16 November 2021
ASX Announcement

# ROBUST MAIDEN MINERAL RESOURCE of 781koz @ 1.6g/t including 493koz @ 3.0g/t at DIAMBA SUD

## *HIGHLIGHTS*

- **Maiden Mineral Resource** (JORC 2012) for Areas A and D at Diamba Sud:

| Classification | Tonnes Mt | Grade g/t Au | Metal koz | Total % |
|---|---|---|---|---|
| Indicated | 8.8 | 1.9 | 538 | 69% |
| Inferred | 6.4 | 1.2 | 243 | 31% |
| **TOTAL** | **15.2** | **1.6** | **781** | **100%** |

*Resources reported within a US$1,800/oz gold price pit shell and at a cut-off grade of 0.5g/t gold*
*Figures are rounded and reported to appropriate significant figures to reflect the level of confidence*

- **High-grade ounces** including **493koz @ 3.0g/t gold** at a 1.5g/t cut-off and **692koz @ 2.0g/t gold** at a 0.8g/t cut-off
- **Robust, shallow deposit** with 737koz falling within a US$1,500/oz gold price pit shell at a 0.5g/t cut-off and **95% of ounces within 135m of surface**
- **Resources constrained within two adjacent pits covering both Area A and Area D** with a significant soft oxide component and potentially low strip ratio
- **High recoveries averaging 96%** returned from the metallurgical testwork demonstrate gold will be recoverable via a simple cyanide leach process flow sheet
- **Resources remain open at depth and along strike in both Area's A and D** leaving a high probability of increasing the resource inventory from future drilling
- **Limited drilling across the wider tenement** with drill results from the first program testing three high-priority targets at Diamba Sud expected in December 2021
- Barrick reports an "emerging discovery[1]" at the neighbouring Kabewest prospect (~5km northeast of Diamba Sud) with drilling having defined mineralisation over a 1km strike
- **15,000m – 20,000m drill program planned to commence in January 2022** will target resource expansion, depth extensions at Area A and D and follow-up testing of other target areas

**Chesser MD and CEO Andrew Grove commented**: *"We are very pleased to deliver the maiden Mineral Resource at Diamba Sud at a low discovery cost of US$11 per ounce The shallow, high-grade nature of the mineralisation has resulted in a robust resource that we believe will continue to grow with additional drilling. The Project has many merits – shallow, high-grade mineralisation, simple metallurgy, limited competing land use and access to infrastructure – which we believe gives Diamba Sud great potential to be a high returning future mining operation. A scoping study will now be undertaken to support future development and project de-risking. I would like to thank the team on site on a significant effort delivering the maiden mineral resource 16 months after discovery of the high-grade oxide mineralisation at Area D."*

[1] Barrick's September Quarter 2021 Results Presentation, slide 40, issued on 4 November 2021. www.barrick.com

**Chesser Resources Limited** ("Chesser" or "the Company" (ASX:CHZ)) is pleased to report on its maiden Mineral Resource estimate ("Resource") over Areas A and D at the Diamba Sud Gold Project in Senegal, West Africa.

The Diamba Sud Gold Project covers an area of 53.2km$^2$ and is located in eastern Senegal within the highly prospective Senegal Mali Shear Zone orogenic belt. The Project is located 12km southwest of Barrick's Loulo mine (12.5 million ounces) and only 7km west of Barrick's Gounkoto mine (5.5 million ounces), both across the border in Mali.

The Project was acquired in 2017 by Chesser and a tenement wide auger drilling program identified extensive gold anomalism over large areas of the tenement which forms part of a much larger system extending to the east into Barrick's Bambadji JV and covers an area of approximately 15km x 15km.

Drilling identified very high-grade near surface oxide mineralisation at Area D in July 2020 with intercepts including: 48m @ 6.7g/t gold from 24m (DSR155)[2]. Approximately 32,000m of drilling has been undertaken since, primarily focused on identifying and defining the mineralisation at Area A and Area D.

In the oxide, mineralisation is associated with thick supergene enrichment particularly at Area D where it covers an area of approximately 400m x 400m. Mineralisation in the fresh rock below the oxide is best developed where structures intersect the favourable calcareous and arenaceous sedimentary breccia lithological units and develop high-grade shoots. The calcareous sedimentary breccia lithologies also contain lower grade stockwork and breccia mineralisation away from these structures.

The maiden Mineral Resource estimate was undertaken by Dr. John Arthur (CGeol, FGS) and includes all drilling up to and including the 18 October 2021 utilising an Ordinary Kriging estimation methodology. The Resource has been reported in accordance with the JORC Code (2012) and is effective as at 16 November 2021 and is shown in Table 1 and Table 2.

