



AMANI GOLD LIMITED

ASX ANNOUNCEMENT

31 October 2018

QUARTERLY REPORT 30 SEPTEMBER 2018

Amani Gold Limited (ASX: ANL) ("Amani" or "the Company") is pleased to provide shareholders with the following Quarterly Report for the three-month period to 30 September 2018.

Giro Gold Project

The Giro Gold Project comprises two exploration permits covering a surface area of 497km² and lies within the Kilo-Moto Belt (Democratic Republic of Congo), a significant under-explored greenstone belt which hosts Randgold Resources' 16 million-ounce Kibali group of deposits within 35km of Giro (Figure 1).

The Giro Gold Project area is underlain by highly prospective volcano-sedimentary lithologies in a similar structural and lithological setting as the Kibali gold deposits. Both primary and alluvial gold was mined from two main areas, the Giro and Tora areas, during Belgian rule and today these areas are mined extensively by artisanal miners.

Amani has outlined a gold resource at Kebigada within the Giro Gold Project of 45.62Mt @ 1.46g/t Au for 2.14Moz gold at a cut-off grade of 0.9g/t Au (see ASX Announcement 23 August 2017).

During the Quarter Amani commissioned H&S Consultants Pty Ltd to complete a resource estimate for the Douze Match prospect. The resource estimate is expected to be completed in November 2018.

Giro Gold Project Feasibility Study progressing and is expected to be completed in November 2018 as planned.

Amani Gold Limited

ABN: 14 113 517 203

CORPORATE DETAILS

ASX Code: ANL

DIRECTORS

YU QIUMING

Chairman

GRANT THOMAS

Technical Director

SIK LAP CHAN

Managing Director
and CEO

ANTONY TRUELOVE

Non-Executive Director

SHEND FU

Non-Executive Director

CRAIG MCPHERSON

Company Secretary

CONTACT

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Placement and Convertible Note

In August the Company announced a placement and convertible note to fund further advancement of the Giro Gold Project.

During the quarter the Company issued 45,366,667 fully paid ordinary shares at a price of \$0.015 each to raise \$680,500. In addition, at the end of the quarter the Company had advanced \$0.953m from the convertible note.

The convertible note has a 12-month maturity from the date of issue and will attract interest at a rate of 6% per annum, commencing from the date which is 4 months from the date of issue. The Company may elect to repay all or part of the outstanding convertible notes at any time prior to the maturity date. In addition, the Company may seek to convert any of the convertible notes into new shares at \$0.015 per share.

The balance of the Placement of 71,300,000 fully paid ordinary shares at a price of \$0.015 each for approximately \$1m has yet to be formalised.

The new Amani management team were very pleased to receive strong support from strategic shareholders who are aligned with board and management's strategy to advance the Giro assets as quickly and efficiently as possible through current feasibility studies and towards gold production.

A comprehensive review of all drill results, delineated resources and current gold assets within the greater Giro Gold Project is now largely completed and the Company is continuing towards potential development of the flagship Kebigada deposit.

