



AMANI GOLD LIMITED

ASX ANNOUNCEMENT

30 January 2019

QUARTERLY REPORT 31 DECEMBER 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 ended 31 December 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 announced the Douze Match Maiden Indicated and Inferred Mineral Resource of 8.1Mt @ 1.2g/t Au, for 320Koz gold (0.5g/t Au cut-off grade) within the Giro Gold Project (Refer Table 1 and ASX announcement 10 December 2018).

The Giro Gold Project global resource now exceeds 3Moz gold; with the combined Indicated and Inferred Mineral Resource estimates for the Kebigada and Douze Match deposits at 81.77Mt @ 1.2g/t Au, for 3.14Moz Au (Refer Table 2). The combined resource is based on a 0.6g/t Au cut-off grade.

Throughout the Quarter the Company also continued to advance the Giro Gold Project Feasibility Study. The Company is planning on delivering the Feasibility Study, following review and input from the JV partner SOKIMO, in Q1 2019.

Amani Gold Limited

ABN: 14 113 517 203

CORPORATE DETAILS

ASX Code: ANL

DIRECTORS

YU QIUMING

Chairman

SIK LAP CHAN

Managing Director
and CEO

GRANT THOMAS

Technical Director

ANTONY TRUELOVE

Non-Executive Director

CRAIG MCPHERSON

Company Secretary

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Douze Match Resource Estimate

Amani commissioned H&S Consultants Pty Ltd (H&SC) to estimate the Mineral Resources of the Douze Match deposit (Figure 2), which forms part of the Giro Gold Project, located in northeast Democratic Republic of Congo (DRC) (see ASX announcement 10 December 2018).

