



AMANI GOLD LIMITED

ASX ANNOUNCEMENT

30 July 2020

JUNE 2020 QUARTERLY ACTIVITIES REPORT

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 30 June 2020.

Giro Gold Project

The Giro Gold Project comprises two exploration permits covering a surface area of 497km² and lies within the Kilo-Moto Belt of the DRC, a significant under-explored greenstone belt which hosts Randgold Resources' 17 million-ounce Kibali group of deposits within 35km of Giro. The nearby Kibali Gold Project produces more than 600,000 oz gold per annum (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.

The Giro Gold Project global resource for the combined Kebigada and Douze Match deposits exceeds 4.4Moz contained gold; with a total Indicated and Inferred Mineral Resource Estimate of 132Mt @ 1.04g/t Au, for 4.4Moz gold (0.5g/t Au cut-off grade, Table 1).

Amani Gold Limited

ABN: 14 113 517 203

CORPORATE DETAILS

ASX Code: ANL

DIRECTORS

KLAUS ECKHOF
Chairman

SIK LAP CHAN
Managing Director
and CEO

GRANT THOMAS
Technical Director

QIUMING YU
Executive Director

TSANG SUN KING
Non-Executive Director

ANTONY TRUELOVE
Non-Executive Director

NICK HARDING
Company Secretary

CONTACT

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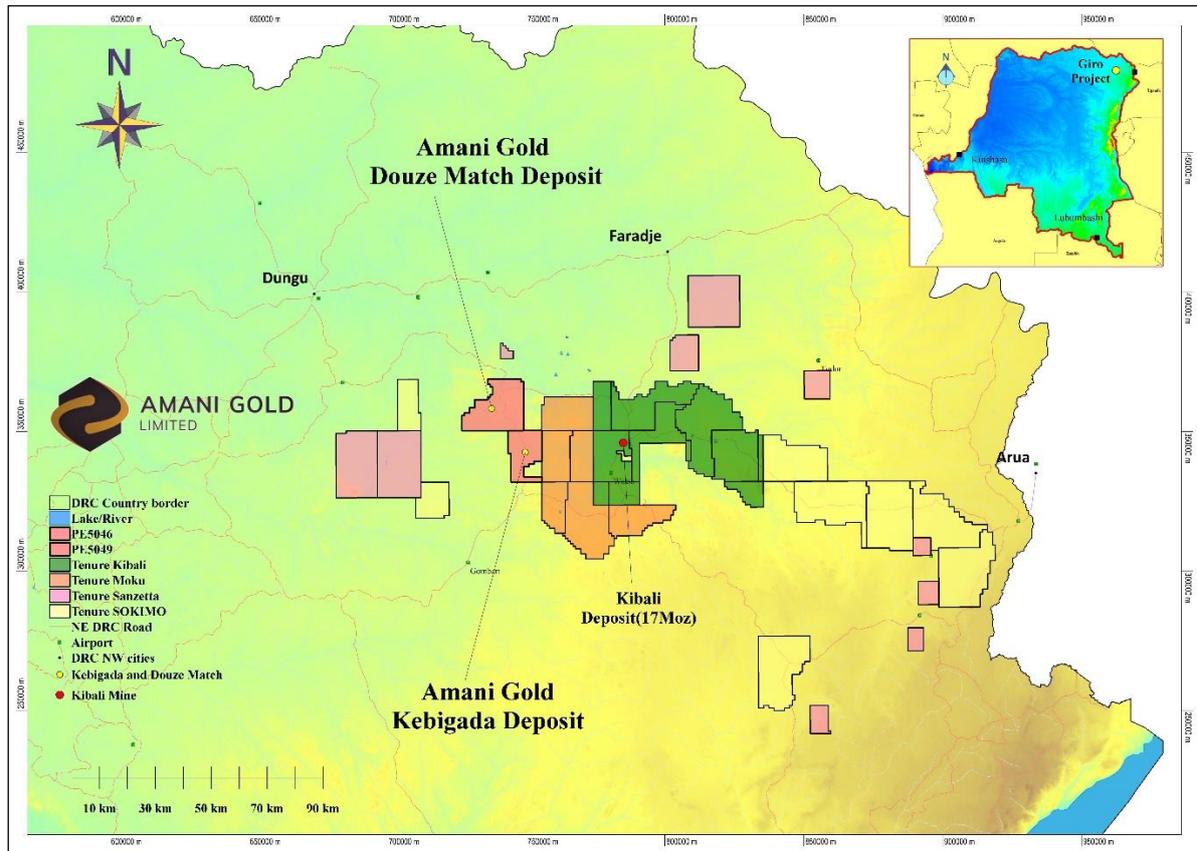


