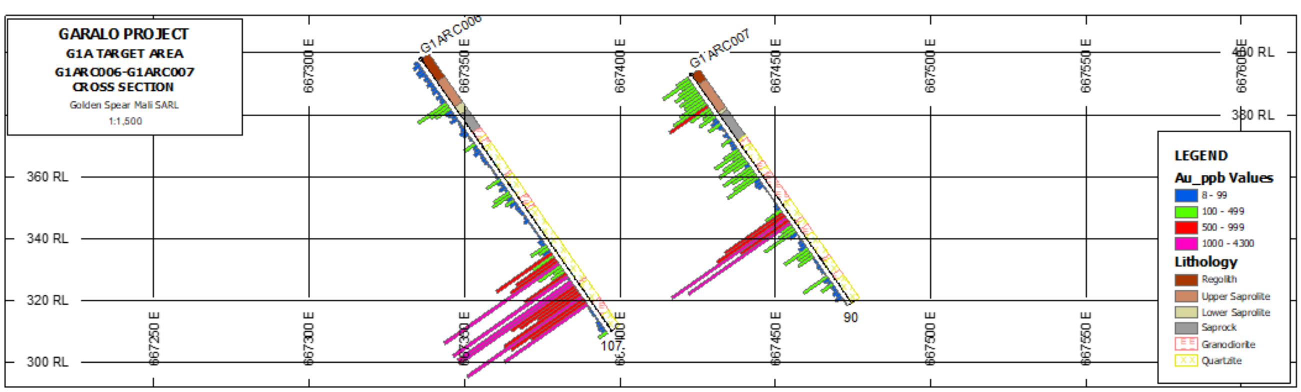


Figure 9.55: Geological cross-section over Line G1ARC-006 – G1ARC-007 at G1A target

9.5.7.2. RC Drilling program completed by GSM in 2008 on Target G3A

Three Reverse Circulation (RC) boreholes for a total of 330 meters were sunk on the Garalo G3A Target area (Figure 9.50). These boreholes were logged and sampled on one-meter intervals. 5% Standard samples were inserted into every batch before submission to ALS Chemex (ABILABS) Laboratory in Bamako for fire assay on a 50g charge.

G3A RC001 was collared at UTM coordinate 662465 / 1205475 with azimuth 270^0 and inclination -50^0 and was drilled to a depth of 108m below collar. This borehole was designed to test the northward extension of the quartz-vein system intersected in G3AD001.

Gold assay from this borehole failed to return any significant results. This proved that the mineralized system terminates on the East-West structure identified from the regional airborne magnetics and that this fault zone is situated directly north of G3AD001 (Figure 9.50).

G3A RC002 was collared at UTM coordinate 662380 / 1205300 with azimuth 270^0 and inclination -50^0 and was drilled to a depth of 102m below collar. This borehole was designed to test the southward extension of the quartz-vein system intersected in G3AD001.

Gold assays from this borehole returned a peak intersection of 3m @ 5.11 g/t Au (including 1m @ 13,2 g/t Au) and two more intersections of 6m@1,37g/t including 1m@5,6g/t Au and 1m @ 1,55 g/t Au (Table 9.15 and Figure 9.56). This is tentatively interpreted to be the southward extension of the high-grade quartz-vein system intersected in G3A D001 (Figure 9.51).

G3A RC003 was collared at UTM coordinate 662320 / 1205100 with azimuth 270^0 and inclination -50^0 and was drilled to a depth of 120m below collar. This borehole was designed to test the southward extension of the quartz-vein system intersected in G3AD002.

Gold assays from this borehole returned a peak intersection of 7m @ 0,70 g/t Au (including 3m @ 1,1 g/t Au) and another intersection of 1m @ 1,3 g/t Au (Table 9.15 and Figure 9.56).

Hold ID	From (m)	To (m)	Interval (m)	Au ppm	Comments
G3ARC002	4	13	9	0,31	
	26	27	1	1,53	
	46	52	6	1,37	Including 1m@5,6g/t
	64	65	1	1,16	
	87	90	**3**	**5,11**	Including 1m@13,2g/t
G3ARC003	1	6	5	0,39	
	43	50	7	0,70	Including 3m@1,1g/t
	69	72	3	0,41	
	77	80	3	0,60	Including 1m@1,88g/t

Table 9.15: RC Drilling Program on Garalo G3A: Best Results Highlights.

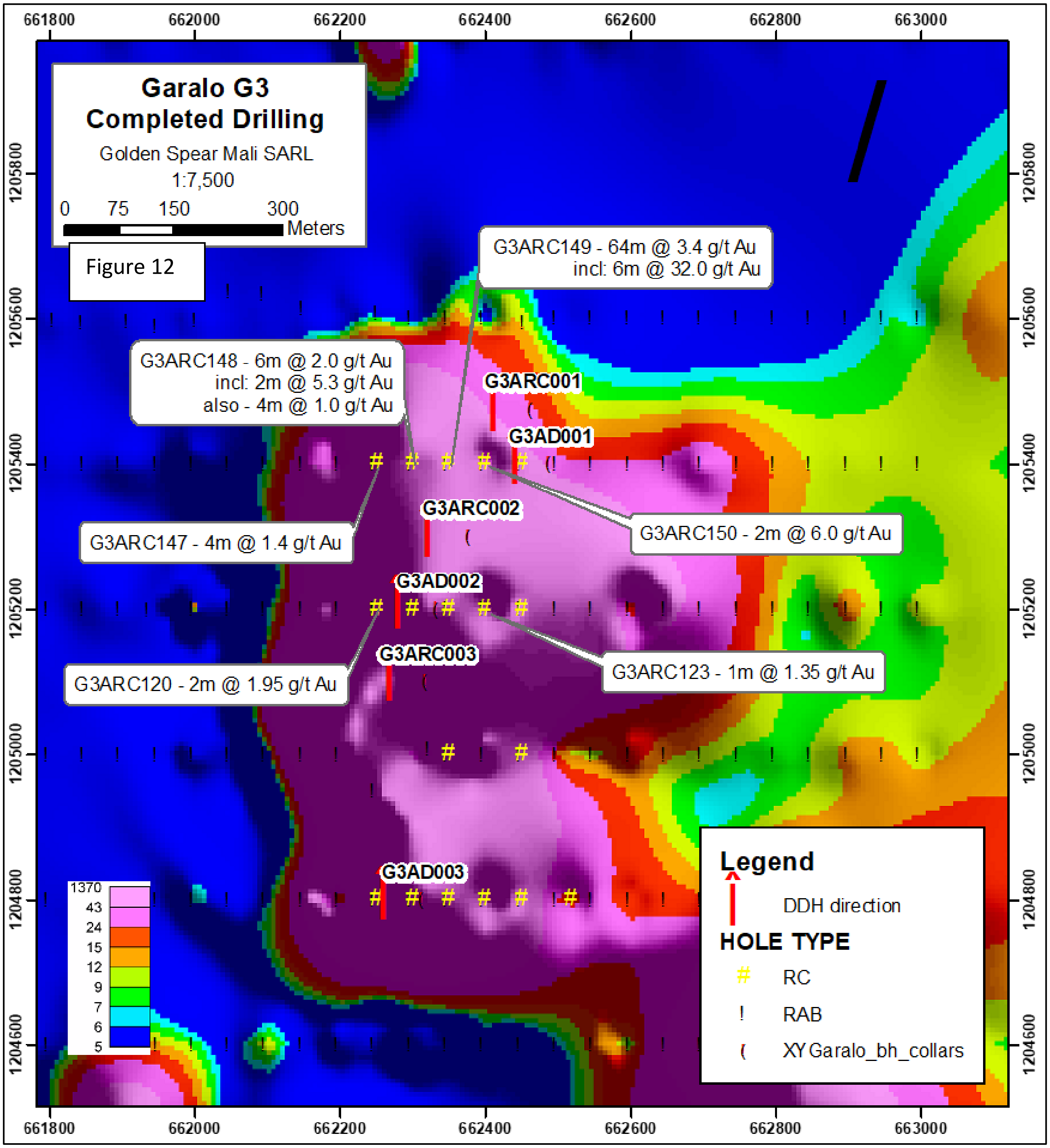


Figure 9.56: RC Drilling Program on Garalo G3: Best gold intercepts

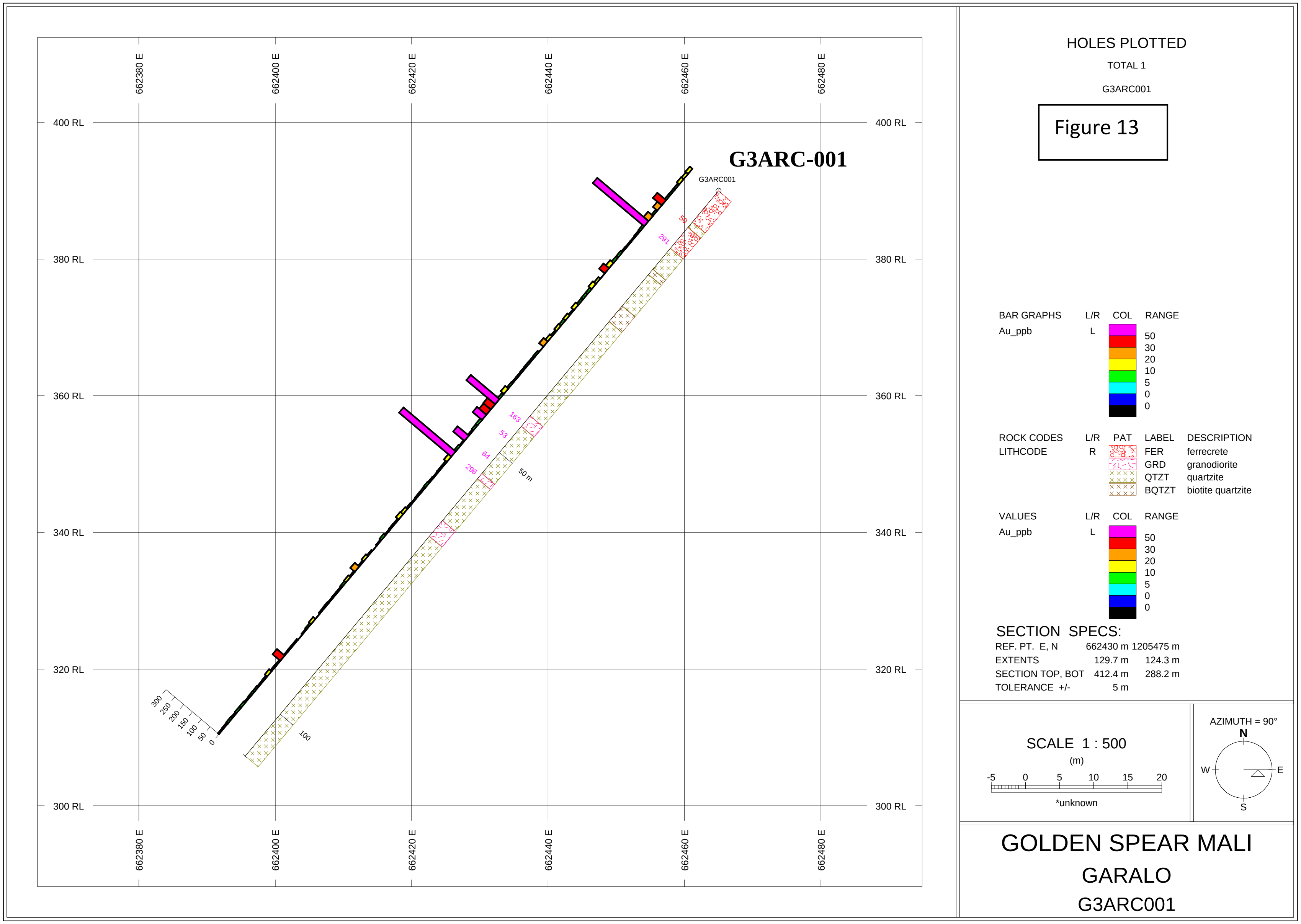


Figure 9.57: Geological cross-section over RC Drill hole G3ARC-001 at G3 Target

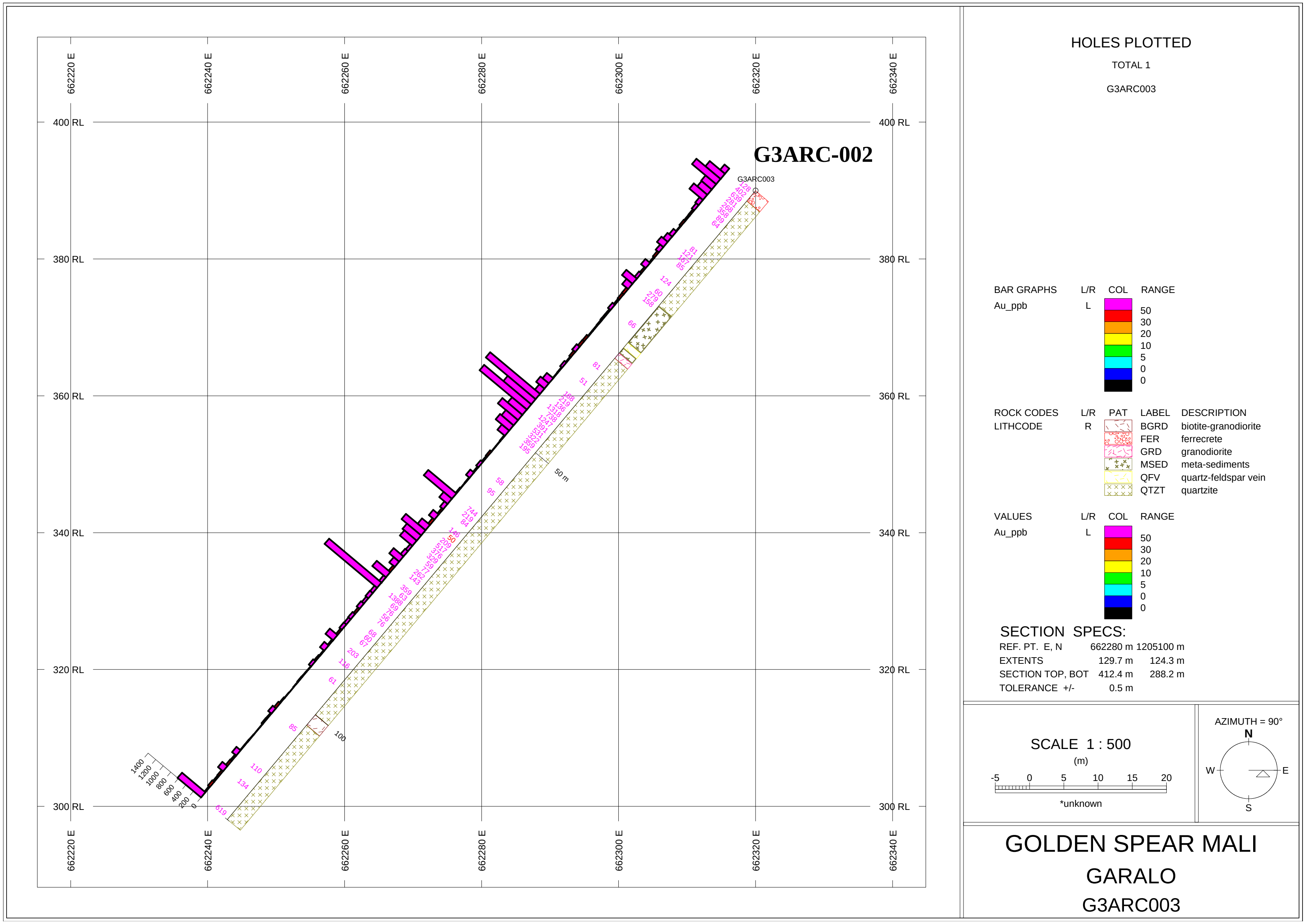


Figure 9.58: Geological cross-section over RC Drill hole G3ARC-003 at G3 Target

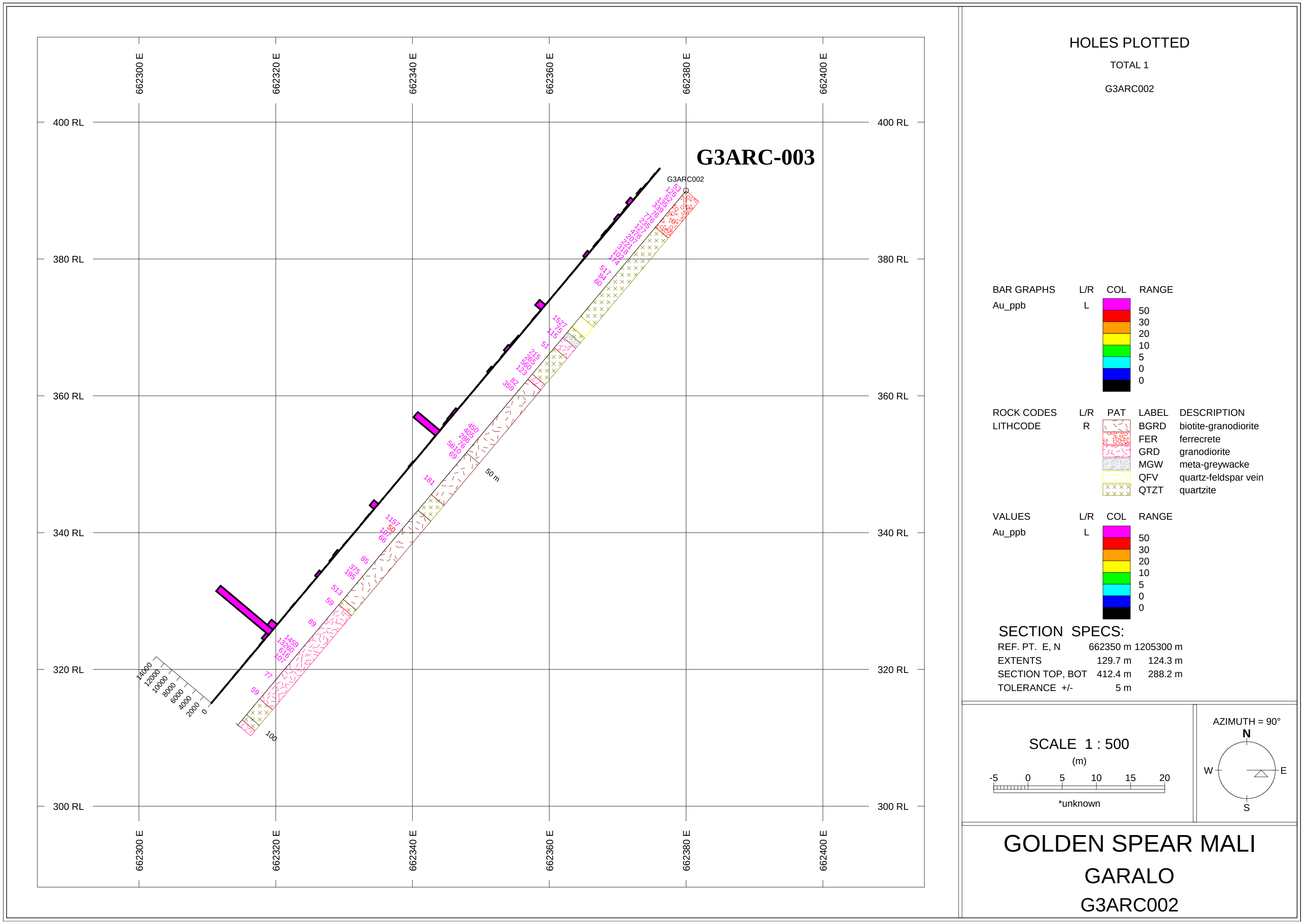


Figure 9.59: Geological cross-section over RC Drill hole G3ARC-003 at G3 Target

10. DRILLING

In 2003, AGEX completed a RAB drilling program of 10,296 meters totaling 478 holes and 3,803 meters RC drilling totaling 39 holes. The following year, AGEX completed 10,432 meters RAB drilling totaling 397 holes and 942 meters RC drilling comprising 9 holes. In 2006, GSM achieved a diamond drilling program of 1,420 meters totaling 6 holes. In 2008, GSM undertook an Air Core drilling program of 5,533.5 meters totaling 175 holes, and a program of 1,305 meters RC drilling totaling 13 holes. The supervision of all procedures and training of personnel involved with drilling, sampling, and logging routines by AGEX and GSM was undertaken by experienced personnel with many years' experience in drilling procedures. Direct supervision for the onsite drilling operations was conducted by Malian national geologists.

10.1. Diamond Drilling program completed by GSM

Six diamond boreholes for a total of 1 420 meters were completed on the Garalo permit. Holes were collared at azimuth 090º or 270º and inclination of -50º before being pre-collared by means of RC drilling to the oxidation front, where after the boreholes were completed by NQ2 diamond coring. Single shot down-hole surveys were conducted every 60 meters upwards from the end of hole. The core was marked up in one-meter intervals after which certain sections were orientated to assist in detailed structural and lithological logging. Sampling at one-meter intervals commenced after splitting of the core by means of an electric core saw. The remaining RC chips and half of the diamond core are safely stored at the regional camp in Garalo. 5% Standard samples were inserted into every batch before submission to ALS Chemex (Abilabs) Laboratory in Bamako for Fire Assay on a 50-gram charge, The NQ core was successfully orientated from 55 meters to the end of the hole below collar.

10.2. Reverse Circulation (RC) Drilling

In 2008, GSM completed a program of 1 305 meters RC drilling totaling 13 holes. The boreholes were collared in a step-out configuration from borehole G1AD003. Ten Reverse Circulation boreholes were completed for a total of 975 meters. All boreholes were collared with azimuth 090º and inclination of -55 to -60º.

Samples were collected on one-meter intervals and riffle split to obtain a 2-3 kg representative sample. Samples were dispatched to ALS Abilabs Laboratory in Bamako for Fire Assay on a 50-gram charge. 5% Duplicates, Standards and Blanks were inserted as a matter of routine.

One-meter samples was collected via a cyclone passing through a 12.5% rotating splitter, before collection into plastic bags. The cyclone is manually cleaned at the completion of each six-meter rod, and more thoroughly cleaned at the completion of each hole.

10.3. GSM Air Core Drilling

At Garalo G6 Grid, 147 Air Core holes for a total of 4 347.5 meters were drilled to the saprock. Holes were collared with azimuth varying between 045º to 225º and inclination was -50º. Sampling was carried out on a one-meter interval during the drilling process. 1 460 three-meter composite samples were dispatched to ALS Abilabs Laboratory in Bamako for 50g Fire-Assay with an AA finish. 5% Standard, blank and duplicates were inserted as a matter of routine.

On the G1B Grid area, 28 holes for a total of 1 186 meters were drilled to the saprock horizon. Sampling was carried out on a one-meter interval during the drilling process. 395 three-meter composite samples were dispatched to ALS Abilabs Laboratory in Bamako for 50g Fire-Assay with an AA finish. 5% Standard, blank and duplicates were inserted as a matter of routine.

