



AMANI GOLD LIMITED

ASX ANNOUNCEMENT

30 July 2021

JUNE 2021 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 2021.

DRC Feasibility Study Upgrade

In December, Amani advised that the Beijing General Research Institute of Mining and Metallurgy (“BGRIMM”) had commenced an update of the Kebigada deposit DRC Feasibility Study. The Feasibility Study will comply with, and in many aspects exceed, current DRC regulations. BGRIMM have supplied the DRC FS in draft form which is now under review and analysis by Amani Gold.

The updated DRC FS will incorporate the current Kebigada mineral resource estimate (MRE) of 4.1Moz Au (0.5g/t Au cut-off grade, Figures 1 and 2, Table 1 and refer ASX Announcement 19 March 2020), which is substantially larger than the Kebigada maiden mineral resource estimate of 2.1Moz Au (0.9g/t Au cut-off grade, Figures 1 and 2, Table 3, see ASX Announcement 27 August 2017) used in previous studies.

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 600,000oz gold per annum.

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 Gold Limited

ABN: 14 113 517 203

CORPORATE DETAILS

ASX Code: ANL

DIRECTORS

KLAUS ECKHOF

Chairman

CONG MAOHUAI

Non-Executive Director

CAMPBELL SMYTH

Non-Executive Director

PETER HULJICH

Non-Executive Director

TSANG SUN KING

Non-Executive Director

JAMES BAHEN

Company Secretary

CONTACT

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6000

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amanigold.com



Giro Gold Project global resource for 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).