Figure 1 - Map of Haute Uele Province of the Democratic Republic of Congo, showing the location of the Kebigada and Douze Match gold deposits and tenement, Giro Gold Project

Table 1. Giro Gold Project Global MRE at 0.5 g/t Au Cut-off Grade

Classification	Kebigada Deposit			Douze Match Deposit			Combined		
	Tonnes (Mt)	Au (g/t)	Au (Moz)	Tonnes (Mt)	Au (g/t)	Au (Moz)	Tonnes (Mt)	Au (g/t)	Au (Moz)
Indicated	69	1.09	2.4	2.2	1.2	0.09	71	1.10	2.5
Inferred	54	0.95	1.7	5.8	1.2	0.23	60	0.98	1.9
Total	124	1.03	4.1	8.1	1.2	0.32	132	1.04	4.4

(significant figures do not imply precision and rounding may occur in totals)

The Kebigada resource followed diamond core drilling results which successfully targeted deeper high-grade sulphide associated gold mineralisation within the central core of the Kebigada deposit.

Drillholes GRDD034 and GRDD035 are 240m apart and both outlined high-grade gold mineralisation deeper than previously intersected at the Kebigada deposit. These gold assay results and the current Kebigada MRE indicate the potential for the Kebigada deposit to substantially grow via targeted deeper drilling along the entire strike of the orebody (Figure 2). Amani plans to complete 200m spaced drilling north and south of drillholes GRDD034 and GRDD035.



Amani has planned a drilling campaign of four core holes, each nominally 500m in length for a total of 2,000m which is expected to commence in October 2020 if diamond core drill rigs are available, as COVID-19 has affected availability due to border closures.