10.4. Drilling Quality

Drilling practices were benefiting from closer supervision of more experienced exploration management, complimented by a periodic review of the exploration procedures. The quality of drilling at AGEX and GSM can be considered as excellent and generally to be of a high quality, broadly consistent with international industry standards. All drill holes completed in the Garalo property were planned to intersect the mineralized structures at right angle but in some situations, this is not possible due to field condition leading some holes to have not been drilled with the most optimum dip or azimuth. Some technical parameters of the drill operation are recording by the on-site geologist. These include: verify that the rig is aligned properly (drill collar, azimuth and inclination are correct) and measurement of the position of the collar using a high precision GPS. Assessment of the data indicates that the assay results are generally consistent with the logged alteration and mineralization

10.5. RC and Air Core drill hole logging

Once homogenized to some degree by splitting, a representative sample is collected from each one-meter and wet-screened to provide chips for logging by national geologists. Representative one-meter washed chips from each RC and Air Core drill samples are stored in partitioned and consecutively numbered hard plastic chip trays, which are stored to provide a permanent record of the geology of the hole for later reference. Logging is recorded directly into Excel software on hand-held recording by geologists. Logging data are directly downloaded or transferred into an Excel Database by national geologists and validated by the senior geologist manager, before being accepted into the Excel Master Drilling Database to await analytical results from the Laboratory.

10.6. Logging Quality

All geological logging was conducted within suitable industry standards, based on systems set up similar to those used regularly in other major gold exploration companies.

11. SAMPLING METHOD AND APPROACH

11.1. Diamond Core Sampling

Once all technical data has been derived from the core, individual billets are then halved lengthwise using a electric diamond saw, to consistently cut along the orientation line, before being correctly placed back into the tray. The half-core is then niche sampled by geological interest, or by meter interval, ensuring that the same side is consistently sampled, and placed into plastic bags labelled with the assigned sample number. The resulting samples are then submitted (by hole) to the laboratory for analysis. The residual half core is catalogued, and stored, in dedicated side-loading racks in the core yard for reference purposes. The trays are consecutively racked and clearly relabeled with the hole number, tray number, and interval.

11.2. RC Sampling

The one-meter RC field samples are collected into plastic sampling bags, after passing through a rotating cone splitter clearly labelled with the sample number in indelible marking pen. The field residues of nominal 20 to 40 kg weight are laid out on the ground in rows of 10 samples. The assay sample is collected into a labelled plastic bag with the pre-numbered sample ticket stapled inside. The bag is securely tied and segregated into larger plastic bags (by hole number), in preparation for delivery to the laboratory at the end of each shift. Approximately 5% (1:20) of samples are duplicated in the field via the collection of a second 3 kg split. Standards and blanks are inserted every 20 samples. The cone splitter can collect two equal samples at the same time, which necessitates the need for re-handling the sample material. The cone splitter is cleaned thoroughly with a compressed air gun between each sample run.

11.3. RAB and Aire Core Sampling

The one-meter Auger field samples were collected off the cyclone and laid out on the ground in consecutive rows of 10 samples. Field technicians poured the entire field sample and collected a representative 3 meters sample, providing approximately 2 to 3 kg for laboratory submission. Pre-numbered sample ticket books are used to manually record the hole number and sample interval, the sample number is written on the plastic sample bag, and the ticket stapled to the inside of the bag prior to tying with string. In the situation where field samples become moist and spear sampling is not practical, manual scoop sampling is adopted. Approximately 1 in 20 samples were duplicated in the field via the collection of a second 2 to 3 kg composite sample, in order to monitor potential field sampling bias. Standards and blanks are inserted every 20 samples. Quality Assurance/Quality Control standard samples are also added and recorded for internal standards of the contract laboratory performance.

11.4. Analytical Laboratories

All samples from the Garalo project were analyzed using the analytical services of ALS Chemex (Abilabs) and SGS Laboratories in Bamako The SGS Laboratories in Mali are internationally recognized independent laboratories certified by National Association of Testing Authorities (NATA), and under ISO 9000. ALS Chemex Laboratory in Bamako hold a quality management system accredited by UKAS to the ISO/IEC 17025 standard.

12. SAMPLE PREPARATION ANALYSIS AND SECURITIES

12.1. RC and Auger samples

The samples are prepared and collected from the drill rig. Then, they were delivered to the Camp yard facility for sample pre-preparation before chipped to the laboratory pulp preparation in Bamako every time a sufficient number of samples are collected and bagged. The entire procedure was undertaken by national geologists and was closely supervised by experimented geological personnel. Reference material for all samples was appropriately retained and stored, including chip trays derived from RC drilling, duplicate pulps and residues of all submitted samples.

12.2. RC and Aire Core Drill Samples analysis

At the SGS Laboratory in Bamako, samples were prepared in accordance with SGS code PRP86. The sample is dried and crushed, if necessary, to obtain 75% of the fraction - 2 mm, splitted if necessary, to obtain 1.5 kg. This quantity is grounded entirely with LM2 to obtain 85% of the fraction < 75 micrometer. The samples are then splitted up to 200 grams. Fifty grams of this material is analyzed by Lead Fusion DIBK with AAS finish which has a detection limit of 0.001 ppm. The SGS code for the analysis is FAE505. Equipment are thoroughly cleaned with barren material before moving on to another sample.

12.3. QA/QC Procedures

Control of the laboratory quality sample preparation and analytical procedures was done via the use of blanks, duplicates and “standards” amounting 20% of the total number of samples shipped to the laboratory.

- **Duplicates**: the original sample is homogenized and divided into two equal samples by splitting
- **Blanks**: these consist of 3-kg samples of minus 5mm barren to near barren material from a specific site tested and having less than 20 ppb gold at the 90% confidence level.
- **Standards:** Commercial pulped standards have been inserted into sample batches

12.4. QA/QC Program Quality Control Procedures

AGEX and GSM’s assay files included field blanks, commercial reference standard material and duplicate samples to provide Quality Assurance and Control (QA/QC) on drill sample results.

12.5. Sample Preparation and Analytical Procedures by SGS

GSM drilling samples were assayed at the ALS Chemex (ABILABS) Laboratory in Bamako (Mali).

13. DATA VERIFICATION

BGR-Consult cannot verify the Quality Assurance/Quality Control (QA/QC) samples used by AGEX and GSM for their RAB, DD, Air Cire and RC drilling sampling programs. The QA/QC data files were missing from data provided to BGR-Consult by Contango Holdings.

However, both AGEX and GSM established a program of Quality Assurance/Quality Control (QA/QC) to monitor accuracy and precision of the assay results from the laboratory. All RAB and RC samples from AGEX drilling were analyzed by SGS Laboratory in Bamako, Mali. GSM used ALS Chemex Laboratory in Bamako for the analysis of the DD, Air Core and RC drilling samples. SGS and ALS Chemex Laboratories in Bamako are both certified independent and internationally recognized commercial laboratories.

14. MINERAL PROCESSING ET METALLURGICAL TESTING

This section is not applicable to this report.

15. MINERAL RESOURCE ESTIMATES

This section is not applicable to this report.

16. MINERAL RESERVE ESTIMATES

This section is not applicable to this report.

17. MIMING METHOD

This section is not applicable to this report.

18. RECOVERY METHOD

This section is not applicable to this report.

19. PROJECT INFRASTRUCTURE

This section is not applicable to this report.

20. MARKET STUDIES ET CONTRACTS

This section is not applicable to this report.

21. ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACTS

Contango Holdings plc has not carried out any environmental studies, Permitting or social or community impact studies.

22. CAPITAL AND OPERATING COST

This section is not applicable to this report.

23. ECONOMIC ANALYSIS

This section is not applicable to this report.

24. ADJACENT PROPRITIES

The Garalo gold project is situated in southern Mali within Paleoproterozoic volcano-sedimentary series of the Birimian Baoulé-Mossi domain of the West African Craton which, hosts multiple world-class multi-million ounces gold mines in operation (Figure 24.1). There are no properties immediately adjacent to the Garalo concession with any relevant technical information. The projects in closest proximity to Garalo include the 1.8 Moz Yanfolia deposit located about 90 km northwest and the 2.8 Moz Kalana gold deposit located 80 km southwest of the Garalo permit (Figure 24.1). Information on these deposits was extracted from several documents on the company websites including Fact-Sheet and their reserve and resource reports.

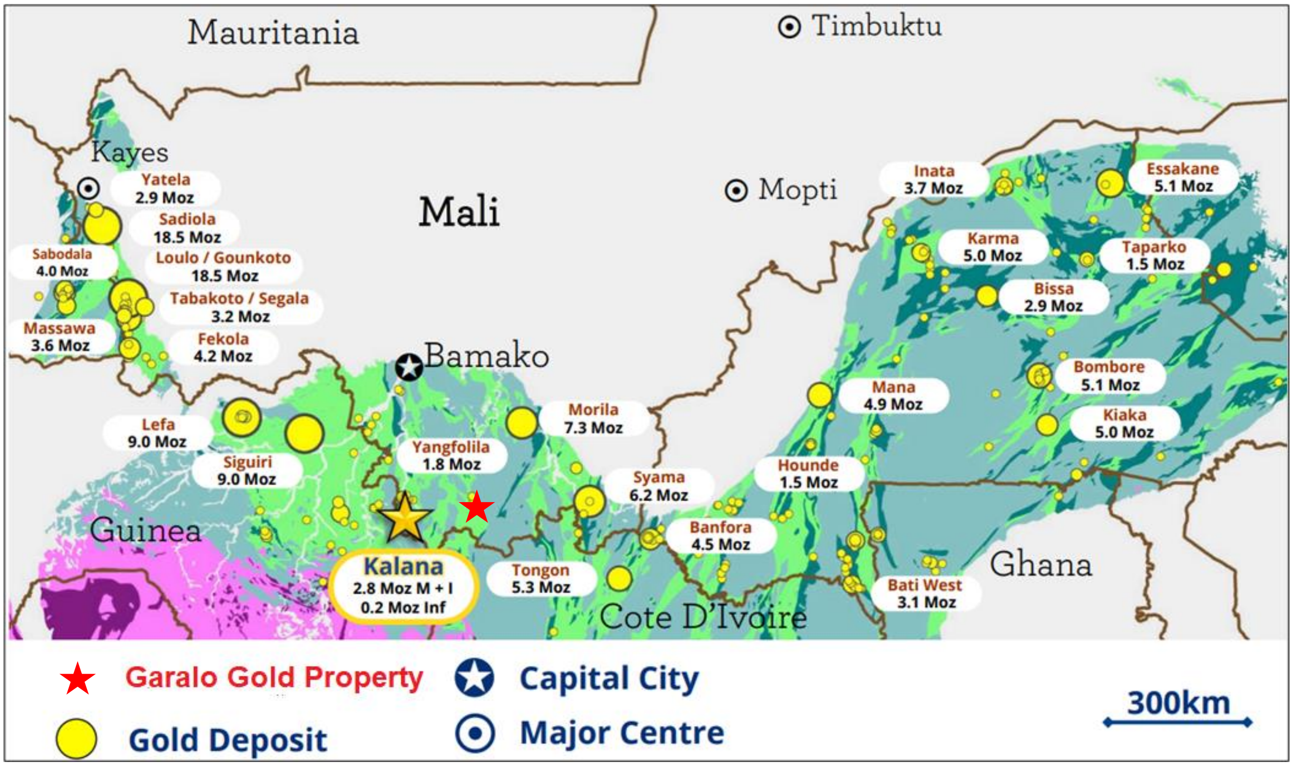


Figure 24.1: Map of the west African craton showing the main deposits and the location of the Garalo gold project

24.1. Kalana Gold Deposit

The Kalana gold deposit occurs within metamorphosed Paleoproterozoic volcano-sedimentary series of the Birimian Baoulé-Mossi domain of the West African Craton, in the south of Mali. These formations are intruded successively by small dioritic bodies, as well as andesitic and tonalitic dykes, which exhibit volcanic arc-setting signatures. Mineralization is hosted by two sets of quartz veins that intersect the regional schistosity. The first set of veins is the most important in terms of grades and size, and consists of thick veins (up to meter size) that range in trend from N–S to E–W with shallow plunges. The second set consists of much thinner (centimeter size) sub-vertical quartz veins-oriented NE–SW. The two sets of veins are interpreted to have formed during the evolution of late, gently dipping thrust faulting. Two episodes of gold precipitation are recognized: a first episode, during early stages of vein growth, formed micron-size native gold inclusions in arsenopyrite; a later episode, during vein shearing and fracturing of the quartz lodes, precipitated native gold in free form in quartz, in fractured arsenopyrite, and associated with chalcopyrite, galena, sphalerite, Bi sulfides and native bismuth. All evidence suggests that the Kalana deposit represents orogenic gold mineralization formed during a relatively long-lived hydrothermal system, at a late stage of the tectonic history of the greenstone belt. The geological and structural model of the Kalana gold deposit is very similar to the geological and structural model and the style of gold mineralization of the Garalo gold deposits (Figure 24.3).

As of December 30, 2016
Resources shown inclusive of Reserves on a 100% basis

	Tonnage (Mt)	Grade (Au g/t)	Content (Au koz)
Proven Reserves	5.1	3.00	490
Probable Reserves	16.6	2.75	1,470
P&P Reserves	**21.7**	**2.80**	**1,960**
Measured Resource	9.5	4.20	1,280
Indicated Resources	15.0	4.02	1,920
M&I Resources	**24.5**	**4.02**	**3,200**
Inferred Resources	1.7	4.51	240

3D view of the Discretised Block Model

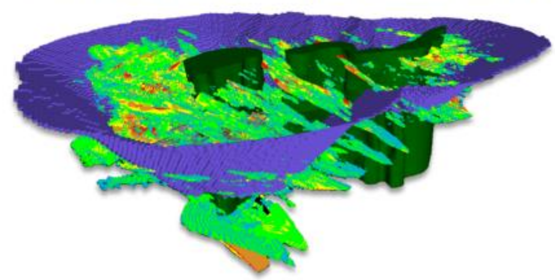


Figure 24.2: Mineral Resources and reserves of the Kalana Gold deposit as of December 30, 2016

Kalana is a high-quality project with current reserves of 2.8 Moz within a single open pit (Figure 24.2). The present feasibility study, prepared by Avnel, anticipates a 1.2Mtpa CIL plant, producing an average of 101koz per year at an AISC of $730/oz over an 18-year mine life. Endeavour expects to re-design and optimize the current feasibility study. With an expanded plant capacity, Endeavour believes that Kalana has the potential to increase its annual production profile to more than 150,000 ounces per year and become another high-quality asset within Endeavour's portfolio.

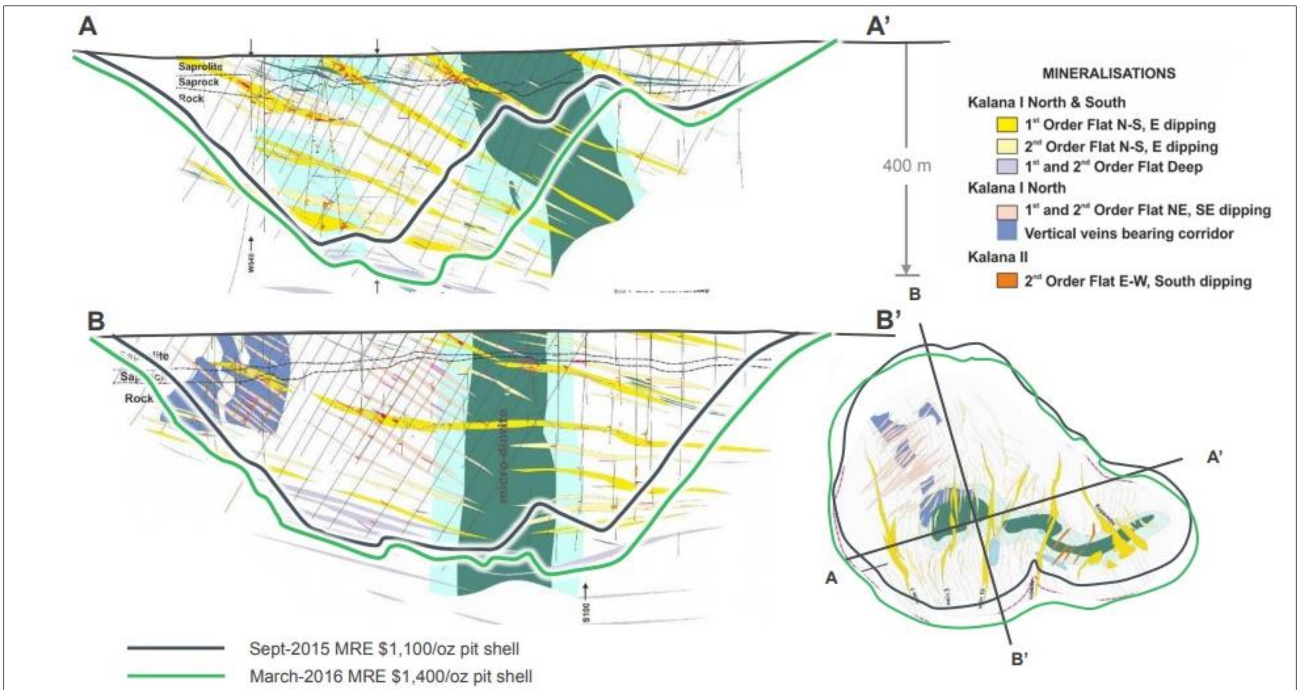


Figure 24.3: Geological and structural model of the Kalana gold deposit

24.2. YANFOLILA BELT

Hummingbird Resources' Yanfolia Project (consisting of the Komana East and West deposits) is located in southern Mali within the Yanfolila greenstone belt on the eastern boundary of the greater Siguiri Basin (Figure 24.4). The deposit is a high-grade open pit mining operation, which poured first gold on time and on budget in December 2017. This basin forms part of the Birimian volcano-sedimentary series of the West African Craton.

The project geology consists of Birimian metasediments and metavolcanics in contact with a central large granite body. Several highly prospective major NE-SW-trending splays off the Siekerole Shear Zone traverse the project area. The Siekerole Shear Zone is considered to be the major controlling structure in the Yanfolila belt and thus proximity to this key structure ensures it is a prospective region, A number of sub-basins are present, including the Komana Mafic Sub-Basin (KMSB) and the Kabaya Sub-Basin. The mineralization at Komana East and West are hosted within the KMSB in a stratigraphic sequence consisting of basalt, polymictic conglomerate, feldspathic sandstone, siltstone and greywacke, with mineralized mafic intrusive rocks present at certain locations. The style of mineralization is shear-zone hosted gold mineralization.

As of February 18, 2016, the project is estimated to hold Probable Reserves of 7.039 Mt grading 3.14 g/t, containing 709,800 oz of gold (Table 24.1, Hummingbird website, 2017). Yanfolila is a high-grade deposit with significant scope to increase its Reserve base and Life of Mine through on-going exploration. The table below provides the key results of the Definitive Feasibility Study released by Hummingbird Resources on 18 January 2016. This was updated to the Optimized New Mine Schedule, dated 29 February 2016.

	Tonnes	Contained Ounces (Au)	Grade (g/t)
Komana East	4,606,000	470,600	3.18
Komana West	2,433,000	239,200	3.06
Total	7,039,000	709,800	3.14

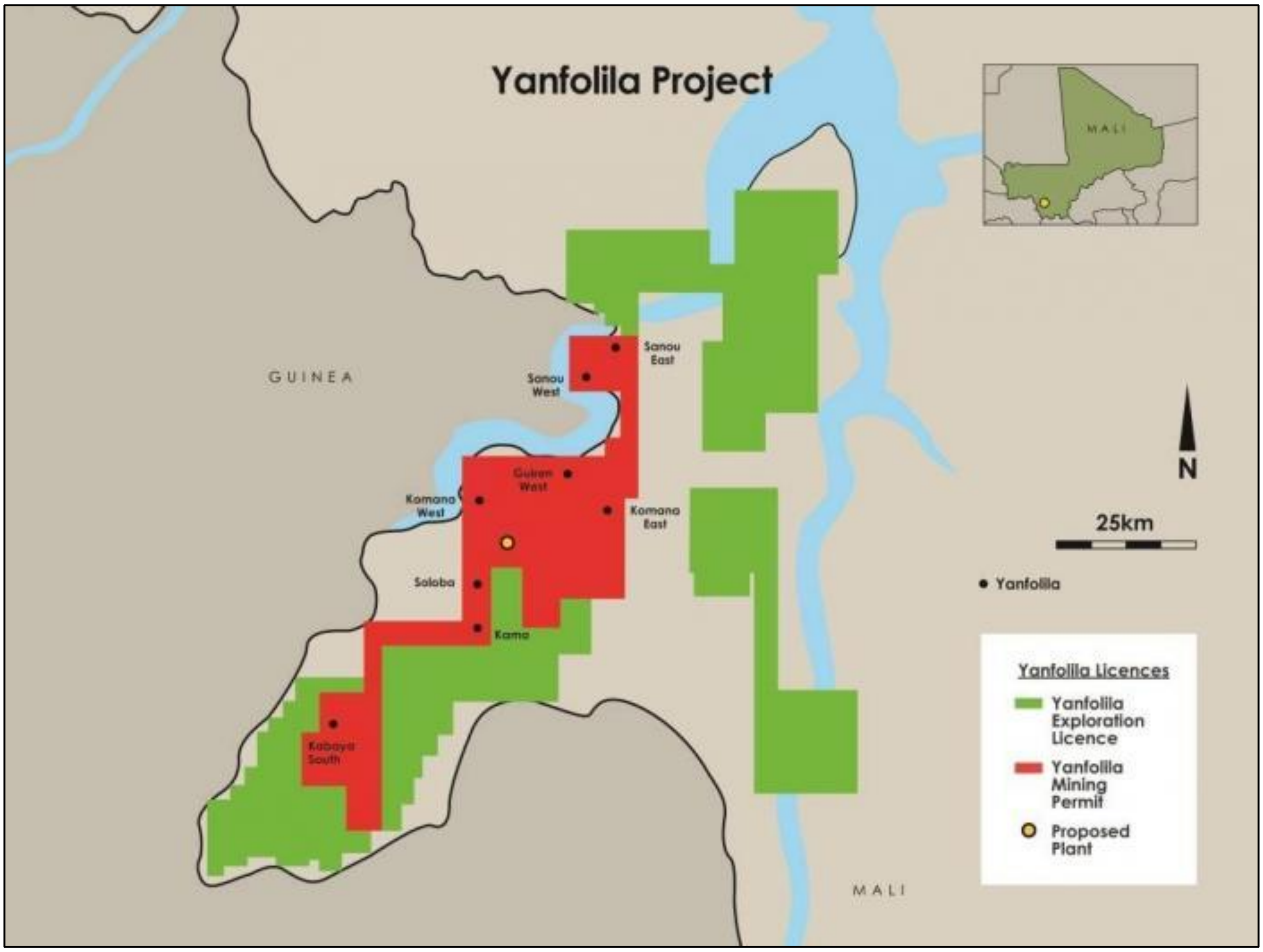
ndicated and Inferred Resources (Inclusive of Reserves)

	Tonnes	Contained Ounces (Au)	Grade (g/t)
JORC 2012	20,919,000	1,699,100	2.53
SAMREC 2009	2,020,000	85,400	1.31
GFL 2013 Non-Compliant	5,013,200	220,800	1.37
Total	27,952,200	2,005,300	2.23

Table 24.1: Mineral Resources and Reserves of the Yanfolila Gold deposit as of February 18, 2016

The carbon-in-leach process plant has a throughput capacity of 1.4Mtpa when processing a blend of ore types, which was enhanced by the secondary ball mill project in 2019. When processing 100% fresh ore, the throughput capacity has been increased from 1Mtpa to 1.24Mtpa.