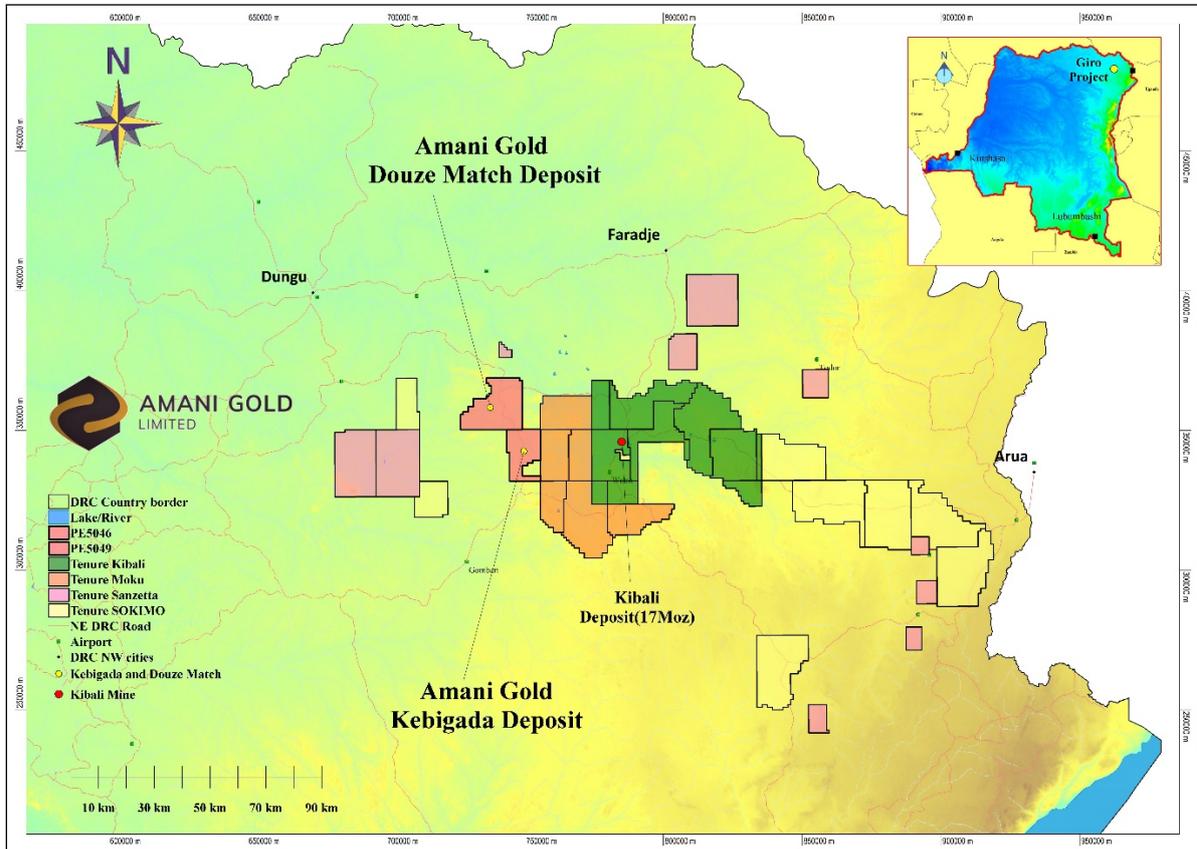


Figure 1 - Map of Haute Uele Province of the Democratic Republic of Congo, showing the location of the Kebigada and Douze Match gold deposits and tenement, Giro Gold Project

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.