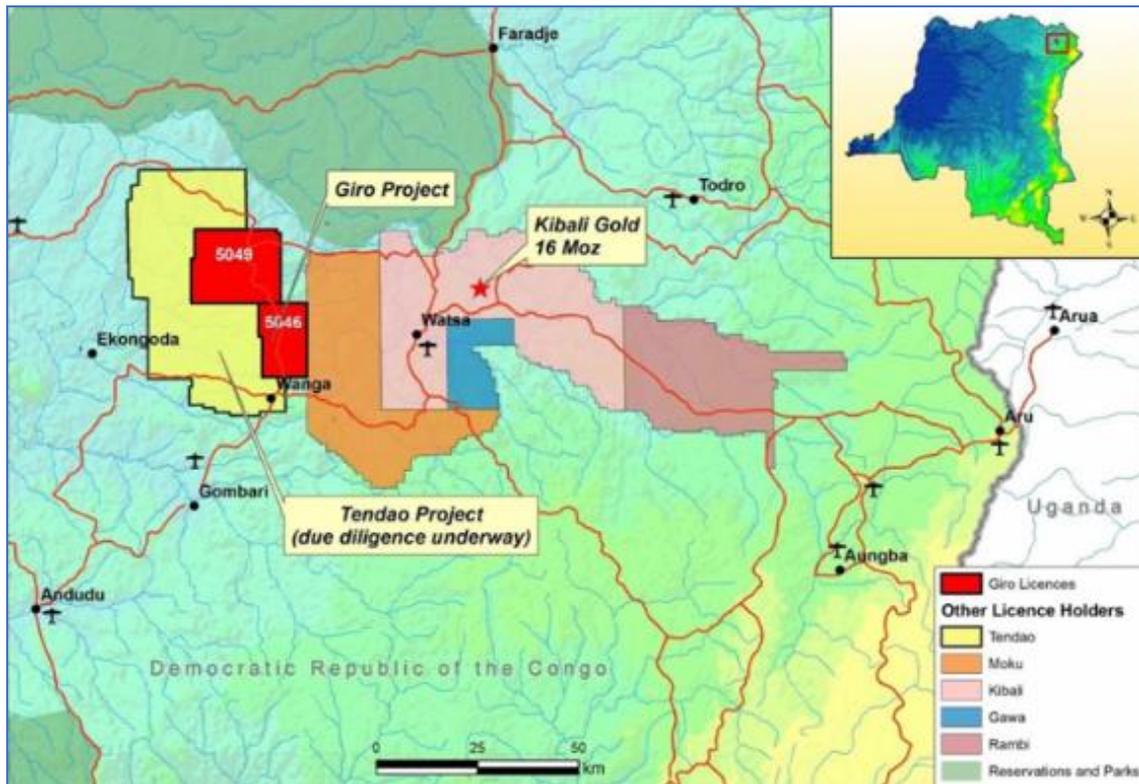


Figure 1. Map showing location of the Giro Gold Project

The area assessed in this study contains 18 diamond drill (DD) holes and 285 reverse circulation (RC) drill holes for a total of 143,318 m of drilling. The DD core was sawn longitudinally in half, producing samples with an average weight of between approximately 3 and 4 kg. The same half was continuously sampled on nominal 1m intervals. The sample interval was adjusted in order to honour geological contacts. The RC samples were passed through a riffle splitter three times, after which approximately 5 kg was taken as a reference sample and 2 kg was weighed and labelled for laboratory dispatch. The samples were crushed and split in an accredited laboratory to produce a 50g charge for fire assay with an Atomic Absorption (AA) finish.

H&SC created a total of five wireframe solids to define the volume represented by gold grades elevated above 0.08 ppm. These wireframes were based on an interpreted series of cross-sections provided by Amani. Domains 11 to 14 are located along the SE edge of



the deposit and dip around 44° towards the SE. Domain 20 has been modelled as a flat zone which occurs to the NW of domains 11 to 14. In some places deeper drilling has intersected mineralisation below the base of Domain 20 but the orientation of this mineralisation is unknown and has therefore not been estimated.