There are significant Indicated Resources both within the open pit and mine inventories that are not in the current mine-plan. These will be targeted for conversion to ore Reserves in the future to increase both current forecasted annual production and to extend the mine life. There is a focus on exploration and underground development to delineate new Resources and Reserves to further augment the mine plan.



Source: https://www.goldfields.com/reports/ar_dec_2011/minerals/exp_ad_yanfolila.php

Figure 24.4: Geological and structural model of the Kalana gold deposit

25. OTHER RELEVANT DATA AND INFORMATION

No additional information or explanation is necessary to make this Technical Report understandable and not misleading.

26. INTERPRETATIONS

Geological and structural relationships, mineral alteration assemblage and the style of the gold mineralization within the Garalo permit demonstrate that gold deposits at Garalo are classic examples of mesothermal shear-zone-controlled, intrusive-related, orogenic-type gold mineralization, hosted in greenstone folded and deformed sedimentary successions of graywacke and siltstone similar to the 2.8 Moz Kalana gold deposit.

26.1. Geology

Two main groups of lithological units are identified in the Garalo area: (1) an Early Paleoproterozoic greenschist facies turbidite sedimentary sequence belonging to the Bougouni Formation and composed of alternating layers of sandstone and siltstone. (2) concordant syn- to post Birimian NS- to NNW-striking and shallowly to moderately westerly-dipping granite intrusive rocks forming swarm intruding the sedimentary sequence (Figure 26.1).

1. The turbidite sequence forms the main component of the sedimentary rocks within the permit area. The rock is generally quite massive and composed of alternating centimetric to metric coarse-grained sandstone layers (interpreted as graywacke) and fine-grained siltstone layers (interpreted as shale). Structural measurements on primary structures on drill cores demonstrate that the sedimentary rocks generally trend NS to NNW and shallowly dip toward the west.
2. The granitic intrusive rocks are of two main types: a dark ferromagnesium-rich biotite-amphibole granite and a lighter quartz-feldspar-rich biotite granite. These rocks are cut by younger intrusive units including gabbro and diorite dykes and a later leucocratic quartz-feldspar granit dykes.

26.2. Structures

Structural interpretations combined with results from the ground IP geophysical survey at Garalo demonstrate that the main structure identified at Garalo G1 and G3 targets is a brittle-ductile NS- to NNW-striking, shallowly to moderately westerly-dipping strike-slip shear zone systems located at or near the contact between sediments and intrusive rocks (Figures 26.1 to 26.13).

These brittle-ductile shear zones contain a complex networks of extensional dilation fracture systems, are closely associated with the gold mineralization and have a close spatial and likely a genetic relationship. The brittle-ductile deformation of the sediment host rocks at its contact with the intrusive rocks suggests that the dyke would have a syn-orogenic origin emplaced along reactivated fault zones likely during the 2.0 Ga compressional event of the Birimian orogeny.

26.3. Alterations

Core observations at Garalo G1 and G3 targets show that the key mineral alteration assemblages associated with the gold mineralization is chlorite-quartz-carbonate-pyrite-arsenopyrite and pyrrhotine alteration. Quartz-carbonate, quartz-carbonate-chlorite and pyrite-arsenopyrite were observed in association with tension quartz vein and breccia zones in the graywacke rocks. The quartz-carbonate-chlorite association would suggest a syn-ore hydrothermal mineralizing fluid at temperature near 300°C during gold deposition consistent with conditions of ore-forming in orogenic greenstone belt environments.

26.4. Gold Mineralization

The gold mineralization is strongly structurally controlled and is contained into zones of deformation and hydrothermal quartz-calcite-chlorite-pyrite-arsenopyrite alteration associated with sheared and altered brecciated greywacke and shale rocks in the hanging-wall of a shallowly-dipping (45º), north-south to north-north-west-striking parallel fracture systems (Figures 26.1 to 26.13). Gold is preferentially developed in the greywacke rock that was affected by brittle deformation, fracturing, openings and veining. Gold is associated to structurally controlled tension quartz-vein systems and stockworks in brittle fractures. The brittle component of the fault, which 'brittly' deformed competent lithologies such as the greywacke of the sedimentary sequence created dilation and extension areas (at fault jogs, bends, bumps or branches etc.) along the Fault Zone during slip movement which, are favorable enhanced permeability structural traps for magma intrusion, hydrothermal mineralizing fluid flow, fluid/rock interaction, hydrothermal alteration, and gold mineralization that formed deposits within the Garalo permit (Garalo G1 and G3 gold deposits).

Minor gold mineralization occurs also in the syn-tectonic intrusive dykes. These intrusive rocks intruded the sedimentary units during deformation and may have influenced the deposition of pervasive gold mineralization through magmatic fluid degassing processes. At Garalo, gold deposition was likely concomitant with dissemination of arsenopyrite and pyrite with minor pyrrhotite. Gold is dominantly associated chlorite-quartz–carbonate–sulphides assemblage, stockwork of quartz-carbonate veinlets and arsenopyrite mineralization.

26.5. Origin of the mineralizing fluids that formed the Garalo gold deposits

The Garalo gold deposits display evidence for hydration and fluid flow evidenced by the presence of quartz-filled tension gashes and breccias, quartz, chlorite and calcite veins that occur within the shear zones. These evidences suggest that hydration associated with hydrothermal fluid flow prevailed during the development of the shear zone and played a key role in the hydrothermal alteration and the ore-forming processes.

The quartz-carbonate-chlorite association suggests that the hydrothermal mineralizing fluids likely derived from metamorphic fluids were likely generated during metamorphism associated with the thermal Orogen. These fluids were produced from dehydration of hydrous minerals and flow toward deep and large fracture systems and dilatant jogs that resulted from brittle reactivation of the early ductile shear zones.

The close relationship between the gold mineralization and the intrusive rocks indicate also that magmatic hydrothermal fluids derived from fluid degassing from the syn-orogenic calk-alkaline magmas associated with the D2 thermo-tectonism may also play an important role in the hydrothermal ore-forming processes. It is demonstrated that in orogenic greenstone belt terrane gold deposits can formed from mixing between metamorphic hydrothermal fluids and magmatic-derived hydrothermal fluids (Goldfarb et al., 2001).

26.6. Potential for additional resources in the Garalo permit

The geological and structural investigations demonstrate that there is potential for additional resources. At G1 and G3 gold targets, the new structural model indicates that the NS-striking and shallowly-dipping Fault that controls the gold mineralization formed a succession of parallel extension and dilation fracture systems along the fault zone. This new model is similar to model for the 2.8 Moz Kalana gold deposit located about 80 km west of the Garalo property and operated by Endeavour Mining. At Garalo G1 target the gold structure:

- has a strike-length of up to 1,000 meters and is open laterally north and south along strike and downdip
- has width that can exceed 200 meters in place and
- hosts large and minable-grade gold mineralization (Table 26.1).

Num	Hold ID	From (m)	To (m)	Interval (m)	Au ppm	Comments
1	G1AD001	200	201	1	6,22	
2	G1AD003	57	59	2	10,35	
3	G1AD003	64	65	1	43	
4	G1AD003	151	167	16	1,24	including 1m@7g/t
6	G1ARC002	81	87	6	6,66	
7	G1ARC003	53	55	2	2,42	
8	G1ARC003	78	79	1	7,64	
9	G1ARC003	87	90	3	22,11	
10	G1ARC004	21	26	5	3,65	
11	G1ARC006	83	96	13	1,02	
12	G1ARC009	38	40	2	17,05	
13	G1ARC147I	0	18	18	1,69	
14	G1ARC147I	68	76	8	2,7	
15	G1ARC148	40	54	14	4,45	including 2m@27,8 g/t
16	G1ARC178	0	8	8	9,3	including 2m@35,6g/t from surface

Table 26.1: Best gold intercepts from drilling at Garalo G1 Target (cut-oof of 3m@0.3g/t)

At Garalo G3 target the gold structure:

- has a strike-length of up to 500 meters and is open laterally north and south along strike and downdip
- has width that can exceed over 100 meters in place and
- hosts large and minable-grade gold mineralization (Table 26.2).

Num	Hold ID	From (m)	To (m)	Interval (m)	Au ppm	Comments
1	G3AD001	159	163	4	1,44	
2	G3AD002	73	75	2	1,44	
3	G3ARC002	46	52	6	1,37	including 1m@5,6g/t
4	G3ARC002	87	90	**3**	**5,11**	Including 1m@13,2g/t
5	G3ARC066	64	74	10	0,41	
6	G3ARC147	30	34	4	1,36	
7	G3ARC148	22	32	10	0,54	
8	G3ARC148	60	62	2	1,5	
9	G3ARC148	84	90	**6**	**2,06**	including 2m@5.3g/t
10	G3ARC149	34	48	14	0,66	
11	G3ARC149	62	64	**2**	**2,58**	
12	G3ARC149	74	78	4	1,08	
13	G3ARC149	84	100	**16**	**13,89**	including 2m@95g/t
14	G3ARC150	0	2	**2**	**6**	

Table 26.2: Best gold intercepts from drilling at Garalo G3 Target (cut-oof of 3m@0.3g/t)

There are other spots of high anomalous values and areas of broad good soil values occurring throughout the remaining area of the Garalo permit that should be considered priority areas for future investigations consisting of detailed lithological and structural mapping aimed at identifying the geological source of the soil anomalies. Specifically, mapping should be focused on delineating major fault structures similar to those mapped in the Garalo G1 and G3 Targets. Birima recommends the detailed analysis of the remaining area in order to map the detailed structural framework and to put it in relationship with this new structural model revealed during this study. This would provide a specific structural context for the whole Garalo permit in regards with the regional structural setting. The Garalo permit can therefore be considered high priority and is recommended for future aggressive exploration works.

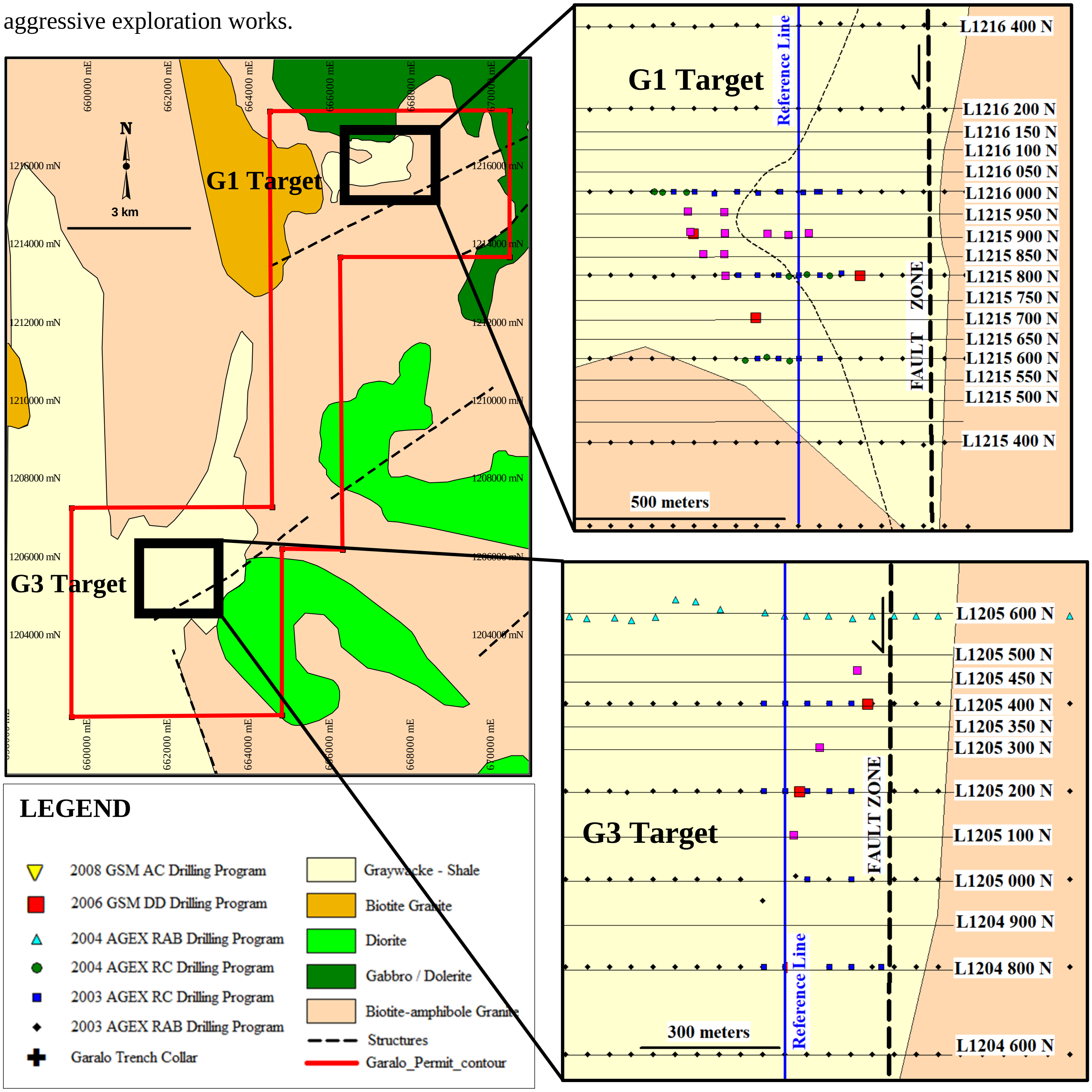


Figure 26.1: Geological Map of the Garalo Permit showing the G1 and G3 targets and the drilling programs completed. Cross-sections Interpretation

Figure 26.1 shows in plan-view map the geological and structural interpretation of the Garalo permit. Figures 26.2 to 26.8 show in cross-sectional view the geological and structural interpretations of the Garalo G1 gold deposit and the style of the gold mineralization. Figures 26.9 to 26.13 show in cross-sectional view the geological and structural interpretations of the Garalo G3 gold deposit and the style of the gold mineralization.

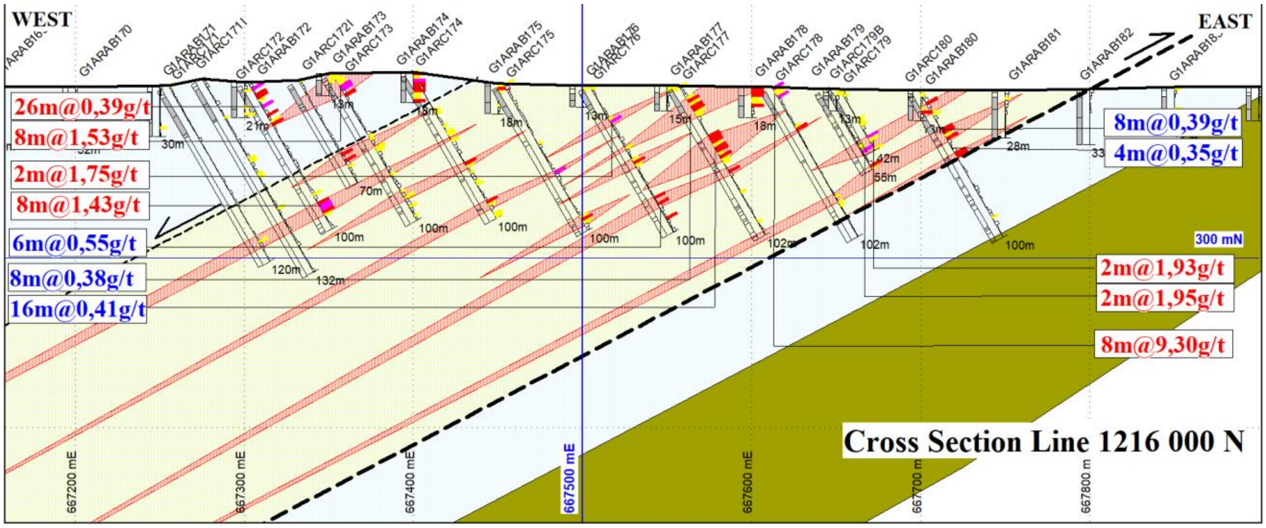


Figure 26.2: Geological and Structural interpretation of the Garalo G1 gold deposit. X-Section Line 1216 000 N

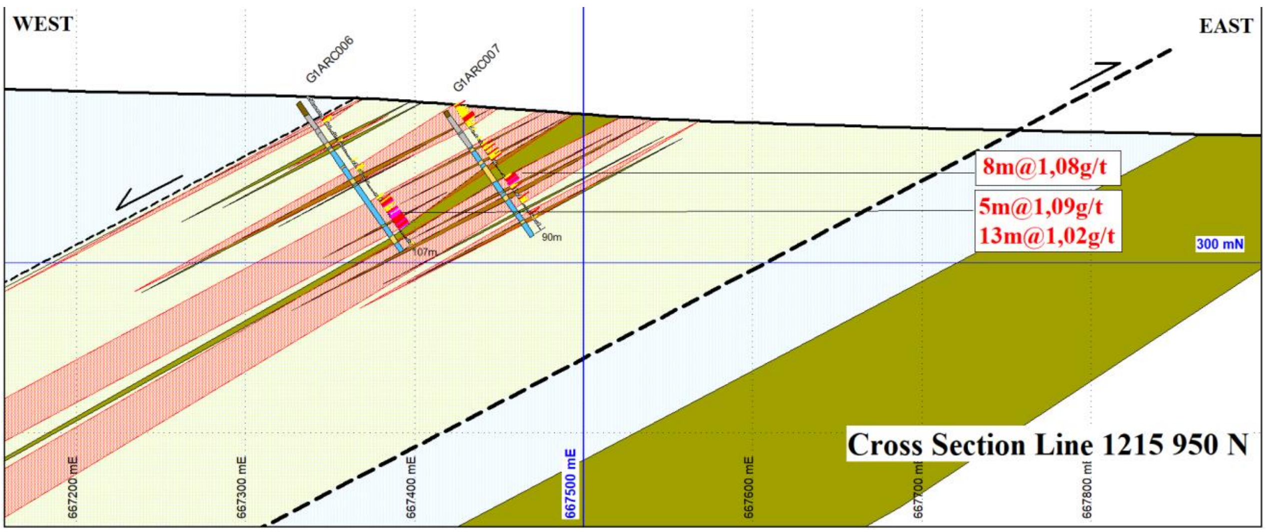


Figure 26.3: Geological and Structural interpretation of the Garalo G1 gold deposit. X-Section Line 1215 950 N

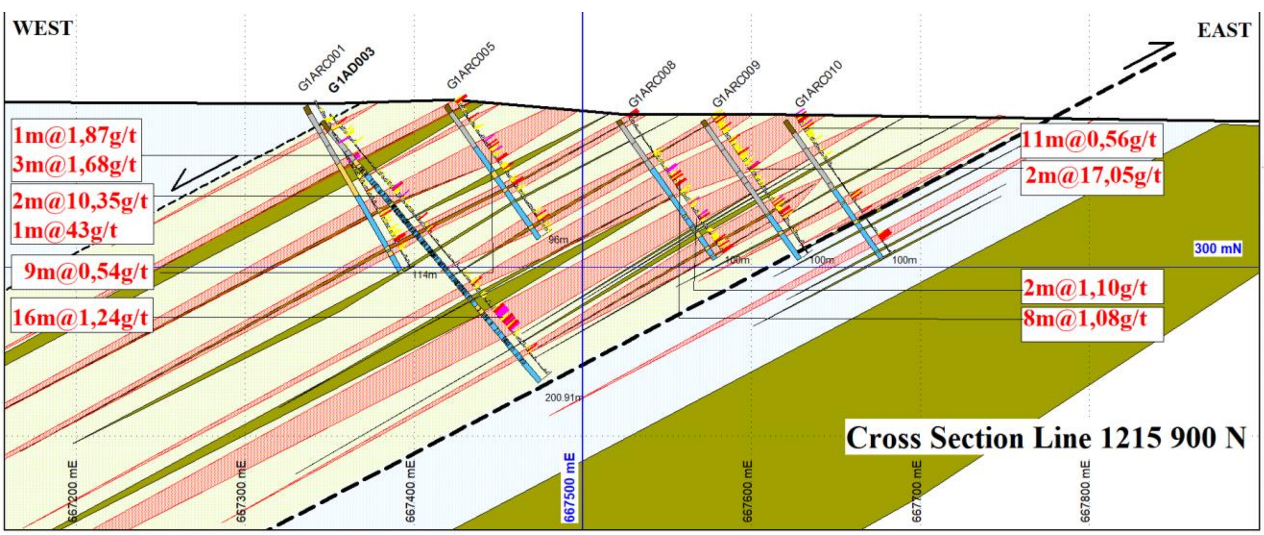


Figure 26.4: Geological and Structural interpretation of the Garalo G1 gold deposit. X-Section Line 1215 900 N

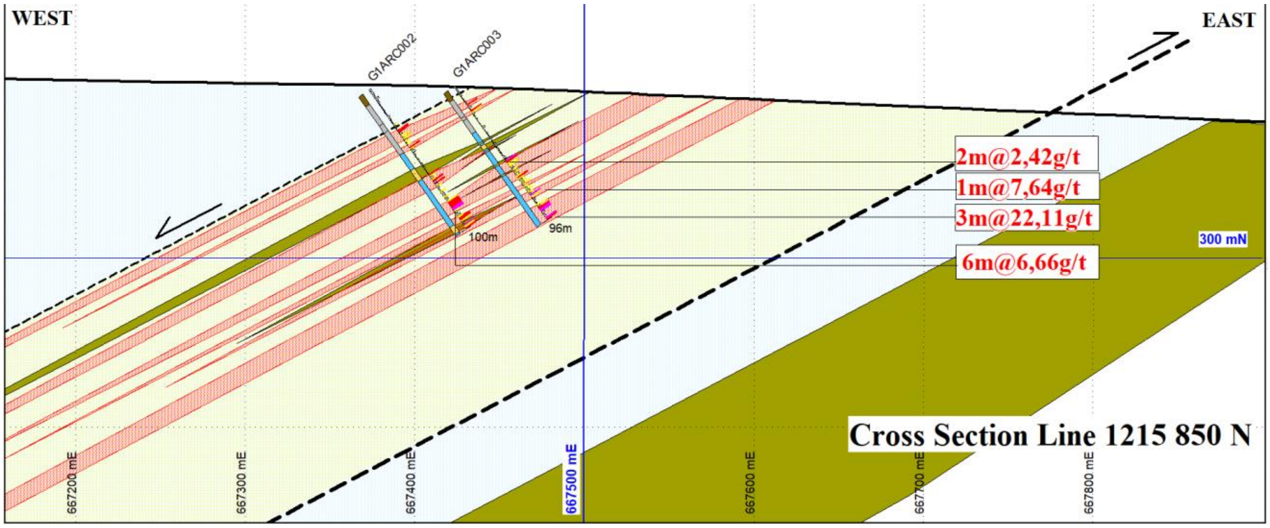


Figure 26.5: Geological and Structural interpretation of the Garalo G1 gold deposit. X-Section Line 1215 850 N