The Mineral Resource is reported within a pit shell using metal price assumptions of US$1,800/oz gold, conservative input parameters and is reported above a 0.5g/t gold cut-off grade ("COG").

[2] Refer ASX Announcement dated 28 July 2020. The Company is not aware of any new information or data that materially affects the information contained in that announcement.

**Table 1: Diamba Sud Mineral Resources**

| Resources Constrained within US$1,800/oz pit shell by Material Type and Classification – COG 0.5g/t | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Oxidation | Indicated | | | Inferred | | | Total | | |
| | Tonnes | Grade | Metal | Tonnes | Grade | Metal | Tonnes | Grade | Metal |
| | Mt | g/t | Koz | Mt | g/t | Koz | Mt | g/t | Koz |
| Oxide | 3.7 | 2.2 | 262 | 1.3 | 1.2 | 50 | 5.0 | 2.0 | 312 |
| Fresh | 5.1 | 1.7 | 276 | 5.1 | 1.2 | 194 | 10.3 | 1.4 | 469 |
| **Total** | **8.8** | **1.9** | **538** | **6.4** | **1.2** | **243** | **15.2** | **1.6** | **781** |

**Table 2: Diamba Sud Mineral Resources by Area**

| Resources Constrained within US$1,800/oz pit shell by Area, Material Type and Classification – COG 0.5g/t | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Area | Oxidation | Indicated | | | Inferred | | | Total | | |
| | | Tonnes | Grade | Metal | Tonnes | Grade | Metal | Tonnes | Grade | Metal |
| | | Mt | g/t | Koz | Mt | g/t | Koz | Mt | g/t | Koz |
| **Area D** | Oxide | 3.1 | 2.4 | 234 | 1.2 | 1.3 | 47 | 4.2 | 2.1 | 280 |
| | Fresh | 0.3 | 1.4 | 14 | 3.6 | 1.2 | 139 | 3.9 | 1.2 | 152 |
| | **Total** | **3.4** | **2.3** | **247** | **4.8** | **1.2** | **185** | **8.2** | **1.6** | **432** |
| **Area A** | Oxide | 0.6 | 1.4 | 29 | 0.1 | 0.9 | 3 | 0.7 | 1.3 | 32 |
| | Fresh | 4.8 | 1.7 | 262 | 1.5 | 1.1 | 55 | 6.3 | 1.6 | 317 |
| | **Total** | **5.5** | **1.7** | **291** | **1.6** | **1.1** | **58** | **7.1** | **1.5** | **349** |
| **TOTAL** | | **8.8** | **1.9** | **538** | **6.4** | **1.2** | **243** | **15.2** | **1.6** | **781** |

Full details of the Resource Estimation can be found in Attachment 2 and JORC tables at the end of this report.

The key attributes of the maiden Mineral Resource at Diamba Sud are as follows:

- **High-grade ounces:** 493koz @ 3.0g/t gold at a 1.5g/t cut-off or 692koz @ 2.0g/t gold at a 0.8g/t cut-off (Table 3, Figure 1)
- **Shallow mineralisation:** 95% of the ounces within 135m of the surface (Figure 3) and 40% of the ounces occur within the near surface oxide mineralisation
- **High confidence Resource:** 69% of the ounces falling within the Indicated classification (Table 1)
- **Robust Resources:** 737koz falling within a US$1,500/oz gold price pit shell and 656koz falling within a US$1,350/oz gold price pit shell (Table 4 and Figure 8)
- **Significant Resource growth potential:** mineralisation open along strike and at depth plus numerous exploration targets on the tenement
- **Emerging highly prospective region:** additional discoveries being made in the area including Barrick's Kabewest prospect

- **Excellent metallurgical characteristics:** testwork averaged 96% recoveries[3] with no evidence of deleterious elements, amenable to a simple cyanide leach process flow sheet
- **Shallow open pit:** Resources are constrained within two adjacent pits covering both Area A and Area D with a significant soft oxide component and potentially low strip ratio (Figure 2 and Figure 2)
- **Project infrastructure:** limited competing land use (Figure 6), close to national highway and water, skilled national workforce and supportive mining jurisdiction
- **Low Discovery cost**:US$11/oz[4]