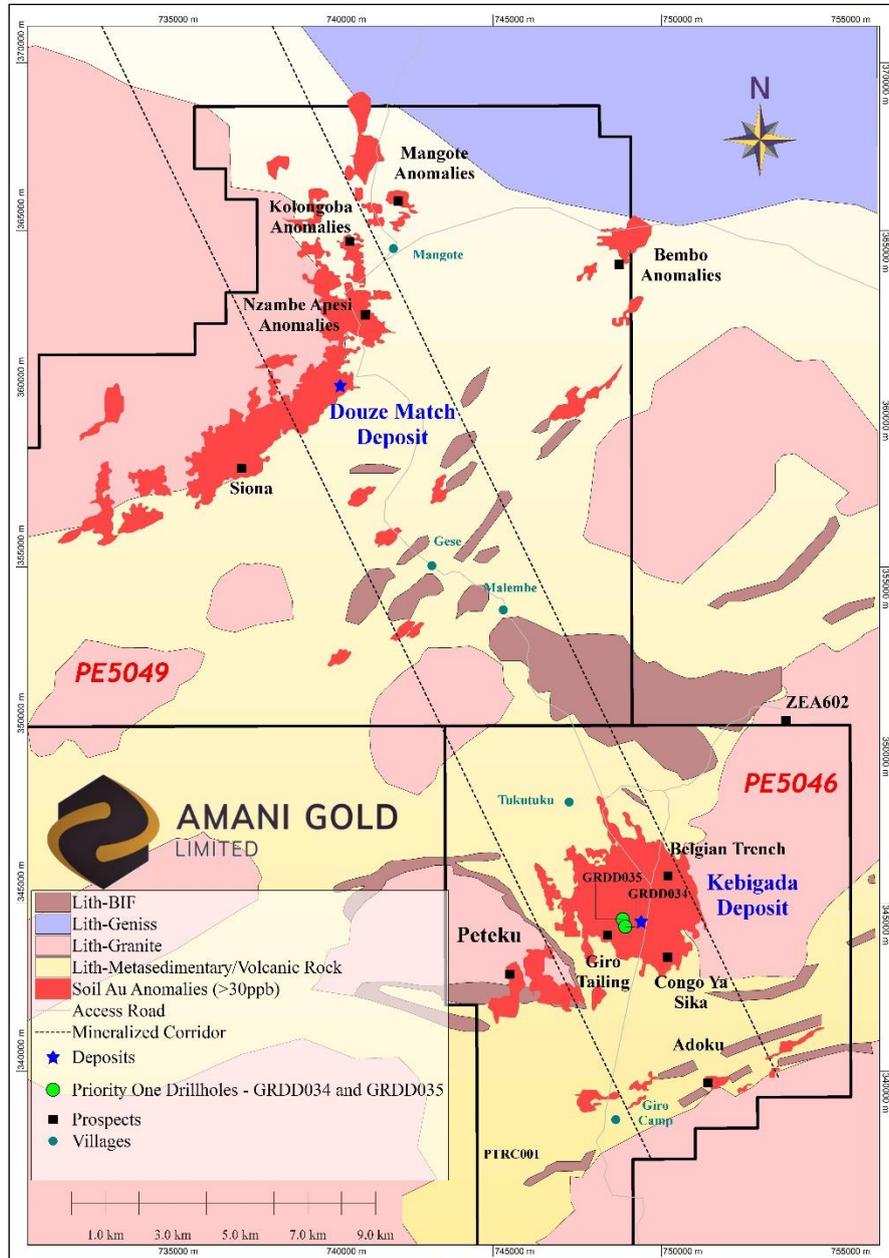


Figure 2 - Map of Giro Gold Project, showing Kebigada and Douze Match deposits, tenement, surface geology, prospect locations and diamond core drillholes GRDD034 and GRDD035 (Green)

CORPORATE Placements

On 29 January 2020, Amani announced it had received a commitment from a Hong Kong based investment company Neo Gold Limited (‘Neo Gold’) to raise \$3.0 million through the issue of 1 billion fully paid ordinary shares (Placement Shares) at an



issue price of \$0.003 per share (Placement) (refer ASX Announcement dated 29 January 2020).

Completion of the Placement was duly approved at a General Meeting of shareholders held on 25 March 2020 (refer ASX Announcement dated 25 March 2020).

On 11 June 2020, Amani advised that Neo Gold had not completed the Placement and failed to pay the \$3.0M, in breach of its contractual obligations (refer ASX Announcement dated 11 June 2020).

The Company is currently considering its position which may include the possibility of legal action against Neo Gold.

As a consequence, Amani immediately sought alternative funding and on 23 June 2020 announced that it had completed a bookbuild for a two tranche placement to sophisticated and professional investors to raise up to \$2.55 million (“Placement”) to fund ongoing exploration activities at the Giro and Gada gold projects in the DRC and meet ongoing working capital requirements.

Under the fundraising, the Company agreed to issue up to 2,550 million fully paid ordinary shares at an issue price of 0.1 cents per share (Placement Shares), raising up to \$2.55 million (before costs). Subject to receipt of Shareholder approval at a General Meeting scheduled to take place on Friday, 14 August 2020, each Placement Share will include 1.5 free attaching listed options (Options), with each having an exercise price of 0.15 cents and expiry date three years from date of issue.

Tranche 1 of the Placement, which comprised 1,003,700,000 Shares, was issued under the Company’s existing placement capacity under ASX Listing Rule 7.1, and was completed on 2 July 2020.

Tranche 2 of the Placement, for up to 1,550,000,000 shares, is subject to Shareholder approval at the General Meeting.

On 20 April 2020, Amani completed the placement of 699,047,035 shares at \$0.003 per share to Shining Mining Limited as approved by Shareholders at a reconvened General Meeting held on 8 April 2020 to raise \$2,097,141. (refer ASX Announcement dated 24 April 2020). The proceeds were applied to offset an amount owed by the Company.

Board

On 24 June 2020 Mr Tsang King Sun moved from Executive Director to a Non-executive role with Amani Gold.

Mr Qiuming Yu was appointed as a director of the Company under a binding subscription agreement entered into between the Company and Luck Winner Investment Limited (Luck Winner), as announced on 7 July 2017 as a capital raising transaction (Subscription Agreement). Within the Subscription Agreement, Luck



Winner was entitled to representation on the Amani Board under the terms set out below.