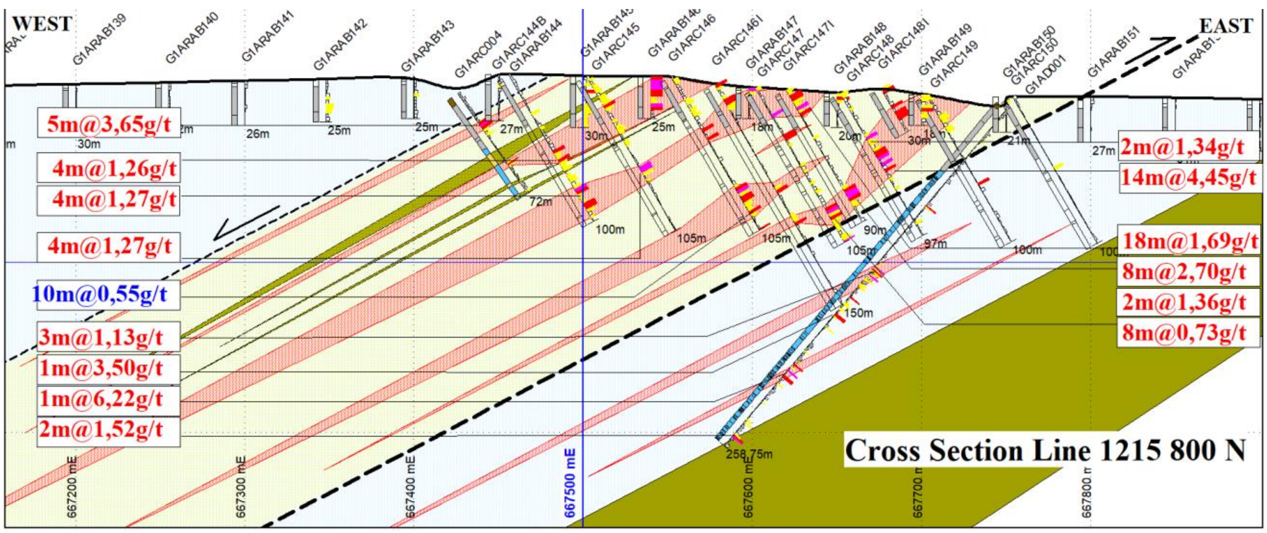


Figure 26.6: Geological and Structural interpretation of the Garalo G1 gold deposit. X-Section Line 1215 800 N

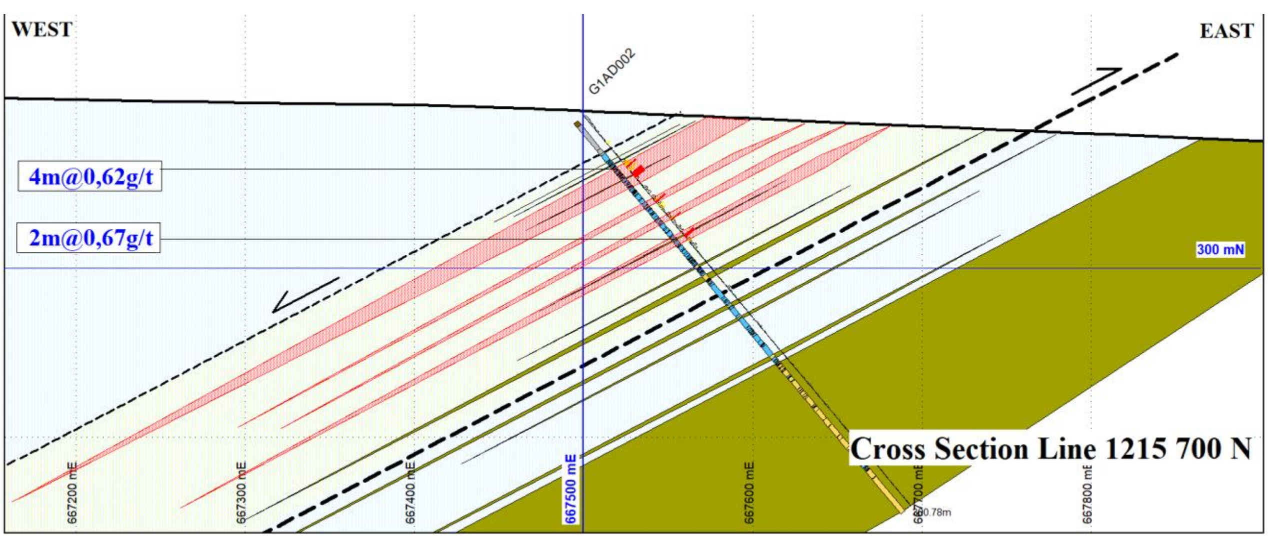


Figure 26.7: Geological and Structural interpretation of the Garalo G1 gold deposit. X-Section Line 1215 700 N

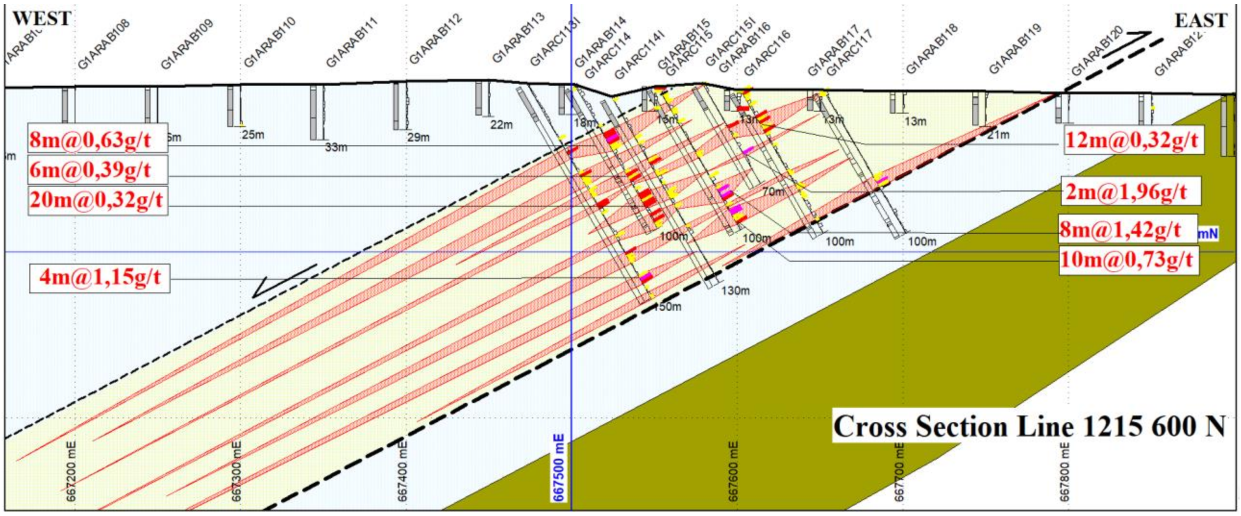


Figure 26.8: Geological and Structural interpretation of the Garalo G1 gold deposit. X-Section Line 1215 600 N

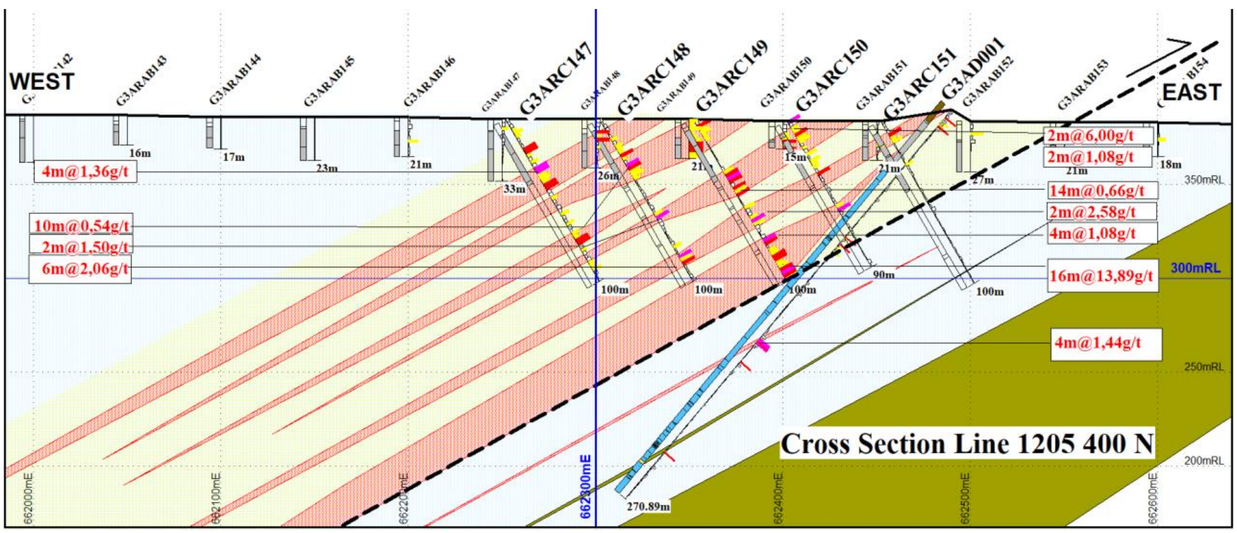


Figure 26.9: Geological and Structural interpretation of the Garalo G3 gold deposit. X-Section Line 1205 400 N

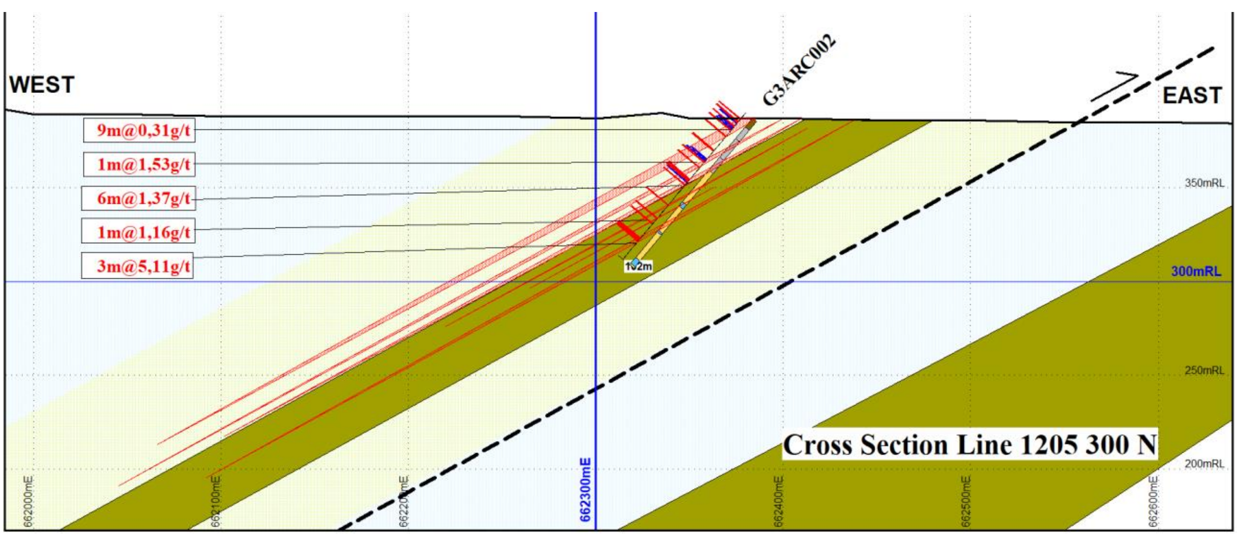


Figure 26.10: Geological and Structural interpretation of the Garalo G3 gold deposit. X-Section Line 1205 300 N

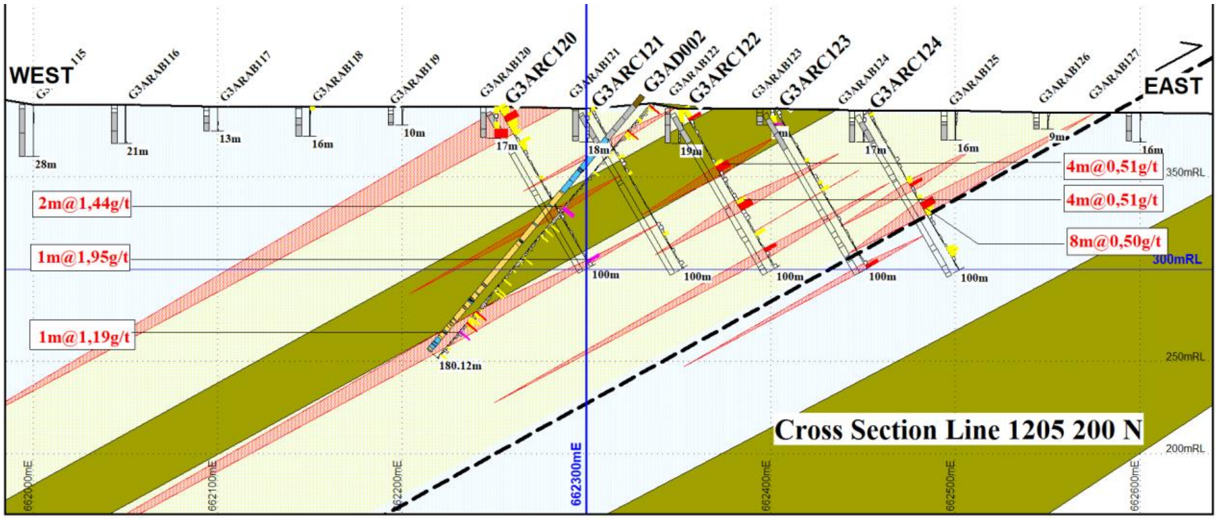


Figure 26.11: Geological and Structural interpretation of the Garalo G3 gold deposit. X-Section Line 1205 200 N

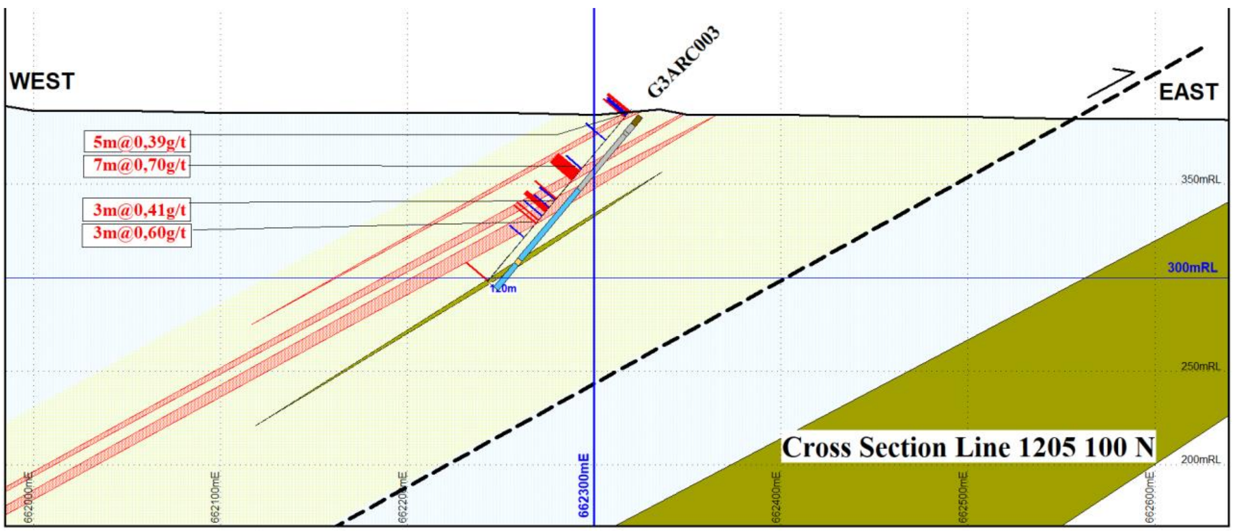


Figure 26.12: Geological and Structural interpretation of the Garalo G3 gold deposit. X-Section Line 1205 100 N

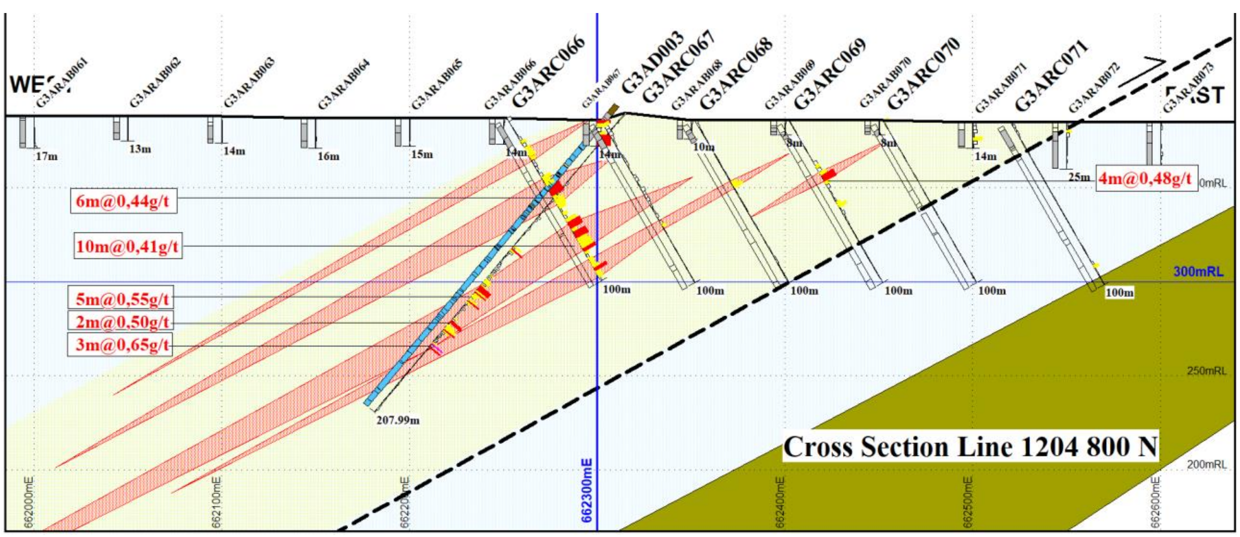


Figure 26.13: Geological and Structural interpretation of the Garalo G3 gold deposit. X-Section Line 1204 800 N

27. CONCLUSIONS

The Garalo gold project consists of an exploration license covering a surface area of 62.50 km² in the Bougouni Formation of Southern Mali, West Africa. Successive exploration works completed by AngloGold Exploration Ltd, PGRM and Golden Spear Mali between 2001 and 2008 were professionally managed and procedures were consistent with generally accepted industry best practices. The exploration data from soil geochemistry sampling, ground geophysical survey, trenches and drilling are sufficiently reliable to confidently allow interpretation of the gold mineralization in the Garalo property and planning of an extensive drilling program over existing gold deposits and in areas with potential for new discovery.

Exploration works performed in the Garalo permit resulted in the discovery of the Garalo G1 and G3 gold deposits and numerous others clusters of anomalous zones with potential for gold discovery.

Geological and structural interpretations by BRG-Consult in 2021 determined the geological and structural setting of the deposits and the style of the gold mineralization and established a conceptual geological and structural model for the gold mineralization. BRG-Consult interprets NS to NNW-striking and shallowly west-dipping shear zone systems that control the gold mineralization at Garalo G1 and G3 deposits. These structures are identical to structures that control the nearby 2.8Moz Kalana gold deposit operated by Endeavour Mining.

The gold mineralization is strongly structurally controlled and is contained into zones of deformation and hydrothermal quartz-calcite-chlorite-pyrite-arsenopyrite alteration associated with sheared and highly altered brecciated greywacke and shale rocks in the hanging-wall of a shallowly-west-dipping, NS to NNW-striking parallel set of fracture systems. Large and high-grade gold mineralization were intercepted at the Garalo gold project (Tables 27.1 and 27.2 and Appendix B).

- **At Garalo G1 Target the gold structure:**
  - has a strike-length of up to 1,000 meters and is open laterally north and south along strike and downdip
  - has width that can exceed 200 meters in place and
  - hosts large and minable-grade gold mineralization (Table 27.1)

Num	Hold ID	From (m)	To (m)	Interval (m)	Gold (g/t)	Comments
1	G1AD001	200	201	1	6,22	
2	G1AD003	57	59	**2**	**10,35**	
3		64	65	1	43	
4		151	167	**16**	**1,24**	including 1m@7g/t
6	G1ARC002	81	87	**6**	**6,66**	
7	G1ARC003	53	55	2	2,42	
8		78	79	1	7,64	
9		87	90	**3**	**22,11**	
10	G1ARC004	21	26	**5**	**3,65**	
11	G1ARC006	83	96	13	1,02	
12	G1ARC009	38	40	2	17,05	
13	G1ARC147I	0	18	**18**	**1,69**	
14		68	76	8	2,7	
15	G1ARC148	40	54	**14**	**4,45**	including 2m@27,8 g/t
16	G1ARC178	0	8	**8**	**9,3**	including 2m@35,6g/t from surface

Table 27.1: Best gold intercepts from drilling at Garalo G1 Target (cut-off of 3m@0.3g/t)

- **At Garalo G3 Target the gold structure:**
  - has a strike-length of up to 600 meters and is open laterally north and south along strike and downdip
  - has width that can exceed over 100 meters in place and
  - hosts large and minable-grade gold mineralization (Table 27.2)

Num	Hold ID	From (m)	To (m)	Interval (m)	Au ppm	Comments
1	G3AD001	159	163	4	1,44	
2	G3AD002	73	75	2	1,44	
3	G3ARC002	46	52	6	1,37	including 1m@5,6g/t
4	G3ARC002	87	90	**3**	**5,11**	Including 1m@13,2g/t
5	G3ARC066	64	74	10	0,41	
6	G3ARC147	30	34	4	1,36	
7	G3ARC148	22	32	10	0,54	
8	G3ARC148	60	62	2	1,5	
9	G3ARC148	84	90	**6**	**2,06**	including 2m@5.3g/t
10	G3ARC149	34	48	14	0,66	
11	G3ARC149	62	64	**2**	**2,58**	
12	G3ARC149	74	78	4	1,08	
13	G3ARC149	84	100	**16**	**13,89**	including 2m@95g/t
14	G3ARC150	0	2	**2**	**6**	

Table 27.2: Best gold intercepts from drilling at Garalo G3 Target (cut-off of 3m@0.3g/t)

The Garalo gold project is part to the Paleoproterozoic rocks of the Bougouni Formation of the Baoulé-Mossi domain, in the Birimian Super group of West Africa that hosts several word-classes multi-million-ounces gold deposits (examples include 2.8Moz Kalana, 7.3Moz Morila, 6.2Moz Syama and, 1.8Moz Yanfolila gold deposits). Geological and structural relationships, mineral alteration assemblage and the style of the gold mineralization within the Garalo permit demonstrate that the gold deposits are classic example of mesothermal shear-zone-controlled, intrusive-related, orogenic-type gold mineralization, hosted in greenstone folded and deformed sedimentary successions of graywacke and shale similar to the nearby 2.8Moz Kalana gold deposit.