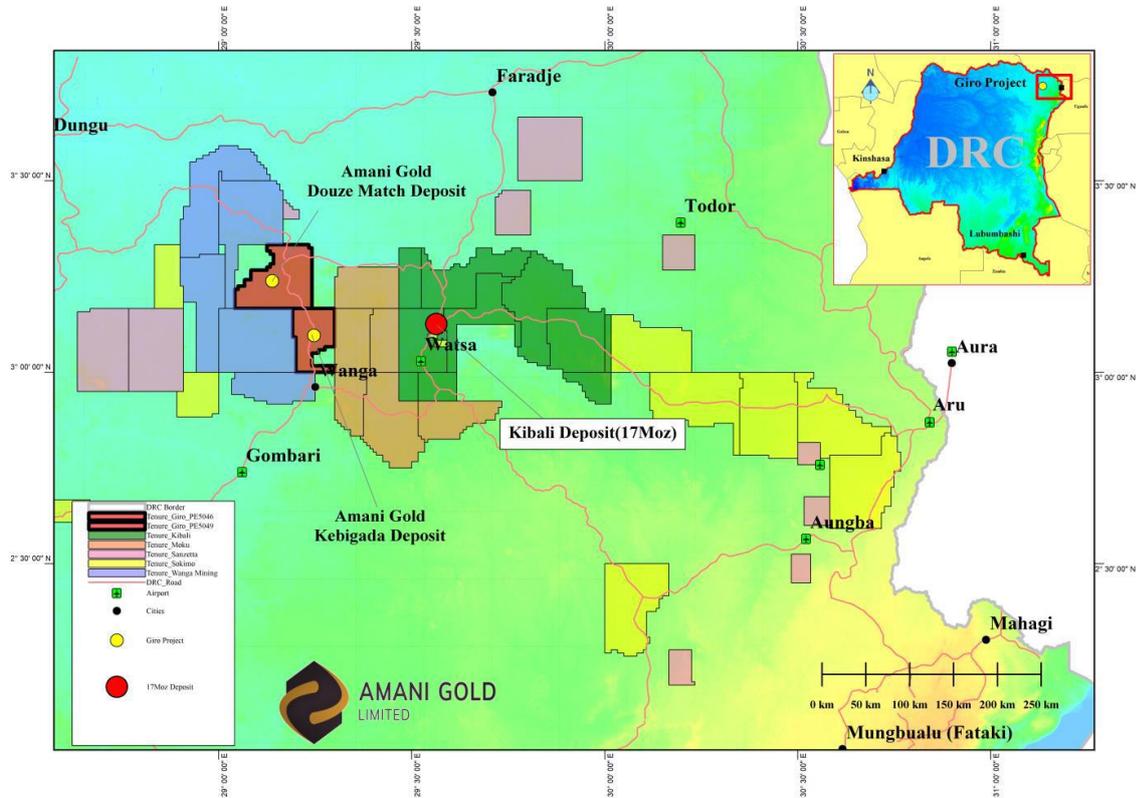


Figure 1. Giro Gold Project location in north-east Democratic Republic of Congo

Outlook

Over the past quarter the new management team has spent significant time on assessing the current Resource at Giro and how best to enhance the value and de-risk the asset. The Douze Match prospect stood out as a potential asset to focus on for a starting deposit for early development. Current Amani management has been very clear in communicating that their aim is to move as quickly as possible into development and production at Giro. In order to do so however, comprehensive assessment of historical drilling results, geological assessment and economic modelling was required.

A maiden resource estimate for Douze Match is being completed by H&S Consultants Pty Ltd and is expected in November 2018. Following finalisation and release, Directors will assess the Douze Match Resource and the potential to more rapidly progress its plans for development at Giro (i.e. Kebigada and Douze Match combined).

The Board is also investigating funding options that will assist in the development of both Kebigada and Douze Match. Further details regarding this will be reported over the coming weeks.



For more information contact:

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Previous Disclosure - 2012 JORC Code

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

- ASX announcement titled “Giro Gold Project – Revision to Maiden Resource Estimate” dated 23 August 2017.

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

Competent Person’s Statement

Exploration Results

The information in this report that relates to exploration results is based on, and fairly represents information and supporting documentation prepared by Mr Grant Thomas, a Competent Person who is a member of the Australasian Institute of Mining and Metallurgy, and a member of the Australian Institute of Geoscientists. Mr Thomas is an executive director and the Chief Technical Officer of Amani Gold Limited. He has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves”. Mr Thomas consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

**Mineral Interests held at 30 September 2018 are as follows: -**

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

DRC - Democratic Republic of Congo Notes:

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

Changes in the Quarter to tenement interests / farm-in and joint venture agreements: There were no changes during the quarter.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

AMANI GOLD LIMITED

ABN

14 113 517 203

Quarter ended ("current quarter")

30 SEPTEMBER 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(799)	(799)
(b) development	-	-
(c) production	-	-
(d) staff costs	(128)	(128)
(e) administration and corporate costs	(171)	(171)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,097)	(1,097)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(1)	(1)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(1)	(1)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	680	680
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	273	273
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (Placement proceeds pending shareholder approval and share issue)	-	-
3.10 Net cash from / (used in) financing activities	953	953

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	838	838
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,097)	(1,097)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(1)	(1)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	953	953
4.5 Effect of movement in exchange rates on cash held	4	4
4.6 Cash and cash equivalents at end of period	697	697

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	665	356
5.2 Call deposits	32	482
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	697	838

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

91

-

Directors salaries, fees and superannuation.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

-

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Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (Convertible Note)	953	953
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	300
9.2 Development	-
9.3 Production	-
9.4 Staff costs	100
9.5 Administration and corporate costs	100
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	500

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:
(Company secretary)

Date: 31 October 2018

Print name: Craig J McPherson

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.