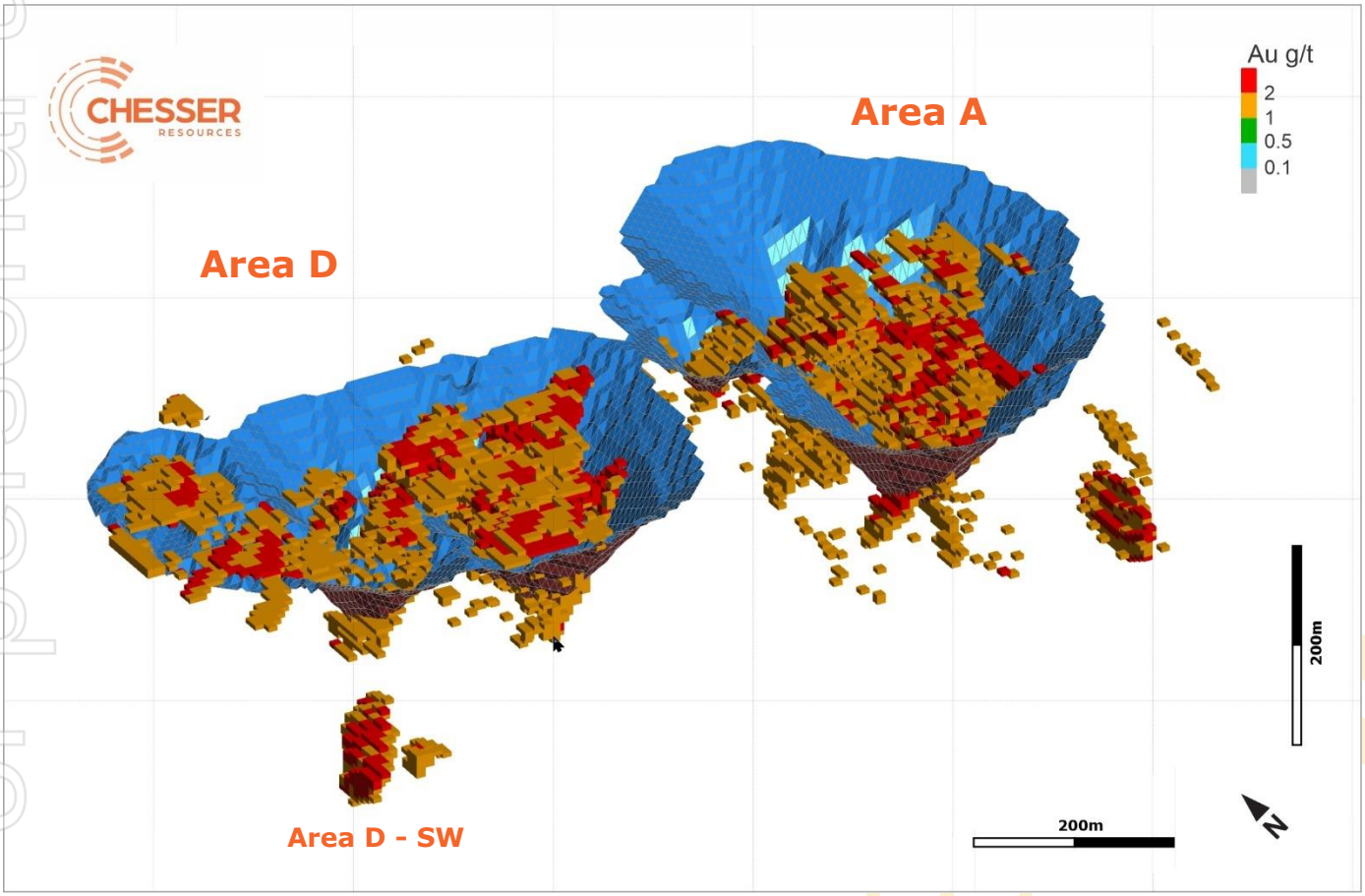


**Figure 1: Diamba Sud Mineral Resource 3D image of Resources (blocks > 1.0g/t) in US$1,800/oz gold pit shell**

[3] Refer to ASX announcements on 10 November 2020, 2 September 2021 and 8 November 2021 for metallurgical testwork results. The Company is not aware of any new information or data that materially affects the information contained in those announcements.

[4] Discovery Cost is a non-IFRS measure that has been calculated as the total capitalised exploration and evaluation expenditure (up to and including the Phase 6 exploration drilling program) in accordance with AASB6 for Area A and Area D divided by the resource ounces reported in this release.