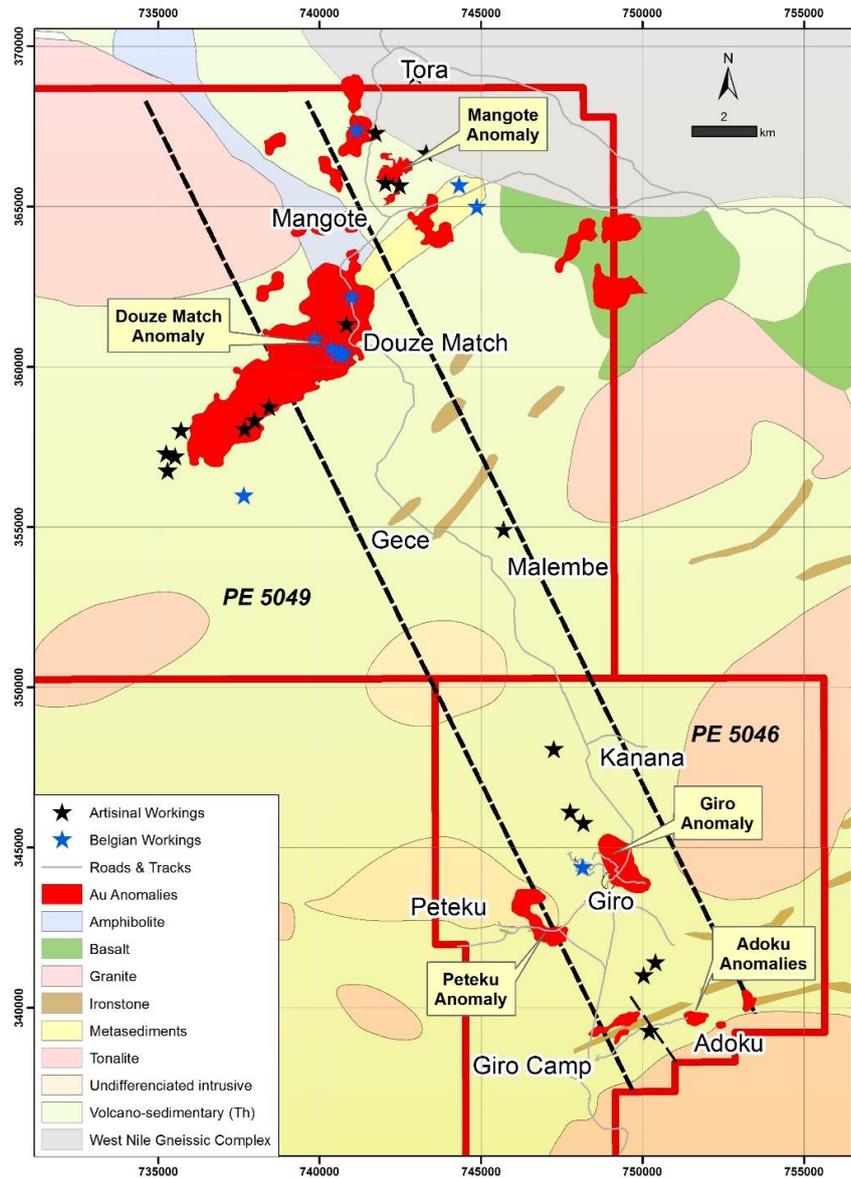


Figure 2. Map showing location of the Douze Match deposit

H&SC also created wireframe surfaces representing the base of laterite and the base of saprolite using information from drill hole logs. These wireframe surfaces were used to assign average densities, from limited measurements, to the block model. H&SC produced a wireframe surface representing topography based on the elevation of the drill hole collars.

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The mineralisation at Douze Match strikes at approximately 040° so a rotated block model was employed in order to minimise smoothing. The concentration of gold was estimated using recoverable Multiple Indicator Kriging on rotated composite and block model data in H&SC's in-house GS3 software program and then compiled and evaluated in the Micromine 2018 software. At this stage the Company plans for the Douze Match deposit to be selectively mined using open pit methods and the block model used for estimation has been designed to reflect this.

The closer spaced drilling at Douze Match is on a regular grid with a nominal spacing of 50 m between drill lines and 25 m along the drill lines. A nominal composite length of one metre, with a minimum length of half a metre, was chosen for data analysis and resource estimation. This length represents the shorter, more common sample interval and is compatible with the chosen model block size and estimation search radii.

A three-pass search strategy was used for the estimates, as shown below. The search ellipse was rotated to parallel each domain orientation:

- Pass 1. 10x60x60m search, 16-48 samples, minimum of 4 octants
- Pass 2. 20x120x120m search, 16-48 samples, minimum of 4 octants
- Pass 3. 20x120x120m search, 8-48 samples, minimum of 2 octants

The flat-lying domain 20 used slightly different search criteria due to better drill coverage. For this domain the across strike radii were set to half of the distance shown above.

A string was created outlining the areas that have been drilled on a 50x25 m grid. Blocks within this string that were populated in the first search pass were classified as Indicated. All other blocks that were estimated are classified as Inferred.

The Douze Match deposit contains a historic Belgian excavation known as the Tango Drive. The drive has been abandoned and is also void of any artisanal activity, however, the area surrounding the drive has seen extensive, recent alluvial mining. All figures presented here make no allowance for the artisanal mining.

The estimated Mineral Resource covers a strip of ground trending NE around 2.6 km long and up to 600 m wide. The upper limit of the Mineral Resource occurs at surface and the maximum depth of the reported Mineral Resource is 190 m. The resource estimates at a gold cut-off of 0.5 ppm are shown below.

Table 1

Classification	Tonnes (Mt)	Density (t/m³)	Au (ppm)	Au (Moz)
Indicated	2.2	2.11	1.2	0.09
Inferred	5.8	2.54	1.2	0.23
Total	8.1	2.41	1.2	0.32

The resource estimate was validated in several ways, including visual and statistical comparison of block and drill hole grades, examination of grade-tonnage data, and comparison with an Ordinary Kriged check model. As expected, the model represents a smoothed version of the original samples,



with less of the local variability present in the sample data. Grade trends within the zone are aligned with the respective search and kriging orientations, and reasonably reflect interpreted trends in the mineralisation.

Giro Gold Project Global Resource Estimates

Amani had previously outlined a gold resource at Kebigada within the Giro Gold Project of 45.62Mt @ 1.46g/t Au for 2.14Moz gold (based on a 0.9g/t Au cut-off grade, see ASX Announcements 18 July and 23 August 2017).