The terms of that Subscription Agreement included Board representation for Luck Winner on the following terms, as set out in clause 5.2(c) as follows:

- 3 nominee directors if Luck Winner holds at least 19.4% of Amani's issued shares;
- 2 nominee directors if Luck Winner holds less than 19% of issued shares for more than 15 consecutive days; and
- 1 nominee director if Luck Winner holds less than 15% of issued shares for more than 15 consecutive days; and
- No entitlement to representation if Luck Winner holds less than 10% of issued shares.

The Subscription Agreement required Luck Winner's Nominee Directors to submit their resignation to the Amani Board in the event that there was a change of issued shares held by Luck Winner, which modified their entitlement to representation as set out above.

The subsequent announcement on 11 July 2017 relating to the subscription Agreement confirmed the completion of stage 1 of the Subscription Agreement. Per the terms of the Agreement, Luck Winner nominated 3 nominees to the Amani Board, due to their shareholding at the time including Mr Qiuming Yu as a non-executive director.

Mr Yu was initially appointed as Chairman of the Board, replacing Mr Eckhof. Mr Klaus Eckhof replaced Mr Qiuming Yu as Chairman on 9 April 2019, following Mr Yu's retirement as Chairman.

Luck Winner currently holds less than 10% of Amani's issued shares, and has held less than 10% of Amani's issued shares for several months. Therefore it is not entitled to have a nominee director appointed to the Board of the Company. In spite of repeated requests from the Amani Board for Mr Yu to submit his resignation under the terms of the Subscription Agreement, Mr Yu has failed to do so.

Mr Yu has failed to respond to requests from the Board for his resignation.

The Company Constitution permits the shareholders of the Company to remove any director from office by resolution at a general meeting. The Company has provided Mr Yu with his required notice under s203D of the Corporations Act, inviting Mr Yu to put his case to the Shareholders by providing a written statement, subject to satisfying ss 203D(5) and (6), or by speaking to the motion at the meeting. As of the date of this Notice, Mr Yu has yet to issue a written statement for the Company to circulate to shareholders. In the event Mr Yu does provide a written statement, the Company will circulate the statement prior to the General Meeting.



General Meeting

Amani will convene a General Meeting of Shareholders in Adelaide on 14 August 2020, with a Notice of Meeting lodged with the ASX on 14 July 2020.

Resolutions to be put to the meeting are as follows:

- Resolution 1 – Ratification of a Previous Issue of Shares under a Placement
- Resolution 2 – Issue of Shares under a Placement
- Resolution 3 – Issue of Options to Placement Participants
- Resolution 4 – Issue of Options to Hartleys Limited
- Resolution 5 – Approval of Issue of Securities to Directors under a Placement
- Resolution 6 – Removal of Mr Qiuming Yu as a Director.

Company Cash

The Company's cash balance as at 30 June 2020 was \$1,135,000.

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 “Major Exploration Resource Delineation Drilling Program at Giro and Gada Funded by Completed Capital Raise” dated 23 June 2020.
- ASX announcement titled “Neo Gold Does Not Complete \$3.0M Placement and Amani Gold to Seek Alternative Funds” dated 9 June 2020.
- ASX announcement titled “Kebigada Mineral Resource Estimate Exceeds 4Moz Gold Milestone” dated 19 March 2020.
- ASX announcement titled “High Grade Gold Results from Deeper Diamond Core Drilling at Kebigada Deposit Opens Up Mineralisation Model” dated 31 October 2019.
- ASX announcement titled “Phase One Diamond Core Drilling Completed at Kebigada Deposit, Giro Gold Project” dated 11 October 2019.
- ASX announcement titled “Amani Completes MOU over Gada Gold Project with SOKIMO and Commences Exploration” dated 19 August 2019 and
- ASX announcement titled “Giro Gold Project Exceeds 3Moz gold, with Douze Match Maiden Mineral Resource Estimate of 320koz gold” dated 10 December 2018.

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.

Mineral Interests held at 30 June 2020 are as follows: -

Location	Concession name and type	Registered Holder	Amani’s current equity interest	Maximum equity interest capable of being earned	Notes
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.