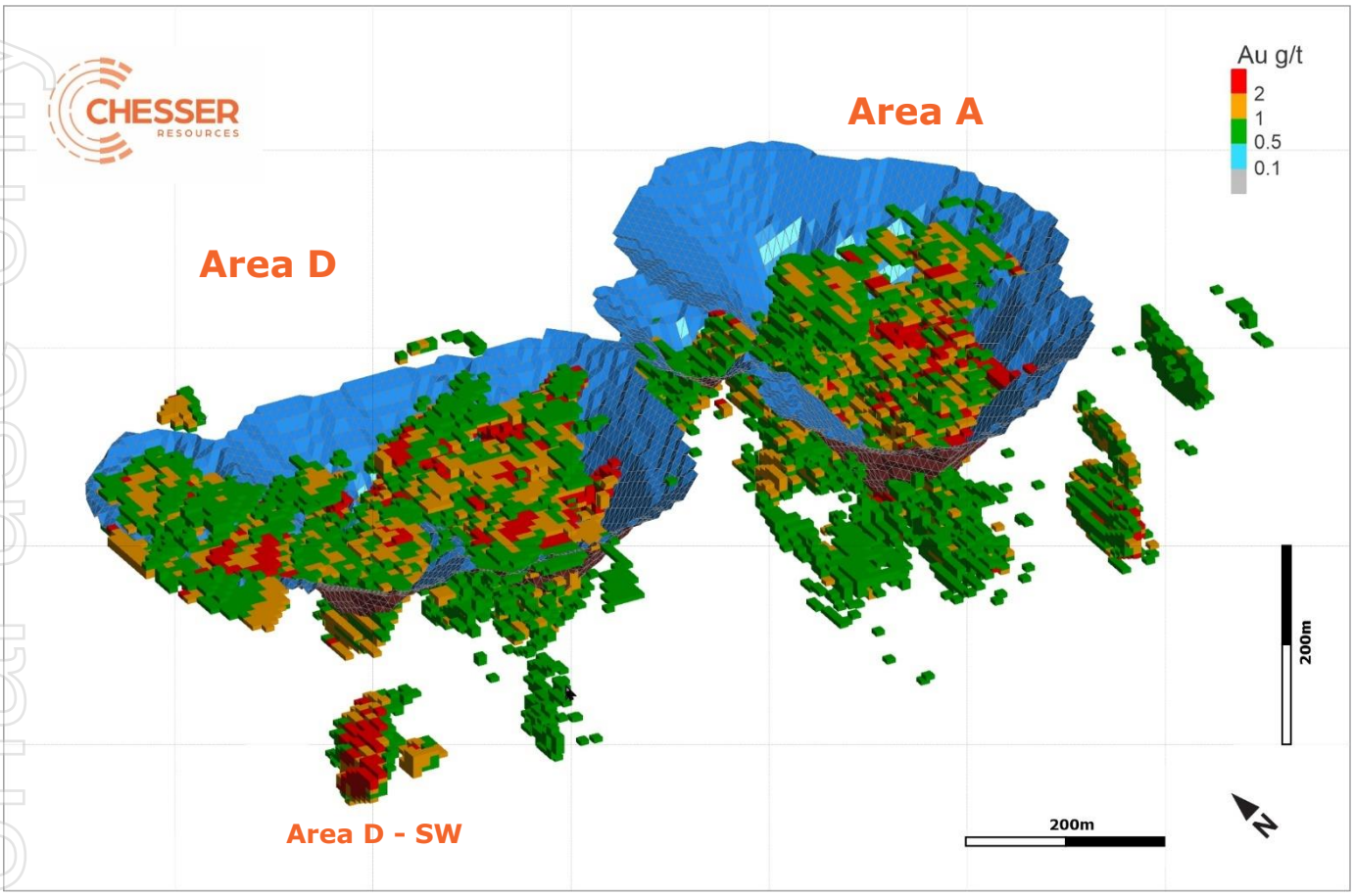


**Figure 2: Diamba Sud Mineral Resource 3D image of Resources (blocks > 0.5g/t) in US$1,800/oz gold pit shell**

**Table 3: Diamba Sud Grade/Tonnage within US$1,800/oz pit shell**

| Grade Tonnage within US$1800/oz gold pit shell | | | | |
|---|---|---|---|---|
| COG | Tonnes | Grade | Metal | Indicated |
| g/t Au | Mt | g/t Au | Koz | % |
| 0 | 60.1 | 0.5 | 933 | 65% |
| 0.3 | 20.1 | 1.3 | 842 | 67% |
| **0.5** | **15.2** | **1.6** | **781** | **69%** |
| 0.8 | 10.9 | 2.0 | 692 | 71% |
| 1 | 8.6 | 2.3 | 628 | 73% |
| 1.5 | 5.2 | 3.0 | 493 | 80% |
| 2 | 3.4 | 3.6 | 393 | 84% |