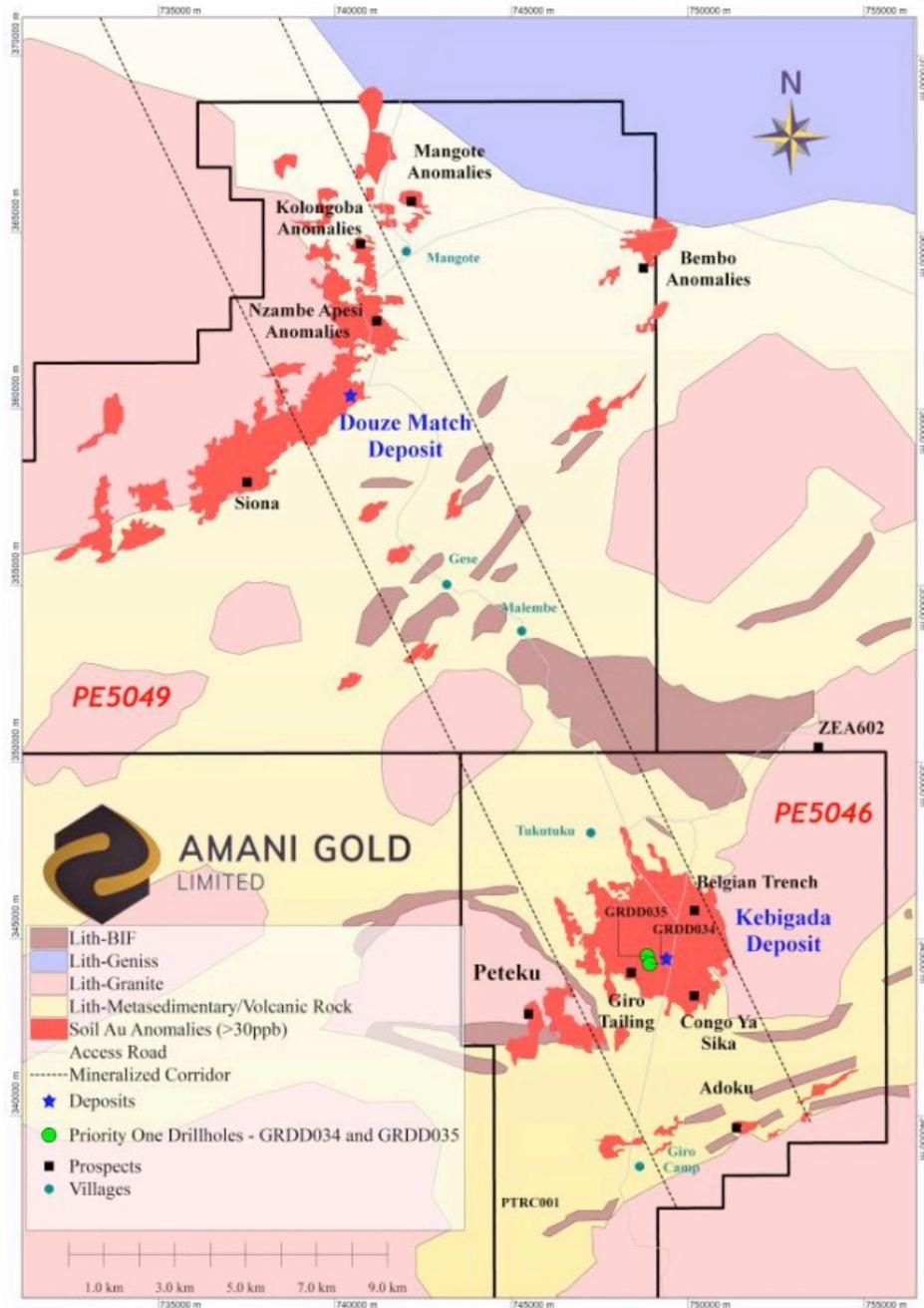


Figure 2 - Map of Giro Gold Project, showing Kebigada and Douze Match deposits, tenement, surface geology, prospect locations and diamond core drillholes GRDD034 and GRDD035 (Green)

Table 1. Kebigada H&SC MRE at 0.5 g/t Au Cut-off Grade

| Classification | Tonnes (Mt) | Au (g/t) | Au (Moz) |
|----------------|-------------|-------------|------------|
| Indicated | 69 | 1.09 | 2.4 |
| Inferred | 54 | 0.95 | 1.7 |
| Total | 124 | 1.03 | 4.1 |

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

**Table 2. 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)

Table 3. Grade-Tonnage Data for Kebigada MRE (MSA, August 2017)

| Classification | Cut-Off (Au g/t) | Tonnes (Mt) | Au (g/t) | Au (Moz) |
|----------------|------------------|-------------|----------|----------|
| Indicated | 0.6 | 24.76 | 1.27 | 1.01 |
| | 0.9 | 16.48 | 1.53 | 0.81 |
| | 1.3 | 7.56 | 2.08 | 0.50 |
| | 1.5 | 5.21 | 2.38 | 0.40 |
| Inferred | 0.6 | 50.40 | 1.14 | 1.84 |
| | 0.9 | 29.14 | 1.42 | 1.33 |
| | 1.3 | 11.78 | 1.94 | 0.74 |
| | 1.5 | 8.63 | 2.15 | 0.60 |
| Total | 0.6 | 75.16 | 1.18 | 2.85 |
| | 0.9 | 45.62 | 1.46 | 2.14 |
| | 1.3 | 19.34 | 2.00 | 1.24 |
| | 1.5 | 13.84 | 2.24 | 0.99 |

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

Giro Gold Project - Exploration Activities

Exploration expenditure for the quarter was principally related to the following activities:

- Desktop review of Kebigada Deposit (Laterite)
- Payments for capital raising
- Drillhole planning – Kebigada deposit
- General salary and camp costs

Corporate**Board Reorganization**

In May 2021, Amani announced that changes to the Board of Directors, Non-Executive Director Mr Antony Truelove and Company Secretary Nick Harding resigned from their duties with Amani Gold. Mr Peter Huljich and Mr Campbell Smyth were appointed to the board as Non-Executive Directors, Mr James Bahen was appointed Company Secretary and Mr Conrad Karageorge appointed as Chief Operating Officer.

Change of Registered Address and Principal Place of Business

On 27 May 2021 the Company's registered office and principal place of business were changed to:

Registered Office
Suite 1
25 Rokeby Road
Subiaco, WA 6008

Principal Place of Business
25 Colin Street
West Perth, WA 6005

Telephone:
+61 (8) 6555 2950

Facsimile:
+61 (8) 6166 0261

Financial Summary

Attached to this report is the Appendix 5B containing Company's cash flow statement for the quarter. The significant cashflows relating to the quarter included \$348k spent on exploration and evaluation expenditure, \$647k spent on staff, administration and corporate costs, of which \$105K were payments made to related parties. These payments relate to the existing remuneration agreements for Executive and Non-Executive Directors.