The Garalo property can therefore, be considered as very prospective terrane to host economic gold deposit, considering that aggressive additional exploration works including extensive drilling programs will continue to further define and delineate additional gold mineralization.

Based on BGR-Consult’s due diligence site visit and subsequent review of available historical exploration information, BGR-Consult offers the following general comments and conclusions.

- The main structure that controls the gold mineralization at Garalo G1 and G3 Targets is a north-south-striking, shallowly-west-dipping shear zone system forming pull-apart similar to the nearby 2,8Moz Kalana deposit. This new model for the gold formation at Garalo suggests that the gold mineralization is hosted in a complex system of parallel dilation fracture networks within shear zones. These fracture networks are under-explored and may contain a potential of up to 2 Moz within the Garalo property.

- Historical exploration results on the Garalo gold property indicate the presence of significant gold mineralization with potential for economic gold discovery. The Garalo main gold deposits (G1 and G3

Targets) are the highest priority exploration targets within the concession. Additional drilling, geophysical survey, sampling and mapping are required to evaluate the resource and economic potential of the deposits.

- The assessment of and conclusions made in this report on the exploration potential of the Garalo gold property is based on the historical exploration results, particularly the gold results obtained from historical soil geochemistry sampling, ground IP geophysical survey and drilling programs completed by AngloGold Exploration Ltd and Golden Spear Mali between 2001 and 2008.
- BGR-Consult concludes that the type of and amount of historical exploration works completed in the Garalo permit and data generated by this work provides an adequate basis for the review and assessment of exploration potential provided in this technical report and, the recommendations made herein.
- Any significant variations of the reported historical results could impact the conclusions and work recommendations made in this report.
- The normal risk associated with exploration project exists, so there is no guarantee that the proposed exploration work will identify economically viable gold mineralization on the property.

28. RECOMMENDATIONS

The Garalo property is a relatively advanced exploration project and significant detailed exploration works have led to the identification of the Garalo G3 and G1 gold deposits with potential for containing economic gold mineralization. BGR-Consult considers that the character and extend of the gold mineralization delineated is of sufficient merit to warrant additional exploration expenditures. BGR-Consult recommends an exploration work program that - if implemented - will advance the project to a resource and reserve estimations and a pre-feasibility study stage.

The following recommendations for additional exploration work on the Garalo property are proposed. A Phase I of Reserve Circulation (RC) drilling program and a Phase II of Diamond (DD) drilling program are recommended on the Garalo G3 and G1 gold deposits to advance these targets. A phase III of RAB drilling program is recommended on others prospects within the Garalo permit. The budget is estimated for each drilling phase and is for the proposed field and administrative costs, logistics and contractors, but do not include any corporate management fees.

28.1. DRILLING

The detailed structural and geological interpretation and modelling of the Garalo G1 and G3 gold deposits resulted in a coherent and comprehensible geological and structural model that gives a better understanding of the structural setting and the style of the gold mineralization of the deposits and re-orient further drilling programs (Table 28.1).

28.1.1. Garalo G1 Target

28.1.1.1. Recommended Phase I RC Drilling Program on Garalo G1 Target

The proposed Phase I drill program will test and expand the Garalo G1 gold deposit. This program will test the interpreted structural and geological model of the deposit. The objectives are therefore, to:

- Test the proposed geological and structural model of the gold deposit (Figures 28.1 to 28.13)
- Test a strike length of 600 km over the interpreted mineralized structure
- Define and delineate laterally and down dip the gold deposit within the interpreted structure
- 13 fences spacing 50 meters apart, 2 to 5 RC holes for each fence totalizing 46 holes and 6,795 meters
- Holes are oriented East-West, inclined -50º and, depth varying between 60 to 240 meters

28.1.1.2. Recommended Phase II DD Drilling Program on Garalo G1 Target

The Phase II DD drilling program is dependent on the outcome from the Phase I drilling program and will be implemented only if results of the Phase I RC drill program are positives. The main objectives of this Phase II DD drilling program on G1 Target are to test the deep extension of the gold mineralization within the interpreted structure, for geotechnical and metallurgical studies and for geological and structural understanding of the gold deposit. BGR-Consult recommend 1 deep diamond drill hole for each fence (Figures 28.2 to 28.12) totalizing 11 holes and 3,135 m. Holes are oriented East-West, inclined -50º and, depth varying between 275 to 300 m.

The Phase I RC and Phase II DD drilling programs maps and sections are shown in Figures 28.1 to 28.13 and the location and technical parameters of the drillholes are presented in Appendix C, Tables 32.1 and 32.2.