The Giro Gold Project global resource now exceeds 3Moz gold; with combined Indicated and Inferred Mineral Resource estimates for the Kebigada and Douze Match deposits of 81.77Mt @ 1.2g/t Au, for 3.14Moz Au based on a 0.6g/t Au cut-off grade (Refer Table 2).

The combined Indicated and Inferred Mineral Resource estimates for Kebigada and Douze Match deposits is 49.62Mt @ 1.49g/t Au, for 2.37Moz Au based on a 0.9g/t Au cut-off grade (Refer Table 2).

Table 2

Classification	Cut-off	Kebigada			Douze Match			Total		
		Tonnes	Au	Au	Tonnes	Au	Au	Tonnes	Au	Au
	Au (g/t)	Mt	g/t	Moz	Mt	g/t	Moz	Mt	g/t	Moz
Indicated	0.6	24.76	1.27	1.01	1.86	1.36	0.08	26.62	1.28	1.09
Inferred	0.6	50.4	1.14	1.84	4.76	1.38	0.21	55.16	1.16	2.05
Total	0.6	75.16	1.18	2.85	6.61	1.38	0.29	81.77	1.20	3.14
Indicated	0.9	16.48	1.53	0.81	1.13	1.76	0.06	17.61	1.54	0.87
Inferred	0.9	29.14	1.42	1.33	2.87	1.81	0.17	32.01	1.46	1.50
Total	0.9	45.62	1.46	2.14	4.00	1.80	0.23	49.62	1.49	2.37

Corporate

In December Amani announced that Mr Sheng Fu had resigned as a Director of the Company. Mr Fu had been Non-Executive Director since July 2017.

In addition, in December Amani announced the appointment of Mr Grant Thomas as an Executive Director. Mr Thomas is a geoscientist and experienced Company Director. Mr Thomas will be responsible for strategic business analysis and project evaluation. Mr Thomas has previously served as Managing Director of ASX listed ActivEX Limited, Celsius Coal Limited and Tianshan Goldfields Limited and has held senior positions with Rio Tinto Exploration (Australia, Brazil and China) and Hamersley Iron.

Mr Thomas served with Amani Gold Limited as Technical Director from March to November 2018.



Appointment of Advisor

In December Amani announced the appointment of Mr Klaus Eckhof as advisor to Amani in relation to the Company's exploration activities and ongoing business development.

Mr Eckhof is a geologist with more than 20 years of experience identifying, exploring and developing mineral deposits around the world. Mr Eckhof is the former Chairman of Amani Gold Limited.

Placement

In December Amani announced that it had raised funds through the issue of 100,000,000 fully paid ordinary shares at a price of \$0.004 each to raise \$400,000 (before costs of the offer).

Funds from the Placement will be used to advance the Company's project in the DRC and for general working capital purposes.

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

Outlook

The Board is also assessing several funding and finance options to progress the Company's strategy and to best align with shareholders.

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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 Exceeds 3Moz gold, with Douze Match Maiden Mineral Resource Estimate of 320koz gold” dated 10 December 2018.
- 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 31 December 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")

31 DECEMBER 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(486)	(1,285)
(b) development	-	-
(c) production	-	-
(d) staff costs	(134)	(262)
(e) administration and corporate costs	(123)	(294)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	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	(743)	(1,840)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(1)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	400	1,080
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	(12)	(12)
3.5	Proceeds from borrowings	-	273
3.6	Repayment of borrowings	-	-
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	388	1,341

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	697	838
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(743)	(1,840)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(1)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	388	1,341
4.5	Effect of movement in exchange rates on cash held	2	6
4.6	Cash and cash equivalents at end of period	344	344

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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	344	665
5.2 Call deposits	-	32
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)	344	697

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	118
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	

Directors salaries, fees and superannuation.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
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	

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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	210
9.2 Development	-
9.3 Production	-
9.4 Staff costs	85
9.5 Administration and corporate costs	55
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	350¹

1. *The estimated cash outflow has been prepared based on available cash resources and does not allow for the impact of future capital initiatives.*

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				

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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:


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(Company secretary)

Date: 30 January 2019

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.