Company Cash

The Company's cash balance as at 30 June 2021 was \$0.873M.

For more information contact:

Mr. Klaus Eckhof
Executive Chairman
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klaus.eckhof@amanigold.com

Website: www.amanigold.com

Mineral Interests held at 30 June 2021 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.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Amani Gold Limited

ABN

14 113 517 203

Quarter ended ("current quarter")

30 June 2021

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|-----------------------------------------------------------|----------------------------|----------------------------------------|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | - | - |
| 1.2 Payments for | | |
| (a) exploration & evaluation | - | - |
| (b) development | - | - |
| (c) production | - | - |
| (d) staff costs | (327) | (1,428) |
| (e) administration and corporate costs | (320) | (1,319) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | - | - |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | (4) |
| 1.7 Government grants and tax incentives | - | 67 |
| 1.8 Other – (Amago Trading Ltd gold purchases) | - | - |
| 1.9 Net cash from / (used in) operating activities | (647) | (2,684) |

| | | |
|------------------------------------------------|-------|---------|
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| (a) entities | - | - |
| (b) tenements | - | - |
| (c) property, plant and equipment | - | - |
| (d) exploration & evaluation | (348) | (1,694) |
| (e) investments | - | - |
| (f) other non-current assets | - | - |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|--------------------------------------|----------------------------------------------------------------------------|----------------------------|----------------------------------------|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | - | - |
| | (b) tenements | - | - |
| | (c) property, plant and equipment | - | - |
| | (d) investments | - | - |
| | (e) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | - | - |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other (Gada Due Diligence and Legal Fees, and Tailing project development) | - | (190) |
| 2.6 | Net cash from / (used in) investing activities | (348) | (1,884) |

| | | | |
|-------------|-----------------------------------------------------------------------------------------|--------------|--------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | 1,554 | 4,567 |
| 3.2 | Proceeds from issue of convertible debt securities | - | - |
| 3.3 | Proceeds from exercise of options | - | - |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | (3) | (249) |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings | - | - |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (Placement proceeds pending share issue) | - | - |
| 3.10 | Net cash from / (used in) financing activities | 1,551 | 4,318 |

| | | | |
|-----------|------------------------------------------------------------------------------|-------|---------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 316 | 1,135 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (647) | (2,684) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (348) | (1,884) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 1,551 | 4,318 |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|---------------------------------------------|---------------------------------------------------|------------------------------------|-------------------------------------------------|
| 4.5 | Effect of movement in exchange rates on cash held | 1 | (12) |
| 4.6 | Cash and cash equivalents at end of period | 873 | 873 |

| 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 | 873 | 316 |
| 5.2 | Call deposits | - | - |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (High Interest Account) | - | - |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 873 | 316 |

| 6. | Payments to related parties of the entity and their associates | Current quarter \$A'000 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|------------------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | 105 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |
| <i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i> | | |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| 7. Financing facilities | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|--------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> | | |
| <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | | |
| 7.1 | - | - |
| 7.2 | - | - |
| 7.3 | - | - |
| 7.4 | - | - |
| 7.5 | Unused financing facilities available at quarter end | |
| | | - |
| 7.6 | Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. | |
| | - | |

| 8. Estimated cash available for future operating activities | \$A'000 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8.1 | (647) |
| 8.2 | (348) |
| 8.3 | (995) |
| 8.4 | 873 |
| 8.5 | - |
| 8.6 | 873 |
| 8.7 | 0.88 |
| <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> | |
| 8.8 | If item 8.7 is less than 2 quarters, please provide answers to the following questions: |
| 8.8.1 | Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? |
| | Answer: No. The operating cash flow for this quarter was higher due to payment of costs associated with capital raising and consulting costs associated with the DRC Feasibility Study. The operating cash flow for upcoming quarters are expected to be lower. |
| 8.8.2 | Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? |
| | Answer: Yes. The entity is in the process reviewing various funding arrangements to fund future operations. |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: The company expects to be able to continue its operation and meet its objectives through completion of a funding arrangement in the next quarter.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

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.

Date: 30 July 2021

Authorised by: by the board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.