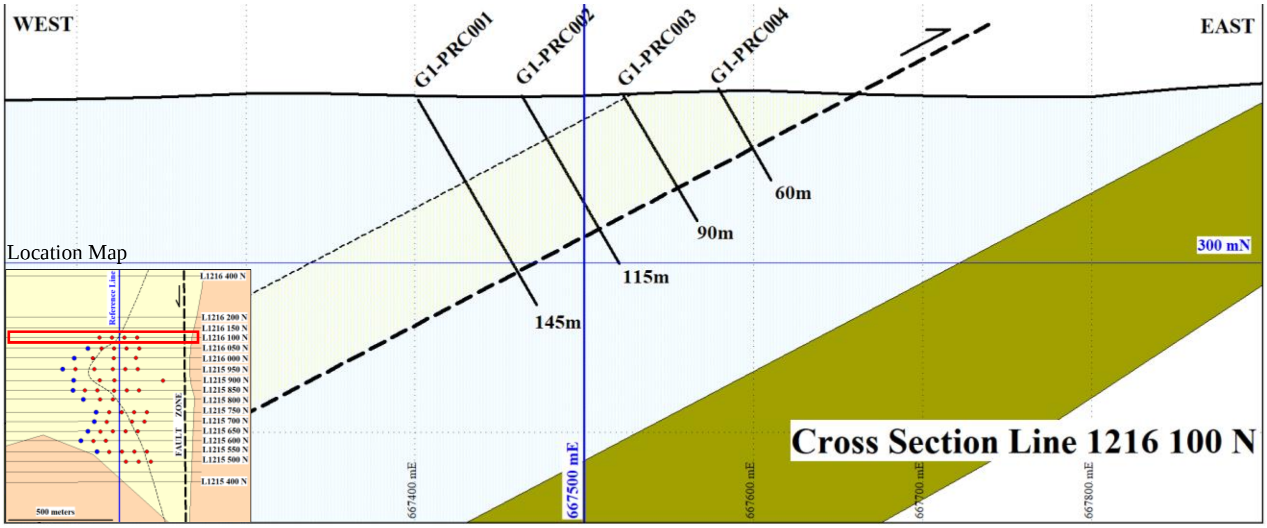


Figure 28.1: Garalo G1A Target: Recommended RC Drill Program. Line 1216 100 N

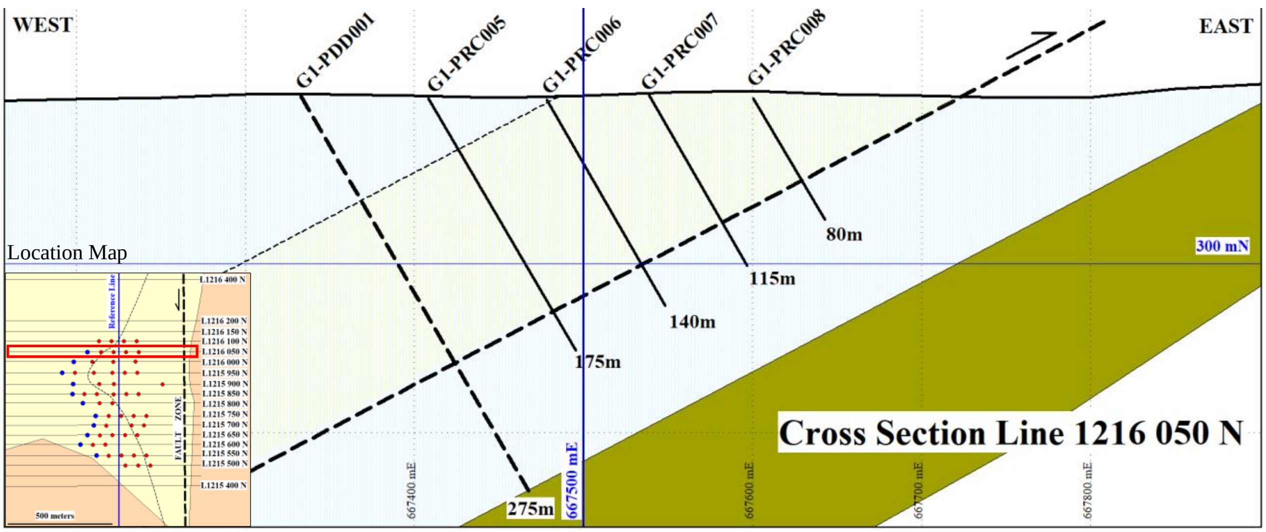


Figure 28.2: Garalo G1A Target: Recommended RC Drill Program. Line 1216 050 N

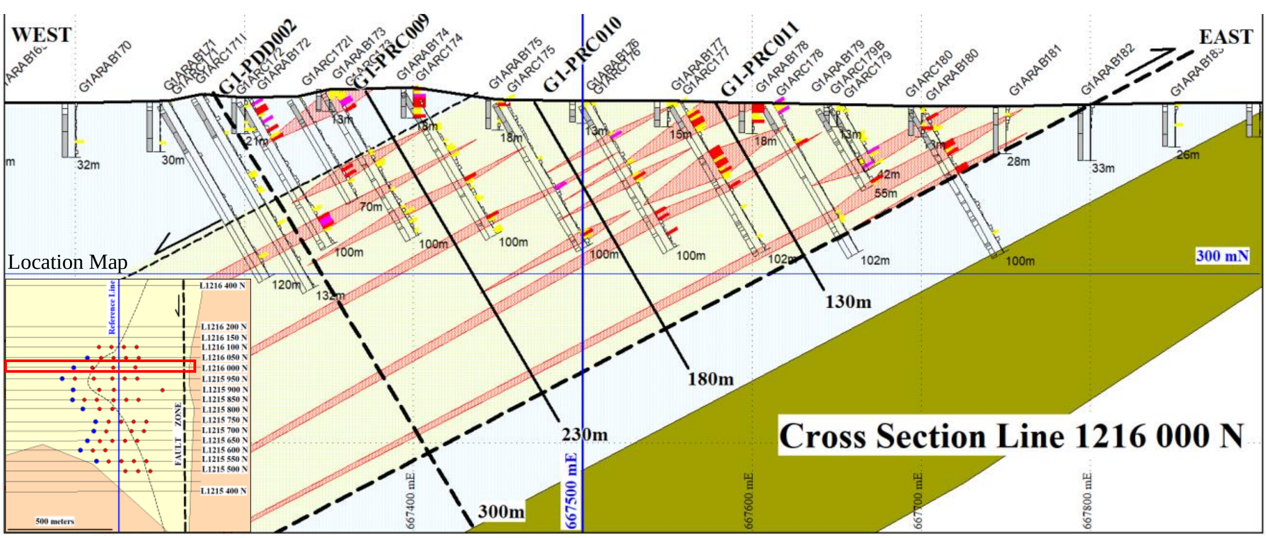


Figure 28.3: Garalo G1A Target: Recommended RC Drill Program. Line 1216 000 N

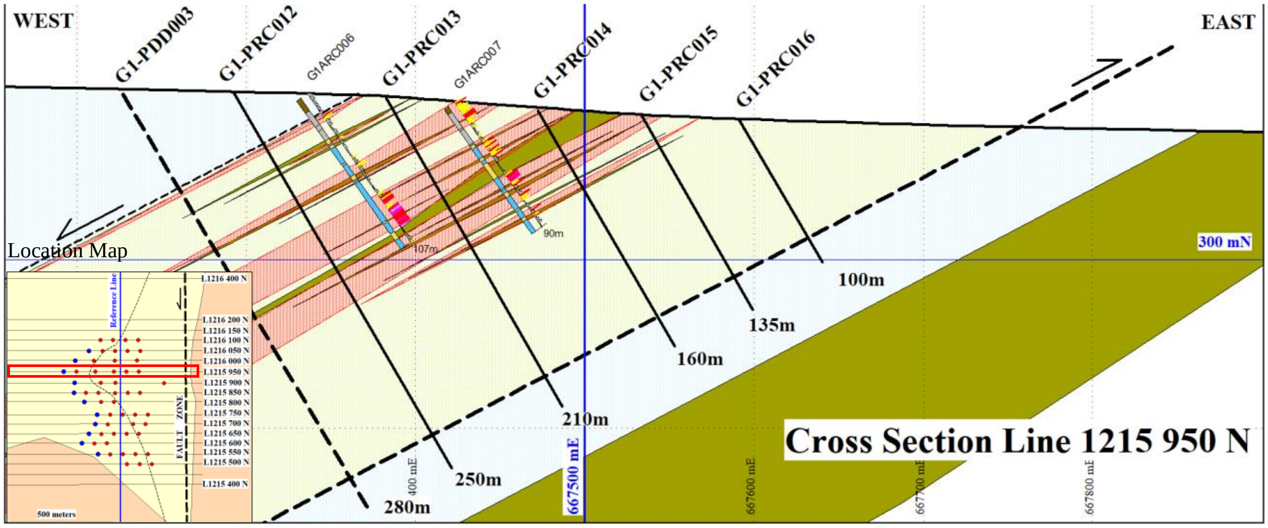


Figure 28.4: Garalo G1A Target: Recommended RC Drill Program. Line 1215 950 N

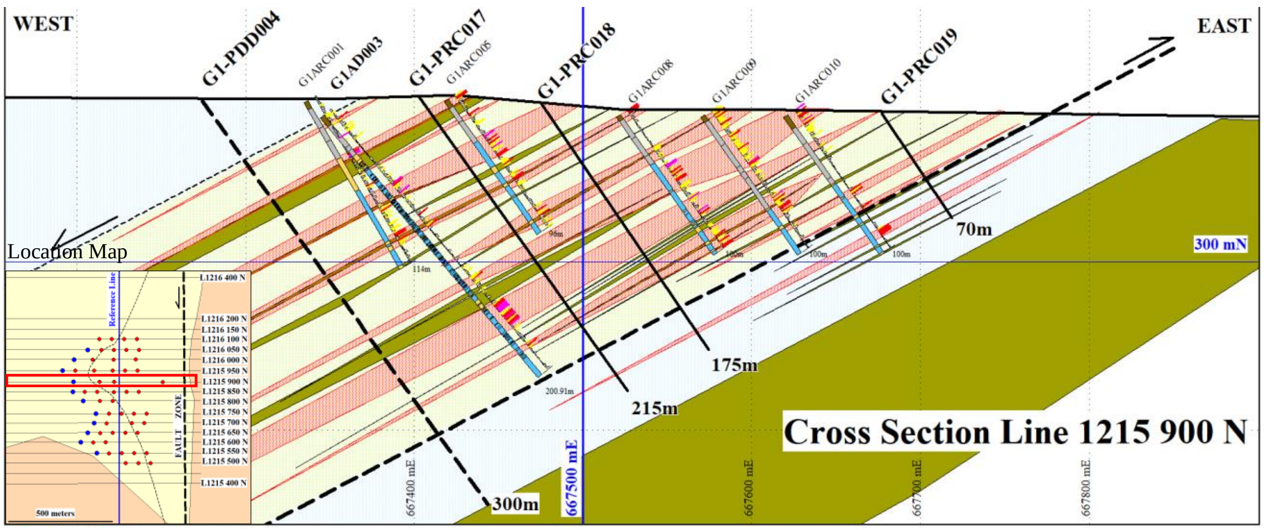


Figure 28.5: Garalo G1A Target: Recommended RC Drill Program. Line 1215 900 N

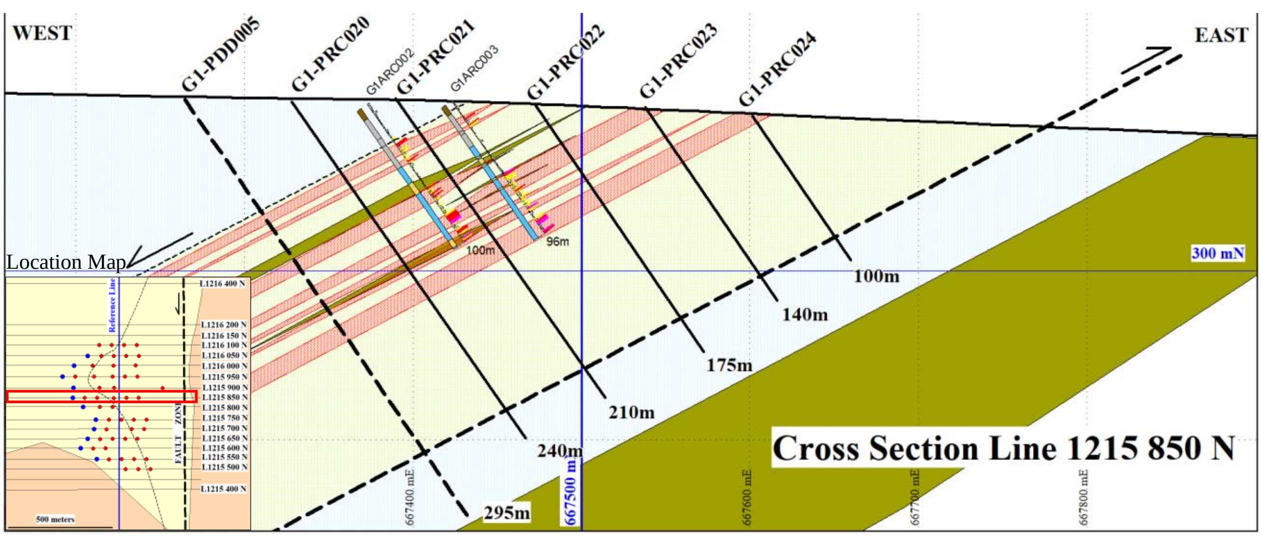


Figure 28.6: Garalo G1A Target: Recommended RC Drill Program. Line 1215 850 N

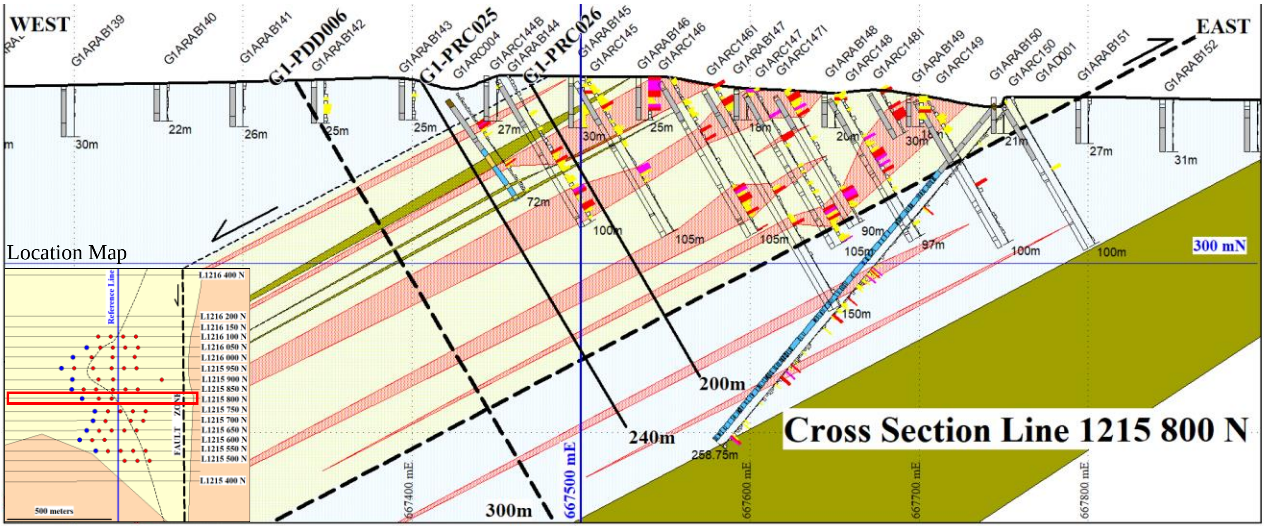


Figure 28.7: Garalo G1A Target: Recommended RC Drill Program. Line 1215 800 N

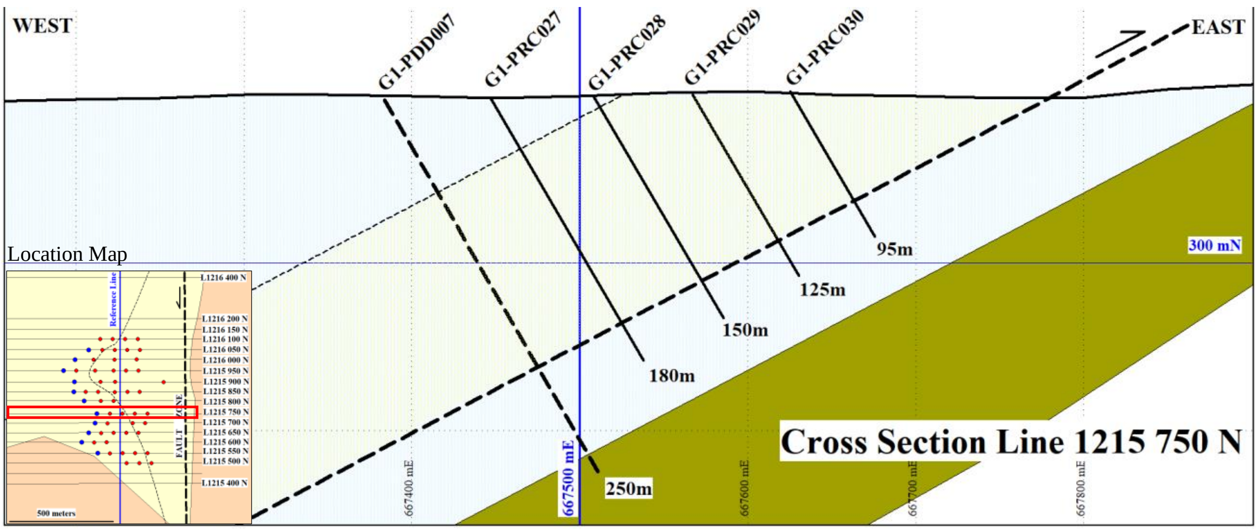


Figure 28.8: Garalo G1A Target: Recommended RC Drill Program. Line 1215 750 N

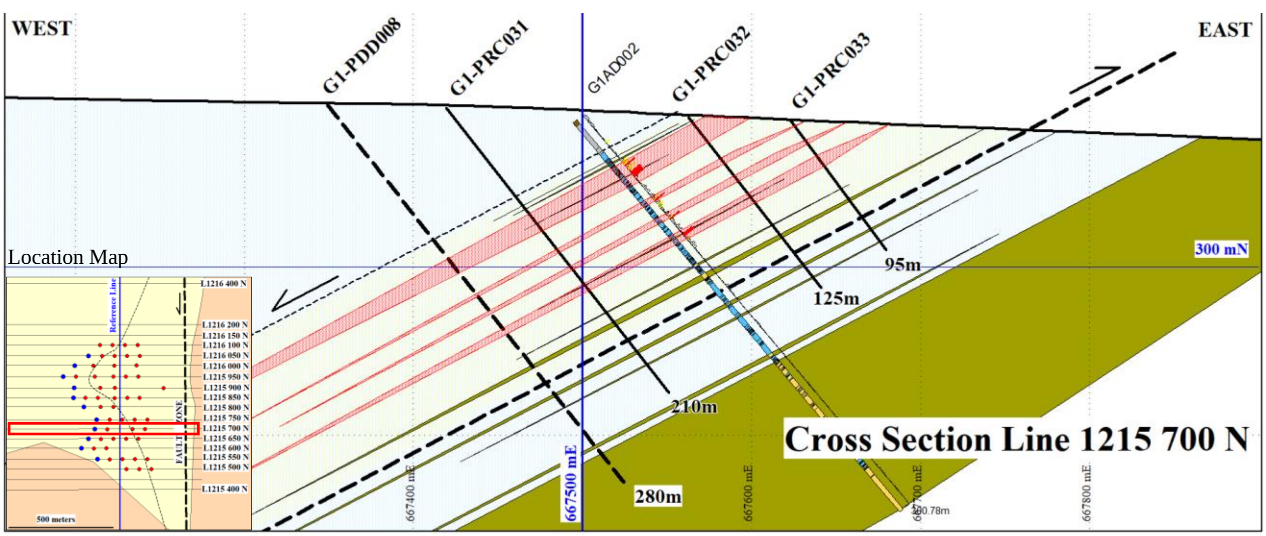


Figure 28.9: Garalo G1A Target: Recommended RC Drill Program. Line 1215 700 N

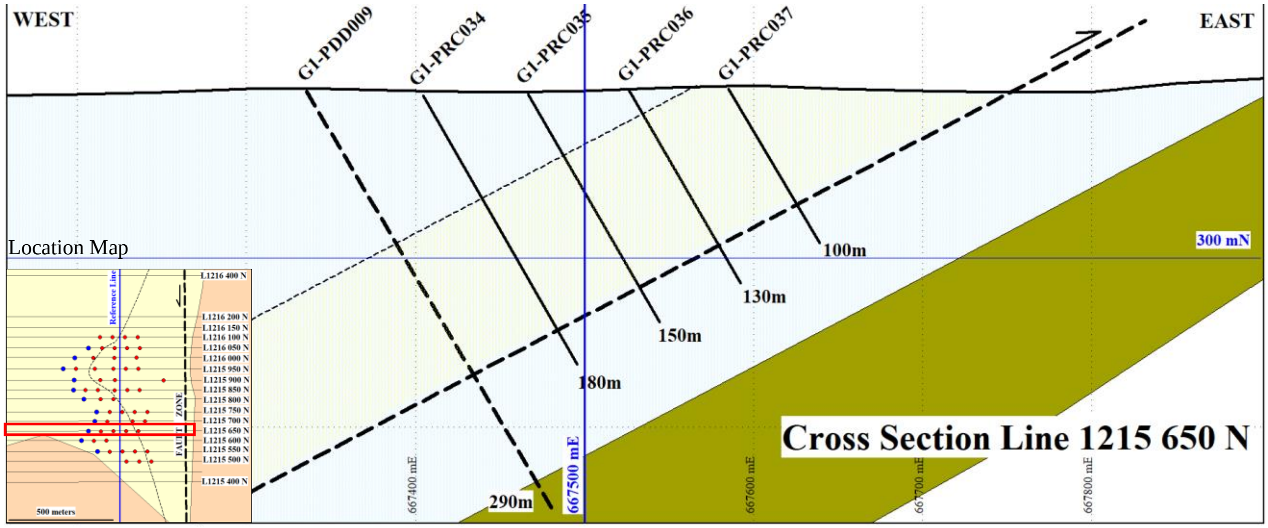


Figure 28.10: Garalo G1A Target: Recommended RC Drill Program. Line 1215 650 N

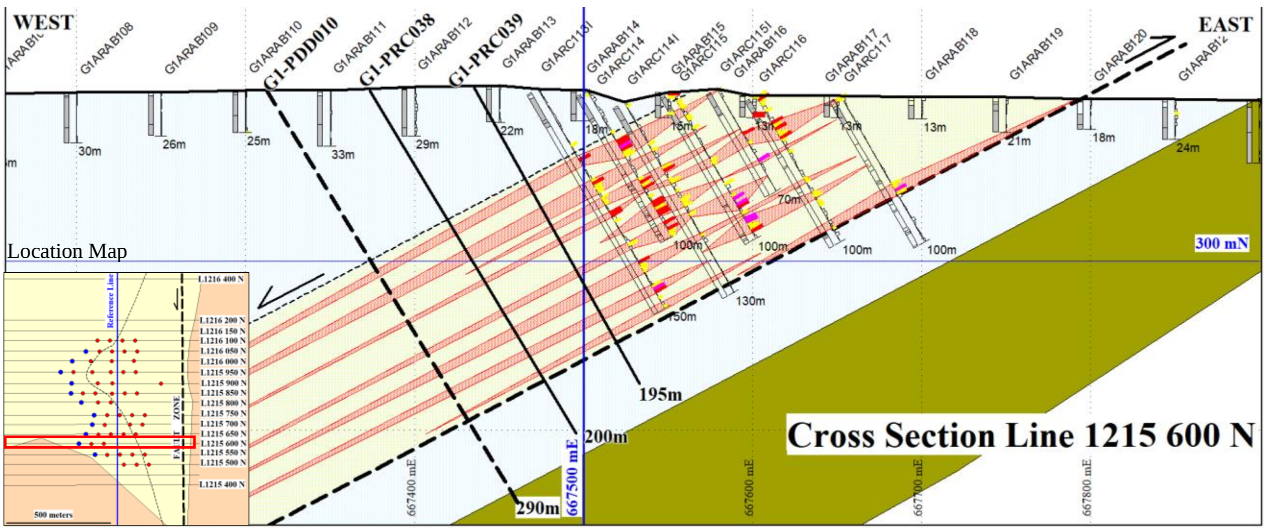


Figure 28.11: Garalo G1A Target: Recommended RC Drill Program. Line 1215 600 N

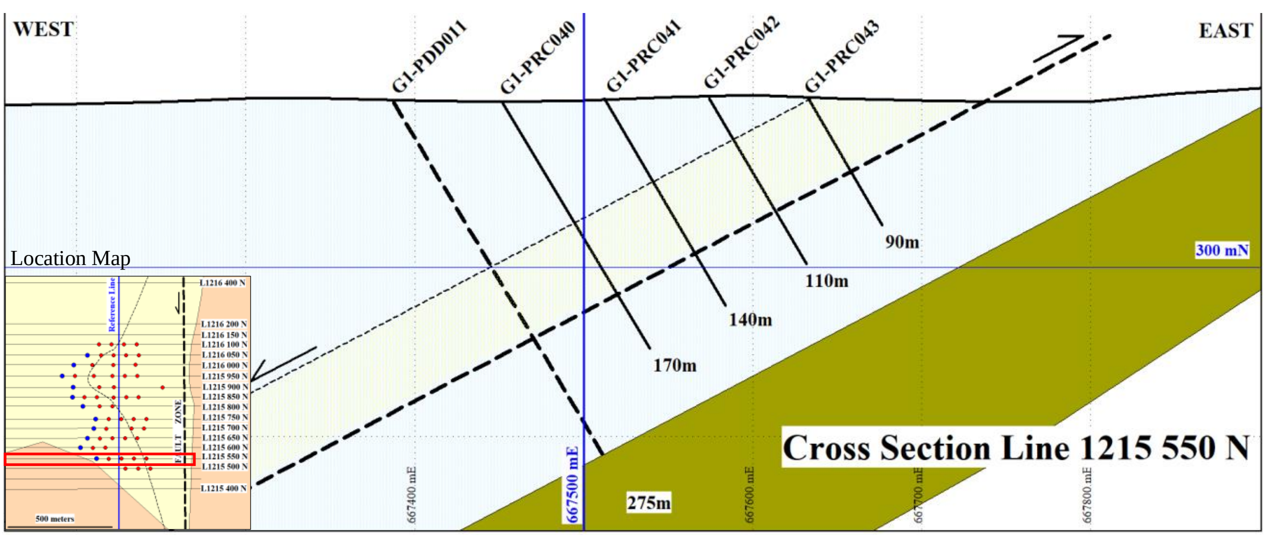


Figure 28.12: Garalo G1A Target: Recommended RC Drill Program. Line 1215 550 N

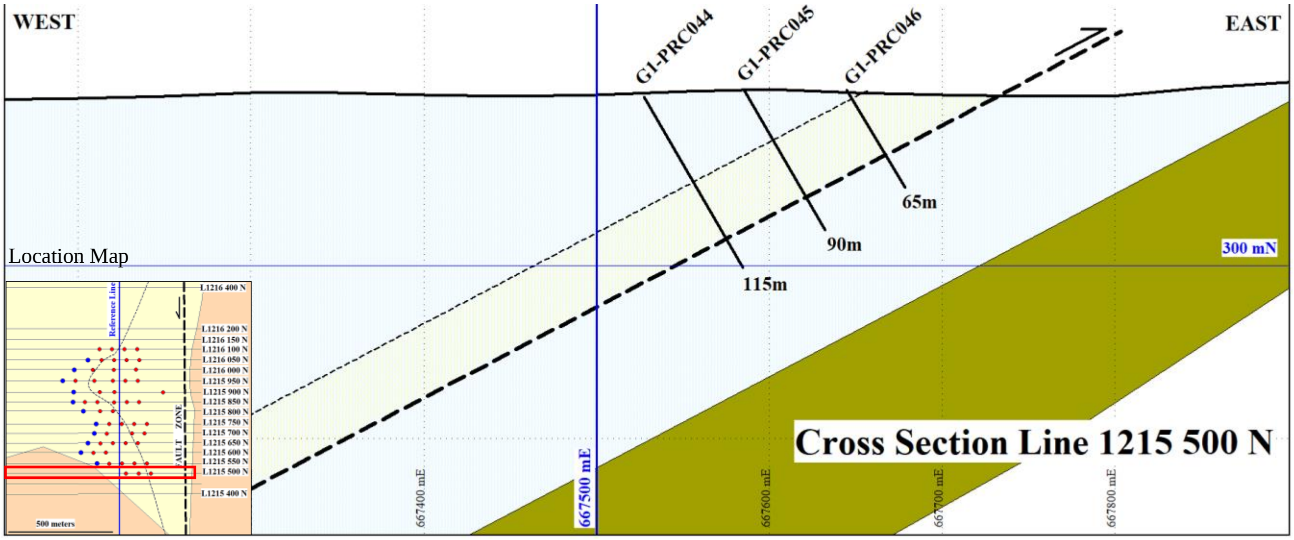


Figure 28.13: Garalo G1A Target: Recommended RC Drill Program. Line 1215 500 N

28.1.2. Garalo G3 Target

28.1.2.1. Recommended Phase I RC Drilling Program on Garalo G3 Target

The proposed Phase I RC drill program will test and expand the G3 gold deposit. The Phase I RC drilling program will test the interpreted structural and geological model of the deposit. The objectives are, to:

- Test the proposed geological and structural model of the gold deposit (Figures 28.14 to 28.22)
- Test a strike length of 700 meters over the interpreted mineralized structure
- Define and delineate laterally and down dip the gold deposit within the interpreted structure
- 9 fences spacing 50 to 100 m apart, 1 to 5 RC holes for each fence totalizing 34 holes and 6,110 meters.
- Holes are oriented East-West, inclined -50º and, depth varying between 135 to 250 meters.

28.1.1.2. Recommended Phase II DD Drilling Program on Garalo G3 Target

The Phase II DD drilling program is dependent on the outcome from the Phase I drilling program and will be implemented only if results of the Phase I are positives. The main objectives of this Phase II DD drilling program on G3 Target are to test the deep extension of the gold mineralization within the interpreted structure, for geotechnical and metallurgical studies and for geological and structural understanding of the gold deposit. BGR-Consult recommends 1 deep DD hole for each fence totalizing 9 holes and 2,260 meters. Holes are oriented East-West, inclined -50º and, depth varying between 235 to 280 meters.

The Phase I RC and Phase II DD drilling program maps and sections on G3 Target are shown in Figures 28.14 to 28.22 and the location and technical parameters are presented in Appendix C, Tables 32.3 and 32.4.

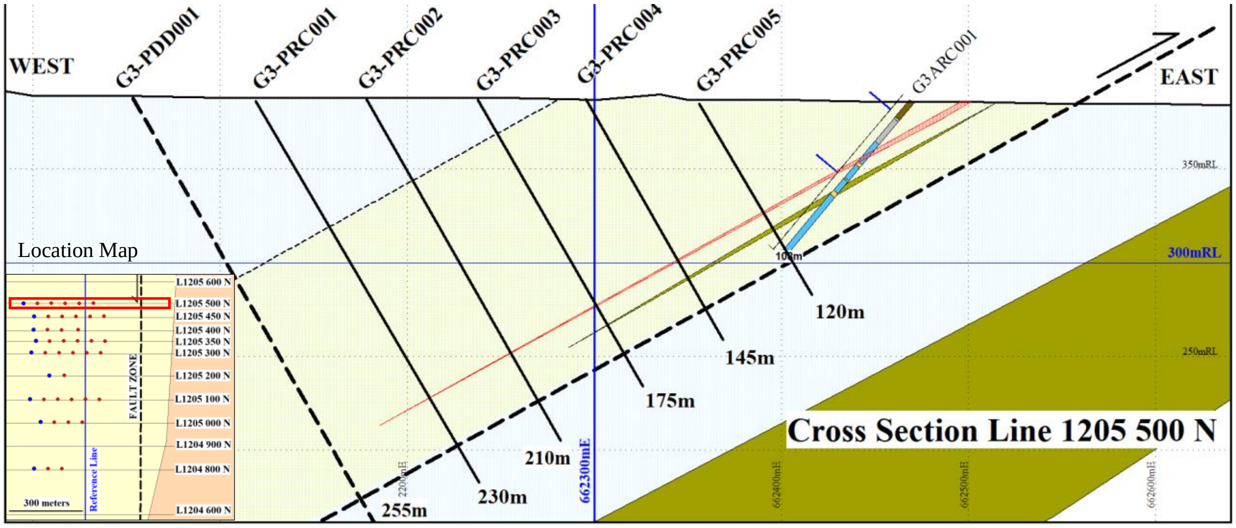


Figure 28.14: Garalo G3A Target: Recommended RC Drill Program. Line 1205 500 N

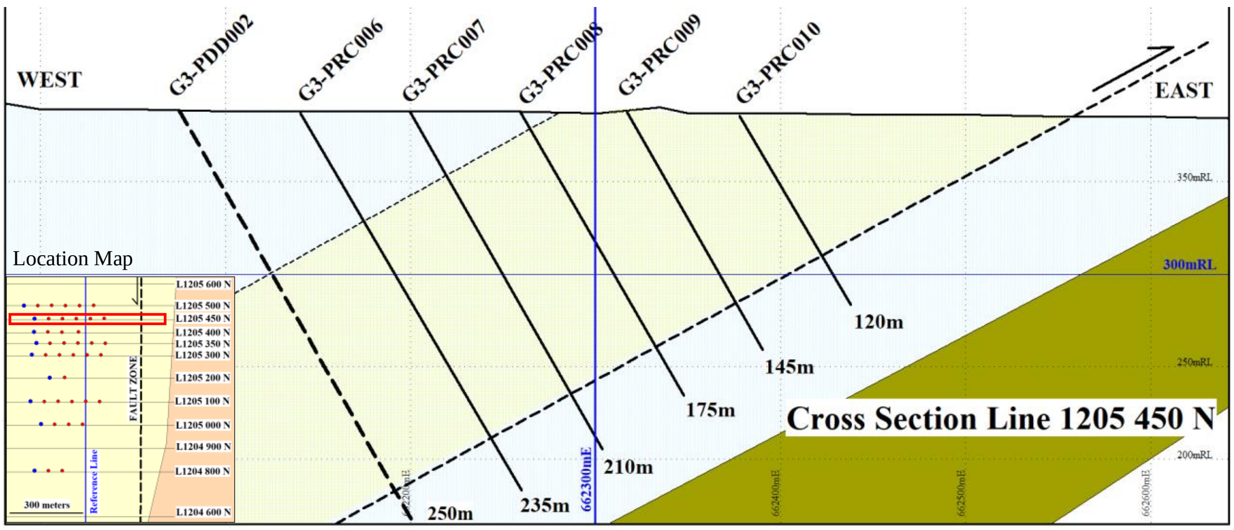


Figure 28.15: Garalo G3A Target: Recommended RC Drill Program. Line 1205 450 N

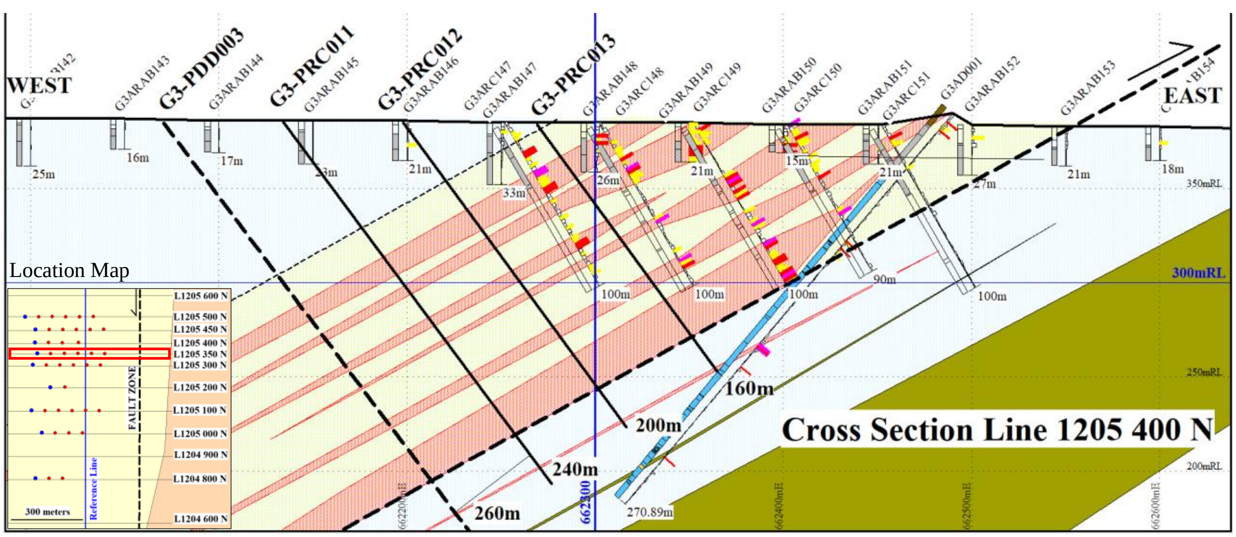


Figure 28.16: Garalo G3A Target: Recommended RC Drill Program. Line 1205 400 N

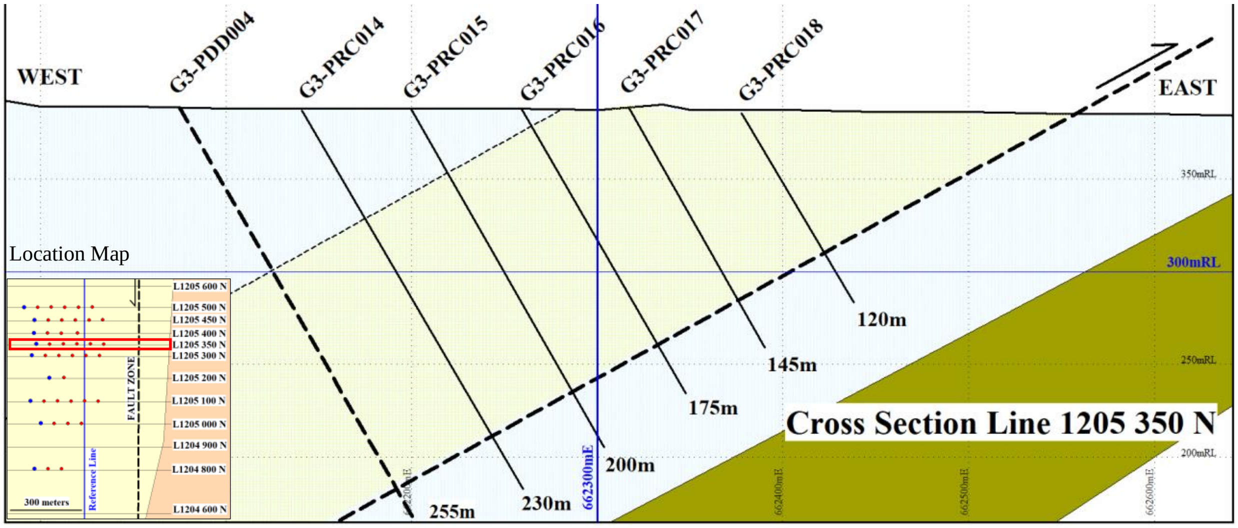


Figure 28.17: Garalo G3A Target: Recommended RC Drill Program. Line 1205 350 N

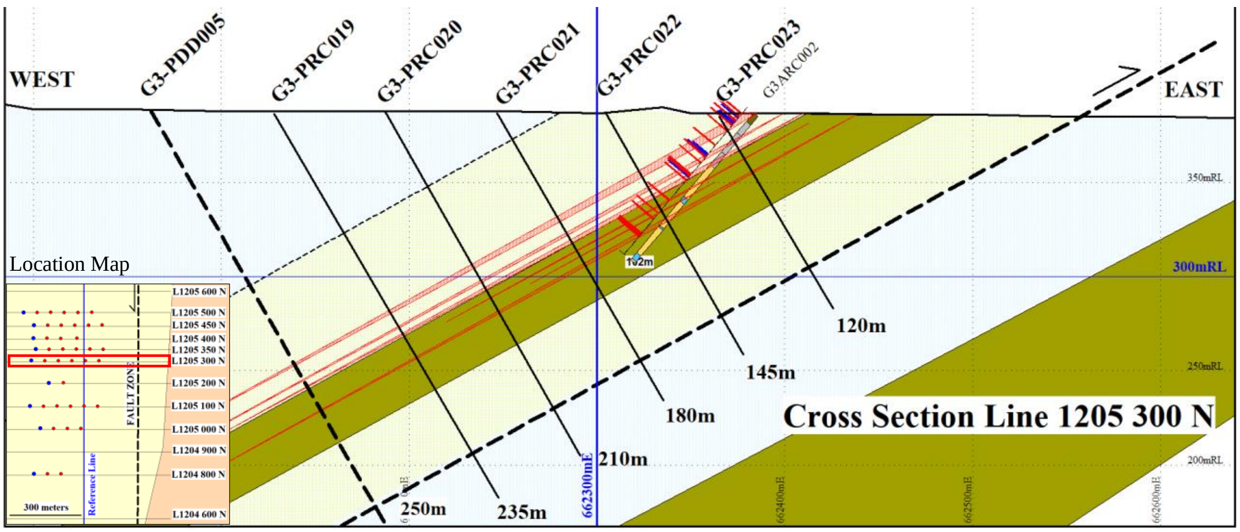


Figure 28.18: Garalo G3A Target: Recommended RC Drill Program. Line 1205 300 N

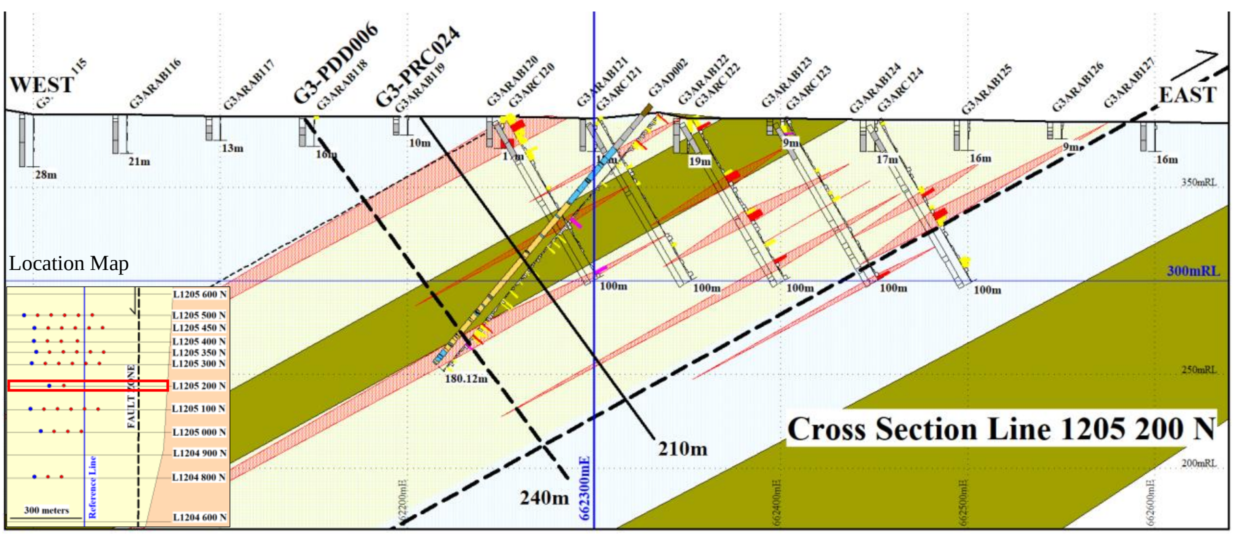


Figure 28.19: Garalo G3A Target: Recommended RC Drill Program. Line 1205 200 N

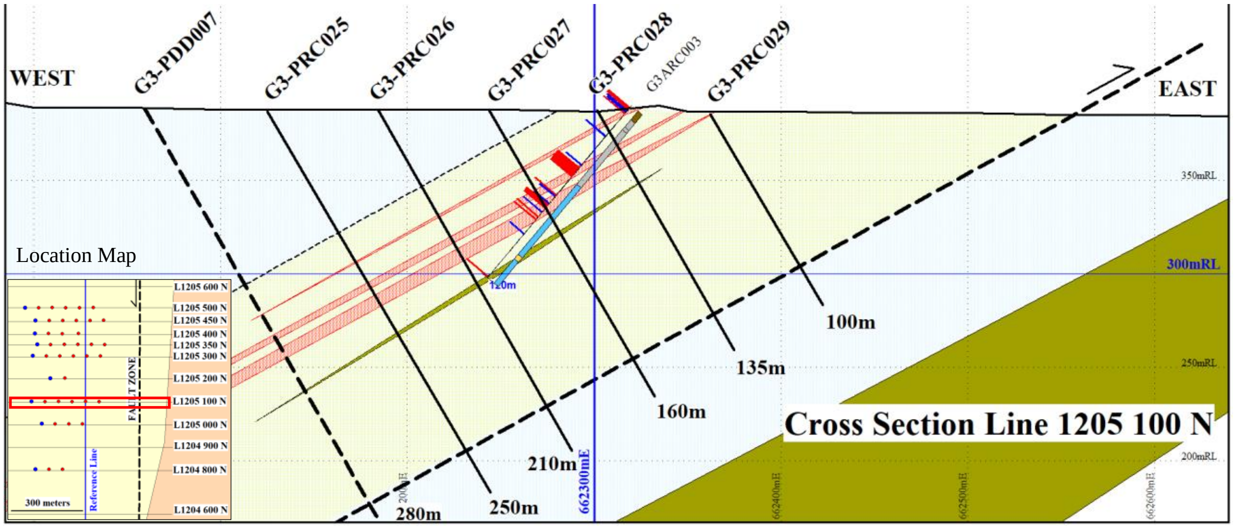


Figure 28.20: Garalo G3A Target: Recommended RC Drill Program. Line 1205 100 N

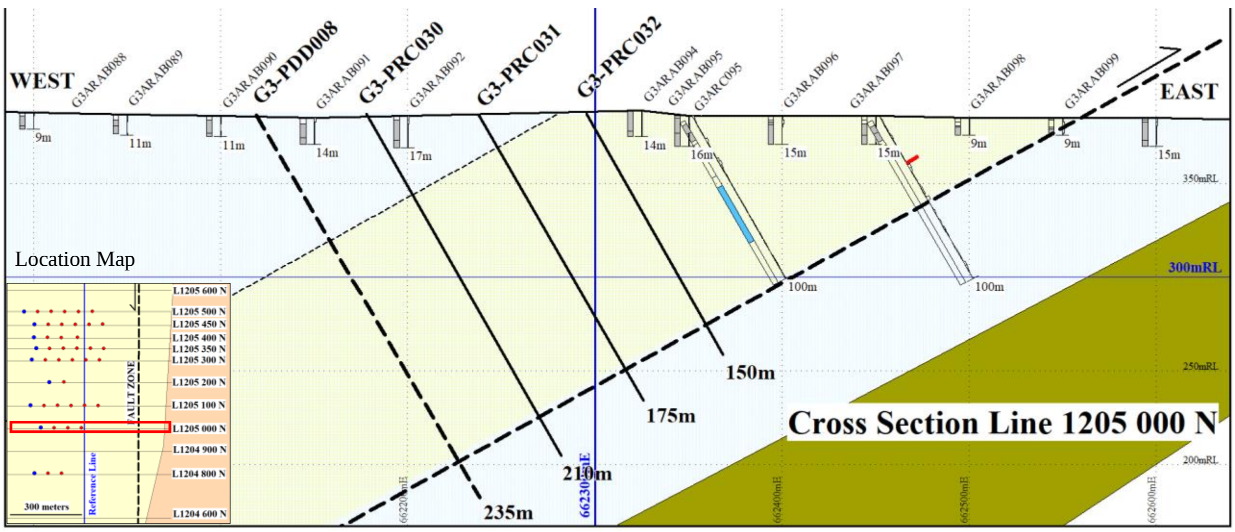


Figure 28.21: Garalo G3A Target: Recommended RC Drill Program. Line 1205 000 N

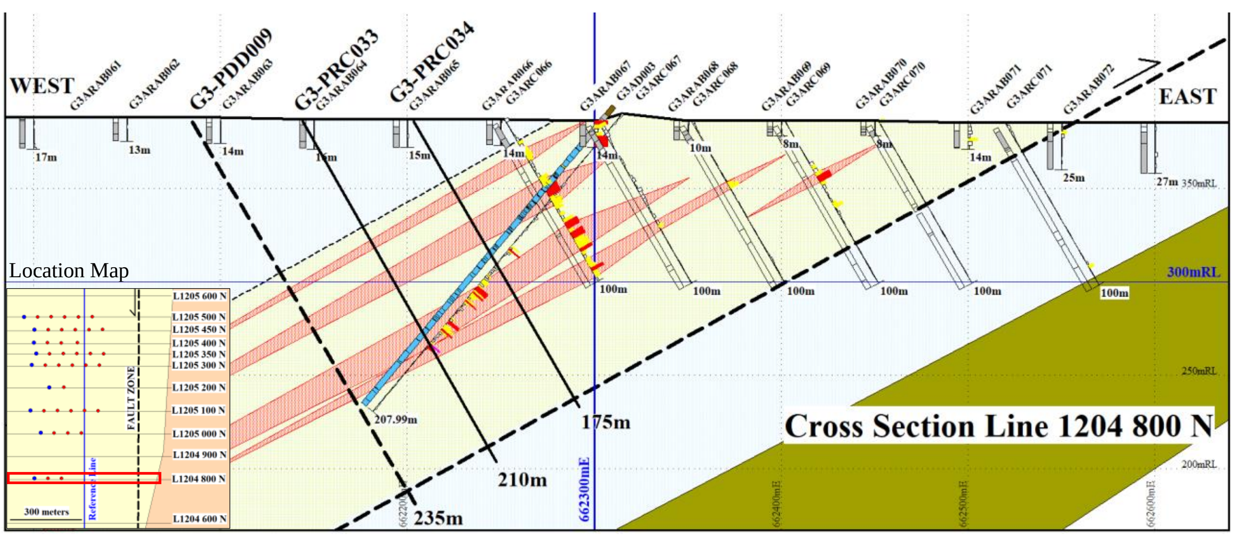


Figure 28.22: Garalo G3A Target: Recommended RC Drill Program. Line 1204 800 N

28.1.3. Phase III RAB drilling program on others targets within the Garalo permit

A Phase III of RAB drilling program is recommended on others targets that have not been drill-tested in previous drilling programs within the Garalo permit (Figure 28.23). The objectives of this program will be to develop potential zones of gold mineralization for resource expansion and discovery of new targets. The proposed RAB drilling program totalize approximately 5,000 meters. BGR-Consult recommends a program of 500 holes of 10 m deep for each hole. holes will be spaced 25 m apart.

This Phase III RAB drilling program is based on the positive soil geochemistry results that appear to be aligned with interpreted structures in the area. The objectives of the RAB drilling program will be to enable high confident in-situ anomalies and to identify additional target zones of gold mineralization which may warrant further drilling program.

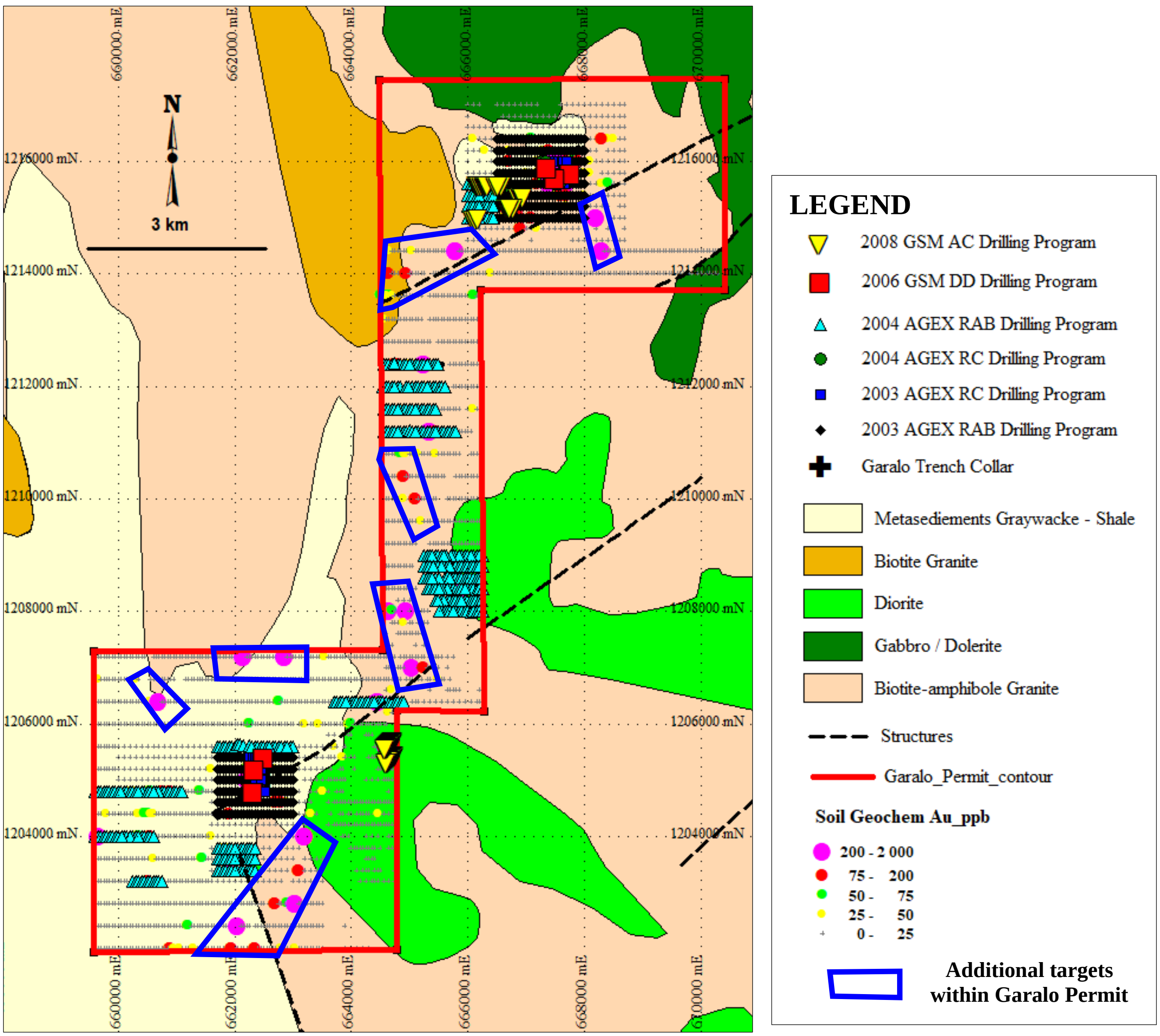


Figure 28.23: Map showing the occurrence of additional targets within the Garalo Permit

The following Table show the Phases I to III recommended drilling program on the Garalo permit

Program	**Reverse Circulation Drilling (RC)**		**Diamond Drilling (DD)**		**RAB Drilling**	
Phase	**Phase I RC Drilling Program**		**Phase II DD Drilling Program**		**Phase III RAB Drilling Program**	
Prospects	**Meters**	**Holes**	**Meters**	**Holes**	**Meters**	**Holes**
Garalo G1	6 795	46	3 135	11		
Garalo G3	6 110	34	2 260	9		
Other Prospects					5 000	50
TOTAL	**12 905**	**80**	**5 395**	**20**	**5 000**	**50**

Table 28.1: Summary of the recommended Drilling Program on Garalo

28.2. GEOPHYSICAL SURVEY

Contango plans to commission a high-resolution helicopter borne magnetic and radiometric survey and a ground IP (Induced Polarization)/Resistivity survey in the Garalo permit, covering the entire permit. The airborne geophysical survey will be flown by helicopter at an altitude of 20 to 30 meters, with a line spacing of 100 m x 1000m totalizing 1,316 km. The survey will use NRG's XPlorer Airborne Electromagnetic system mounted on dedicated AS350 B-series helicopters.

BGR-Consult recommended a closely spaced, low altitude survey that can result in significantly more detailed data than the widely spaced regional survey. BGR-Consult considers this to be warranted as it will

28.3. ADDITIONNAL RECOMMENDATIONS

Most of the Garalo property remains to be fully investigated due to limited amount of exploration works and the extensive laterite development that obscured the bedrock geology. Several target areas have been identified based on historic surface geochemical anomalies combined with the interpretation of geophysical structures. Additional recommendations by BRG-Consult are:

- Detailed field geological and structural mapping of the Garalo G1 and G3 targets and others identified gold anomalies associated with interpreted geophysical structures (Figure 28.23) to clarify the controls on gold mineralization and to guide additional exploration drilling along these trends.
- More detailed regolith mapping would allow for the assessment of transported anomalies and the ranking and prioritization of anomalies before drilling.

28.4. RECOMMENDED BUDGET

Detailed costs were provided by Contango and were applied to the various categories in the estimated budget in Table 28.2. BGR-Consult considers these costs to be reasonable and in line with current costs in the region. Costs for the recommended work program are based on an estimated completion time of 12 months. An approximate 1-year recommended exploration budget of 3,6 MUS$ is outlined in the following Table based on a systematic exploration program as recommended above.

EXPLORATION PROGRAM	Units	Unit Costs (US$)	Budget (US$)
PHASE 1: 12,905 meters RC Drilling Program			
Drilling Platforms (Contractor + Fuel)			30 000
Contractors & Earthwork RC Drill (including field costs, consumable, testing, Equipment Charges, Standby Hours etc...)	12 905 meters	80 US$/meter	1 032 400
Sample Assay charges (including QA/QC Samples)	13550 Samples	15$/sample + Transport	205 000
		Sub-total	***1 267 400***
PHASE II: 5,395 m DD Drilling Program			
Drilling Platforms (Contractor + Fuel)			30 000
Contractors & Earthwork DD Drill (including field costs, consumable, testing, Equipment Charges, Standby Hours etc...)	5395 meters	80 US$/meter	809 250
Sample Assay charges (including QA/QC Samples)	5665 Samples	15$/sample + Transport	90 000
		Sub-total	***929 250***
PHASE II: 5,000 RAB Drilling Program			
Drilling Platforms (Contractor + Fuel)			30 000
Contractors & Earthwork RAB Drill (including field costs, consumable, testing, Equipment Charges, Standby Hours etc...)	5 000 meters	40 US$/meter	200 000
Sample Assay charges (including QA/QC Samples)	5250 Samples	15$/sample + Transport	80 000
		Sub-total	***310 000***
GEOPHYSICAL SURVEY			
Ground Induced Polarization (IP)/Resistivity Survey	1		**0**
Airborne Electromagnetic geophysical survey	1		65 000
		Sub-total	***65 000***
Others Costs			
CAMP CONSTRUCTION AND EQUIPMENT	1		***125 000***
ADMINISTRATION, LOGISTIC AND TAXES	12 Months		***300 000***
BAMAKO OFFICE COST	12 Months		***50 000***
PERSONNEL SALARIES	12 Months		***200 000***
CONSULTANCY FEES	1		***50 000***
		Sub-total	***725 000***
		Total	**3 296 650**
		10% contingency	**329 665**
		GRAND TOTAL	**3 626 315**

Table 28.2: Recommended 2021 Exploration Budget for the Garalo exploration permit

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30. DATE AND SIGNATURE PAGE

The effective date of this Technical Report, entitled “Independent Technical Report for the Garalo Gold Permit – Sikasso Region –Mali South – West Africa”, is 12th March, 2021

For
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31. CERTIFICATE OF QUALIFIED PERSON

As an author and reviewer of the report titled "**Independent Technical Report for the Garalo Gold Permit – Sikasso Region –Mali South – West Africa**", dated March, 12th 2021 (the "Technical Report"), prepared on behalf of Contango Holdings plc (the "Issuer"), I, **Serigne Dieng**, PhD, AuSIMM, do hereby certify that:

1. I am currently Senior Consultant Geologist, General Manager of Birima Gold Resources Consulting.

2. I graduated with Doctor of Philosophy (Ph.D.) degree in Structural geology, Exploration geochemistry and Economy Geology from Queen's University, Kingston, Ontario, Canada in 2012. In addition, I have obtained a Master's degree (M.Sc.) in Mineral Exploration (International MINEX Program) from Queen's University, in 2006.

3. I am a Member of the "The Australasian Institute of Mining and Metallurgy" (The AuSIMM) Reference Number 316918.

4. I have over 20 years' experiences on many aspects of Mineral Exploration from project generation to deposit definition specially in West Africa (Senegal, Guinea and Burkina Faso), in Canada and in Australia, with focus in applying structural geology and exploration geochemistry to understand and explore mineral deposits in Orogenic Greenstone Belt terranes. I have been in the mining industry continuously since 1998 and have managed many exploration programs in West Africa.

5. I have read the definition of "Qualified Person" (QP) set out in National Instrument43-101 (NI 43-101) and certify that by reason of my education, affiliation with a recognized professional organization (as defined in NI 43-101), and past relevant work experience, I fulfill the requirements to be a QP for the purpose of NI 43-101.

6. I am responsible for the overall preparation of the technical report titled "**Independent Technical Report for the Garalo Gold Permit - Sikasso Region –Mali South – West Africa**" and dated on March 12th 2021 (the "Technical Report") relating to the Garalo property.

7. As of the date of this certificate, to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

8. I have read the National Instrument 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.

9. I am independent of the issuer applying all of the tests in Section 1.5 of NI43-101; and

10. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them for regulatory purposes, including electronic publication in the public company files on their websites accessible by the public, of the Technical Report

birimagoldresources@gmail.com
NINEA: A 00705452
Tél: +221 77 722 22 99 / +226 626 06 22 11

Signature
Serigne Dieng
PhD. AuSIMM

Dated this 12th day of March, 2021

32. APPENDIX

32.1. Appendix A: Land Tenure Documents

Included herein are copies of the Arêtes granted to Golden Spear Mali Sarl for the Garalo permit

MINISTERE DES MINES ET DU PETROLE **REPUBLIQUE DU MALI**

UN PEUPLE - UN BUT - UNE FOI

SECRETARIAT GENERAL

SECRETARIAT GENERAL
DU GOUVERNEMENT
DLTG - OK

ARRETE N°2019- 2492 **/MMP-SG DU** 23 AOUT 2019

PORTANT PREMIER RENOUVELLEMENT D'UN PERMIS DE RECHERCHE D'OR ET DES SUBSTANCES MINERALES DU GROUPE 2 CEDE A LA SOCIETE GOLDEN SPEAR MALI SARL A GARALO (CERCLE DE BOUGOUNI).

LE MINISTRE DES MINES ET DU PETROLE,

Vu la Constitution ;

Vu la Loi n°2012-015 du 27 février 2012 portant Code Minier;

Vu le Décret n°2012-311/P-RM du 21 juin 2012, modifié, fixant les conditions et les Modalités d'application de la loi portant code minier ;

Vu le Décret n°2012-490/P-RM du 07 septembre 2012 portant approbation de la convention type pour la prospection, la recherche et l'exploitation des substances minérales ;

Vu le Décret n°2019-0328/P-RM du 05 mai 2019 portant nomination des membres du Gouvernement ;

Vu l'Arrêté n°2015-0582/MM-SG du 03 avril 2015 portant attribution à la Société **TAG RESSOURCES MALI SARL** d'un permis de recherche d'or et des substances minérales du groupe 2 à Garalo (Cercle de Kangaba), cédé à la **Société GOLDEN SPEAR MALI SARL par** Arrêté n°2016-3668/MM-SG du 03 octobre 2016 ;

Vu le récépissé de versement n°19-00137/DEL du 23 avril 2019 du droit fixe de renouvellement d'un permis de recherche ;

Vu la demande de renouvellement en date du 06 décembre 2018 formulée par Monsieur Saïdou DIALLO en sa qualité de gérant de la **Société GOLDEN SPEAR MALI SARL** ;

ARRETE :

ARTICLE 1^ER : Le permis de recherche d'or et des substances minérales du groupe 2 attribuée à la Société **TAG RESSOURCES MALI SARL** suivant l'Arrêté n°2015-0582/MM-SG du 03 avril 2015, cédé à la **Société GOLDEN SPEAR MALI SARL** par Arrêté n°2016-3668/MM-SG du 03 octobre 2016, est renouvelé selon les conditions fixées par le présent arrêté.

ARTICLE 2 : Le périmètre du permis de recherche est défini de la façon suivante et inscrit sur le registre de la Direction Nationale de la Géologie et des Mines sous le numéro : PR 13 : 13/668 1 BIS PERMIS DE RECHERCHE DE GARALO (CERCLE DE BOUGOUNI).

Coordonnées du périmètre

Point A : Intersection du parallèle 11° 00' 38'' N et du méridien 07° 29' 40'' W.
Du point A au point B suivant le parallèle 11° 00' 38'' N.

Point B : Intersection du parallèle 11° 00' 38'' N et du méridien 07° 26' 28'' W.
Du point B au point C suivant le méridien 07° 26' 28'' W.

Point C : Intersection du parallèle 10° 58' 36'' N et du méridien 07° 26' 28'' W
Du point C au point D suivant le parallèle 10° 58' 36'' N.

Point D : Intersection du parallèle 10° 58' 36'' N et du méridien 07° 28' 40'' W.
Du point D au point E suivant le méridien 07° 28' 40'' W.

Point E : Intersection du parallèle 10° 54' 34'' N et du méridien 07° 28' 40'' W.
Du point E au point F suivant le parallèle 10° 54' 34'' N.

Point F : Intersection du parallèle 10° 54' 34'' N et du méridien 07° 29' 33'' W.
Du point F au point G suivant le méridien 07° 29' 33'' W.

Point G : Intersection du parallèle 10° 52' 15'' N et du méridien 07° 29' 33'' W
Du point G au point H suivant le parallèle 10° 52' 15'' N.

Point H : Intersection du parallèle 10° 52' 15'' N et du méridien 07° 32' 24'' W.
Du point H au point I suivant le méridien 07° 32' 24'' W.

Point I : Intersection du parallèle 10° 55' 07'' N et du méridien 07° 32' 24'' W.
Du point I au point J suivant le parallèle 10° 55' 07'' N.

Point J : Intersection du parallèle 10° 55' 07'' N et du méridien 07° 29' 40'' W.
Du point J au point A suivant le méridien 07° 29' 40'' W.

Superficie : 62 ,50 Km².

ARTICLE 3 : La durée de ce permis est de deux (2) ans, renouvelable une fois à la demande du titulaire.

ARTICLE 4 : En cas de découverte de gisement économiquement exploitable au cours de la validité du présent permis, le Gouvernement s'engage à octroyer au titulaire un permis d'exploitation à l'intérieur du périmètre couvert par ce permis.

ARTICLE 5 : La Société **GOLDEN SPEAR MALI SARL** est tenue de présenter au Directeur National de la Géologie et des Mines :

1. dans le mois qui suit l'octroi du permis, le programme de travail actualisé et le budget y afférent ;

2. avant le premier décembre de chaque année, le programme de travaux de l'année suivante et les dépenses y afférentes ;

3. les rapports périodiques suivants :

(i) dans la 1ère quinzaine de chaque trimestre, un rapport trimestriel établissant de façon succincte son activité au cours du trimestre précédent ;

(ii) dans le 1er trimestre de chaque année, un rapport annuel exposant de façon détaillée les activités et les résultats obtenus au cours de l'année précédente.

Chaque rapport doit contenir toutes les données, observations et mesures recueillies sur le terrain, les descriptions de la manière dont elles ont été recueillies et les interprétations y relatives.

Le rapport trimestriel traite du résumé des travaux et des résultats obtenus et comporte :

- la situation et le plan de positionnement des travaux programmés et ceux exécutés avec leurs coordonnées ;
- la description sommaire des travaux avec indication du volume par nature des travaux, observations de terrain avec coordonnées des points d'observations et différentes mesures effectuées ;
- les éléments statistiques des travaux ;
- les résultats obtenus et si possible l'ébauche des interprétations ;
- les dépenses discriminées du coût des travaux.

Le rapport annuel traite en détail de :

- la situation et le plan de positionnement des travaux effectivement réalisés ;
- la description des travaux avec les renseignements suivants :

* Pour les sondages et puits : logs et numéro de sondage ou de puits, nom du site, coordonnées, direction par rapport au nord astronomique, inclinaison, longueur, plan et coupe verticale (profil), taux de récupération des carottes ;

* Pour les tranchées : dimensions, logs, méthodes de prélèvement des échantillons ;

* Pour les indices, gisements et placers : nom, coordonnées du centre, encaissant avec direction structurale des couches, direction de son grand axe d'allongement, dimensions et forme (pendage s'il s'agit de filon), type de gisement, sa structure, les réserves avec catégorisation, paramètres et méthode de calcul du tonnage ;

* Pour les levés géologiques : carte de positionnement des affleurements visités, description lithologique, observations structurales recueillies, minéralisations observées avec indication des coordonnées géographiques ;

* Pour les levés géochimiques : carte de positionnement des points de prélèvement, maille et profondeur de prélèvement des échantillons, méthode de traitement des échantillons, résultats des analyses et interprétations des résultats.

Les données géochimiques doivent être fournies en version dans une base de données ACCESS, Dbase ou compatible ;

* Pour les levés géophysiques : méthode utilisée, maille et nombre de points de mesure, résultats et interprétations des données.

Les données géophysiques magnétiques doivent être fournies en version numérique.

Les données brutes et les dépenses discriminées du coût des travaux doivent être annexées au rapport.

ARTICLE 6 : Dans le cas où la **Société GOLDEN SPEAR MALI SARL** passerait un contrat d'exécution avec des tiers, le Gérant est tenu de fournir officiellement une copie de ce contrat à la Direction Nationale de la Géologie et des Mines.

ARTICLE 7 : Ce permis est soumis aux obligations de la loi minière en vigueur et aux dispositions de la Convention d'établissement établie entre la République du Mali et la **Société GOLDEN SPEAR MALI SARL** qui ne seraient pas contraires à ladite loi.

ARTICLE 8 : Ce permis est accordé sous réserve de l'exactitude des déclarations et renseignements fournis par **la Société GOLDEN SPEAR MALI SARL** et des droits miniers antérieurement accordés, sauf erreur de cartes.

ARTICLE 9 : Le présent arrêté prend effet à compter du 03 avril 2018.

ARTICLE 10 : Le Directeur National de la Géologie et des Mines est chargé de l'exécution du présent arrêté qui sera enregistré, publié et communiqué partout où besoin sera.

AMPLIATIONS :

- Original.................................... 1
- P-RM-AN-Cour Sup-Cour Const-CESC- SGG-HCC-HCJ...................8
- PRIM et tous Ministères...............39
- Tous Gouverneurs de Région.......15
- Vérificateur Général...................1
- Toutes Dtions Nles MMP............2
- DGD-DGI-DGCCC...................3
- Cercle de Bougouni...................1
- Intéressé + Dossier......................2
- Archives...................................1
- JO 1

Bamako, le 23 AOUT 2019

Le ministre,

Mme LELENTA Hawa Baba BA

Chevalier de l'Ordre National

32.2. Appendix B: Best intercepts of all drilling program from the Garalo Permit

Num	Hold ID	From (m)	To (m)	Interval (m)	Au ppm	Comments
1	G1AD001	120	123	3	1,13	
2		126	127	**1**	**3,50**	
3		156	158	2	0,48	
4		200	201	**1**	**6,22**	
5		204	206	2	0,44	
6		250	252	2	1,52	
7	G1AD002	44	48	4	0,62	
8		92	94	2	0,67	
9	G1AD003	57	59	**2**	**10,35**	
10		64	65	**1**	**43,00**	
11		151	167	**16**	**1,24**	including 1m@7g/t
12	G1ARAB036	18	24	6	0,97	
13	G1ARAB037	12	14	2	0,66	
14	G1ARAB059	32	34	2	0,75	
15	G1ARAB064	24	26	2	0,81	
16	G1ARAB095	14	20	6	0,31	
17	G1ARAB116	10	13	3	0,48	
18	G1ARAB146	0	20	20	0,75	
19	G1ARAB147	0	2	**2**	**6,13**	
20	G1ARAB174	0	18	18	0,51	
21	G1ARAB178	0	12	12	0,39	
22	G1ARAB180	12	14	2	0,52	
23	G1ARC001	28	29	1	1,87	
24		39	42	3	1,68	
25		94	99	5	0,34	
26	G1ARC002	65	68	3	0,46	
27		81	87	**6**	**6,66**	
28		92	94	2	0,48	
29		97	100	3	0,53	
30	G1ARC003	53	55	**2**	**2,42**	
31		78	79	**1**	**7,64**	
32		87	90	**3**	**22,11**	
33		94	96	2	0,97	
34	G1ARC004	21	26	**5**	**3,65**	
35	G1ARC005	1	3	2	0,55	
36		14	15	1	0,94	
37		30	39	9	0,54	
38		60	62	2	0,50	
39	G1ARC006	75	80	5	1,09	
40		83	96	**13**	**1,02**	
41	G1ARC007	9	12	3	0,42	
42		53	61	8	1,08	
43	G1ARC008	0	3	3	0,50	
44		40	42	2	1,10	
45		45	52	7	0,32	
46		64	65	1	1,63	
47		73	76	3	0,72	
48		95	100	5	0,42	

Num	Hold ID	From (m)	To (m)	Interval (m)	Au ppm	Comments
49	G1ARC009	3	6	3	0,52	
50		38	40	**2**	**17,05**	
51		63	66	3	0,59	
52		70	74	4	0,43	
53	G1ARC010	0	11	11	0,56	
54		58	61	3	0,48	
55		87	91	4	0,42	
56	G1ARC113I	136	140	4	1,15	
57	G1ARC114	34	42	8	0,63	
58		62	68	6	0,39	
59		76	96	20	0,32	
60	G1ARC115	72	80	8	1,42	
61		86	96	10	0,73	
62	G1ARC115I	48	50	2	1,96	
63	G1ARC116	18	30	12	0,32	
64	G1ARC117	64	66	**2**	**2,10**	
65	G1ARC144B	52	60	8	0,41	
66		78	82	4	1,26	
67	G1ARC145	62	66	4	1,27	
68	G1ARC146	36	44	8	0,30	
69		76	86	10	0,55	
70	G1ARC147	18	20	2	1,36	
71		82	90	8	0,73	
72	G1ARC147I	0	18	**18**	**1,69**	
73		68	76	**8**	**2,70**	
74	G1ARC148	30	32	2	1,34	
75		40	54	**14**	**4,45**	including 2m@27,8 g/t
76	G1ARC148I	12	22	10	0,39	
77	G1ARC172	4	30	26	0,39	
78		82	90	8	1,43	
79	G1ARC172I	50	56	6	0,32	
80	G1ARC173	8	16	8	1,53	
81	G1ARC175	60	62	1	1,37	
82	G1ARC176	24	26	2	1,75	
83		76	82	6	0,55	
84	G1ARC177	10	18	8	0,38	
85		34	50	16	0,41	
86	G1ARC178	0	8	**8**	**9,30**	including 2m@35,6g/t from surface
87	G1ARC179	32	34	2	1,93	
88	G1ARC179B	42	44	2	1,95	
89		52	54	2	0,68	
90	G1ARC180	8	10	2	0,65	
91		26	34	8	0,39	
92		42	46	4	0,35	
93	G1BAC008	21	27	6	0,40	
94	G1BAC016	42	45	3	1,35	
95	G1BAC017	21	24	3	1,03	
96	G1BAC018	24	30	6	0,70	
97	G1BAC021	3	6	3	0,37	
98	G1BAC022	36	37,5	1,5	0,57	

Num	Hold ID	From (m)	To (m)	Interval (m)	Au ppm	Comments
99	G1BAC024	30	33	3	1,17	
100	G1BRAB004	18	24	6	1,74	
101	G1BRAB035	26	28	2	1,17	
102	G1BRAB037	24	26	**2**	**2,51**	
103	G3AD001	159	163	4	1,44	
104	G3AD002	73	75	2	1,44	
105		161	162	1	1,19	
106	G3AD003	120	125	5	0,55	
107		144	146	2	0,50	
108		160	163	3	0,65	
109	G3ARAB042	8	16	8	0,33	
110	G3ARAB067	8	14	6	0,55	
111	G3ARAB120	12	17	5	0,53	
112	G3ARAB123	8	9	1	1,35	
113	G3ARAB148	6	12	6	0,49	
114	G3ARAB149	12	18	6	0,64	
115	G3ARC002	4	13	9	0,31	
116		26	27	1	1,53	
117		46	52	6	1,37	including 1m@5,6g/t
118		64	65	1	1,16	
119		87	90	**3**	**5,11**	Including 1m@13,2g/t
120	G3ARC003	1	6	5	0,39	
121		43	50	7	0,70	
122		69	72	3	0,41	
123		77	80	3	0,60	
124	G3ARC066	42	48	6	0,44	
125		64	74	10	0,41	
126	G3ARC069	34	38	4	0,48	
127	G3ARC120	6	10	4	0,44	
128		96	98	1	1,95	
129	G3ARC122	36	40	4	0,51	
130		60	64	4	0,51	
131	G3ARC124	58	62	8	0,50	
132	G3ARC147	18	22	4	0,61	
133		30	34	4	1,36	
134		40	44	4	0,34	
135		74	78	4	0,49	
136	G3ARC148	22	32	10	0,54	
137		60	62	2	1,50	
138		84	90	**6**	**2,06**	including 2m@5.3g/t
139	G3ARC149	4	6	2	0,58	
140		34	48	14	0,66	
141		62	64	**2**	**2,58**	
142		74	78	4	1,08	
143		84	100	**16**	**13,89**	including 2m@95g/t
144	G3ARC150	0	2	**2**	**6,00**	
145		54	56	2	1,08	

32.3. Appendix C: Location and Technical Parameters of the recommended Phase I RC and Phase II DD drilling Program on the Garalo Property

Table 32.1: Recommended Phase I RC Drilling Program on G1 Target

Num	Hole ID	X-UTM	Y-UTM	Depth (m)	Azimuth	Dip	Type	Target
1	G1-PRC001	667 504	1 216 100	145	90	50	RC	G1 Target
2	G1-PRC002	667 564	1 216 100	115	90	50	RC	G1 Target
3	G1-PRC003	667 624	1 216 100	90	90	50	RC	G1 Target
4	G1-PRC004	667 684	1 216 100	60	90	50	RC	G1 Target
5	G1-PRC005	667 513	1 216 050	175	90	50	RC	G1 Target
6	G1-PRC006	667 573	1 216 050	140	90	50	RC	G1 Target
7	G1-PRC007	667 633	1 216 050	115	90	50	RC	G1 Target
8	G1-PRC008	667 693	1 216 050	80	90	50	RC	G1 Target
9	G1-PRC009	667 471	1 216 000	230	90	50	RC	G1 Target
10	G1-PRC010	667 572	1 216 000	180	90	50	RC	G1 Target
11	G1-PRC011	667 680	1 216 000	130	90	50	RC	G1 Target
12	G1-PRC012	667 387	1 215 950	250	90	50	RC	G1 Target
13	G1-PRC013	667 479	1 215 950	210	90	50	RC	G1 Target
14	G1-PRC014	667 567	1 215 950	160	90	50	RC	G1 Target
15	G1-PRC015	667 628	1 215 950	135	90	50	RC	G1 Target
16	G1-PRC016	667 688	1 215 950	100	90	50	RC	G1 Target
17	G1-PRC017	667 505	1 215 900	215	90	50	RC	G1 Target
18	G1-PRC018	667 575	1 215 900	175	90	50	RC	G1 Target
19	G1-PRC019	667 811	1 215 900	70	90	50	RC	G1 Target
20	G1-PRC020	667 434	1 215 850	240	90	50	RC	G1 Target
21	G1-PRC021	667 494	1 215 850	210	90	50	RC	G1 Target
22	G1-PRC022	667 575	1 215 850	175	90	50	RC	G1 Target
23	G1-PRC023	667 635	1 215 850	140	90	50	RC	G1 Target
24	G1-PRC024	667 695	1 215 850	100	90	50	RC	G1 Target
25	G1-PRC025	667 505	1 215 800	240	90	50	RC	G1 Target
26	G1-PRC026	667 565	1 215 800	200	90	50	RC	G1 Target
27	G1-PRC027	667 550	1 215 750	180	90	50	RC	G1 Target
28	G1-PRC028	667 610	1 215 750	150	90	50	RC	G1 Target
29	G1-PRC029	667 670	1 215 750	125	90	50	RC	G1 Target
30	G1-PRC030	667 730	1 215 750	95	90	50	RC	G1 Target
31	G1-PRC031	667 540	1 215 700	210	90	50	RC	G1 Target
32	G1-PRC032	667 662	1 215 700	125	90	50	RC	G1 Target
33	G1-PRC033	667 722	1 215 700	95	90	50	RC	G1 Target
34	G1-PRC034	667 508	1 215 650	180	90	50	RC	G1 Target
35	G1-PRC035	667 568	1 215 650	150	90	50	RC	G1 Target
36	G1-PRC036	667 628	1 215 650	130	90	50	RC	G1 Target
37	G1-PRC037	667 688	1 215 650	100	90	50	RC	G1 Target
38	G1-PRC038	667 475	1 215 600	200	90	50	RC	G1 Target
39	G1-PRC039	667 535	1 215 600	195	90	50	RC	G1 Target

Num	Hole ID	X-UTM	Y-UTM	Depth (m)	Azimuth	Dip	Type	Target
40	G1-PRC040	667 550	1 215 550	170	90	50	RC	G1 Target
41	G1-PRC041	667 610	1 215 550	140	90	50	RC	G1 Target
42	G1-PRC042	667 670	1 215 550	110	90	50	RC	G1 Target
43	G1-PRC043	667 730	1 215 550	90	90	50	RC	G1 Target
44	G1-PRC044	667 630	1 215 500	115	90	50	RC	G1 Target
45	G1-PRC045	667 690	1 215 500	90	90	50	RC	G1 Target
46	G1-PRC046	667 750	1 215 500	65	90	50	RC	G1 Target

Table 32.2: Recommended Phase II DD Drilling Program on G1 Target

Num	Hole ID	X-UTM	Y-UTM	Depth (m)	Azimuth	Dip	Type	Target
1	G1-PDD001	667 450	1 216 050	275	90	50	DD	G1 Target
2	G1-PDD002	667 385	1 216 000	300	90	50	DD	G1 Target
3	G1-PDD003	667 327	1 215 950	280	90	50	DD	G1 Target
4	G1-PDD004	667 380	1 215 900	300	90	50	DD	G1 Target
5	G1-PDD005	667 375	1 215 850	295	90	50	DD	G1 Target
6	G1-PDD006	667 427	1 215 800	300	90	50	DD	G1 Target
7	G1-PDD007	667 488	1 215 750	250	90	50	DD	G1 Target
8	G1-PDD008	667 478	1 215 700	280	90	50	DD	G1 Target
9	G1-PDD009	667 451	1 215 650	290	90	50	DD	G1 Target
10	G1-PDD010	667 415	1 215 600	290	90	50	DD	G1 Target
11	G1-PDD011	667 490	1 215 550	275	90	50	DD	G1 Target

Table 32.3: Recommended Phase I RC Drilling Program on G3 Target

Num	Hole ID	X-UTM	Y-UTM	Depth	Azimuth	Dip	Type	Target
1	G3-PRC001	662 092	1 205 500	230	90	50	RC	G3 Target
2	G3-PRC002	662 152	1 205 500	210	90	50	RC	G3 Target
3	G3-PRC003	662 212	1 205 500	175	90	50	RC	G3 Target
4	G3-PRC004	662 272	1 205 500	145	90	50	RC	G3 Target
5	G3-PRC005	662 332	1 205 500	120	90	50	RC	G3 Target
6	G3-PRC006	662 140	1 205 450	235	90	50	RC	G3 Target
7	G3-PRC007	662 200	1 205 450	210	90	50	RC	G3 Target
8	G3-PRC008	662 260	1 205 450	175	90	50	RC	G3 Target
9	G3-PRC009	662 320	1 205 450	145	90	50	RC	G3 Target
10	G3-PRC010	662 380	1 205 450	120	90	50	RC	G3 Target
11	G3-PRC011	662 135	1 205 400	240	90	50	RC	G3 Target
12	G3-PRC012	662 197	1 205 400	200	90	50	RC	G3 Target
13	G3-PRC013	662 269	1 205 400	160	90	50	RC	G3 Target
14	G3-PRC014	662 146	1 205 350	230	90	50	RC	G3 Target

Num	Hole ID	X-UTM	Y-UTM	Depth	Azimuth	Dip	Type	Target
15	G3-PRC015	662 206	1 205 350	200	90	50	RC	G3 Target
16	G3-PRC016	662 266	1 205 350	175	90	50	RC	G3 Target
17	G3-PRC017	662 326	1 205 350	145	90	50	RC	G3 Target
18	G3-PRC018	662 386	1 205 350	120	90	50	RC	G3 Target
19	G3-PRC019	662 126	1 205 300	235	90	50	RC	G3 Target
20	G3-PRC020	662 186	1 205 300	210	90	50	RC	G3 Target
21	G3-PRC021	662 246	1 205 300	180	90	50	RC	G3 Target
22	G3-PRC022	662 306	1 205 300	145	90	50	RC	G3 Target
23	G3-PRC023	662 366	1 205 300	120	90	50	RC	G3 Target
24	G3-PRC024	662 208	1 205 200	210	90	50	RC	G3 Target
25	G3-PRC025	662 120	1 205 100	250	90	50	RC	G3 Target
26	G3-PRC026	662 180	1 205 100	210	90	50	RC	G3 Target
27	G3-PRC027	662 240	1 205 100	160	90	50	RC	G3 Target
28	G3-PRC028	662 300	1 205 100	135	90	50	RC	G3 Target
29	G3-PRC029	662 360	1 205 100	100	90	50	RC	G3 Target
30	G3-PRC030	662 166	1 205 000	210	90	50	RC	G3 Target
31	G3-PRC031	662 226	1 205 000	175	90	50	RC	G3 Target
32	G3-PRC032	662 286	1 205 000	150	90	50	RC	G3 Target
33	G3-PRC033	662 140	1 204 800	210	90	50	RC	G3 Target
34	G3-PRC034	662 200	1 204 800	175	90	50	RC	G3 Target

Table 32.4: Recommended Phase II DD Drilling Program on G3 Target

Num	Hole ID	X-UTM	Y-UTM	Depth	Azimuth	Dip	Type	Target
1	G3-PDD001	662 030	1 205 500	255	90	50	DD	G3 Target
2	G3-PDD002	662 080	1 205 450	250	90	50	DD	G3 Target
3	G3-PDD003	662 077	1 205 400	260	90	50	DD	G3 Target
4	G3-PDD004	662 088	1 205 350	255	90	50	DD	G3 Target
5	G3-PDD005	662 070	1 205 300	250	90	50	DD	G3 Target
6	G3-PDD006	662 144	1 205 200	240	90	50	DD	G3 Target
7	G3-PDD007	662 060	1 205 100	280	90	50	DD	G3 Target
8	G3-PDD008	662 105	1 205 000	235	90	50	DD	G3 Target
9	G3-PDD009	662 083	1 204 800	235	90	50	DD	G3 Target