**Table 4: Diamba Sud Mineral Resources within various US$/oz pit shells at COG 0.5g/t gold**

| Resources within Pit Shells at COG 0.5g/t gold | | | | | |
|---|---|---|---|---|---|
| Pit | Tonnes | Grade | Metal | Indicated | Strip Ratio |
| US$/oz | Mt | g/t Au | Koz | % | t:t |
| $1,350 | 11.2 | 1.8 | 656 | 75% | 2.7 |
| $1,500 | 13.7 | 1.7 | 737 | 72% | 2.9 |
| **$1,800** | **15.2** | **1.6** | **781** | **69%** | **3.0** |
| $2,000 | 16.0 | 1.6 | 802 | 67% | 3.0 |

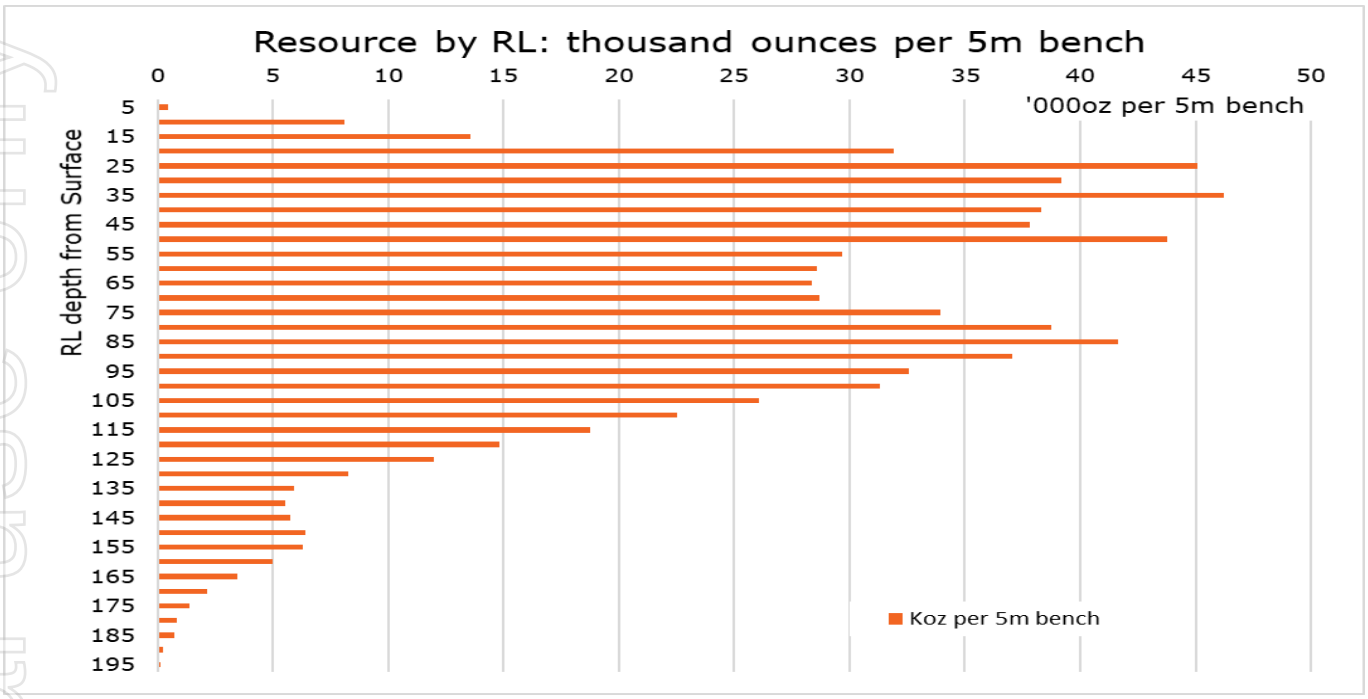


**Figure 3: Diamba Sud Resource ounces per vertical metre within US$1,800/oz pit shell at 0.5g/t gold COG**

## RESOURCE GROWTH POTENTIAL

The Company believes there is very high potential for Resource growth at Diamba Sud.

Structurally the deposit is complex where intersections of structures and favourable lithologies result in the deposition of significant high-grade gold mineralisation as demonstrated at Area A and Area D and recent drill results at Barrick's neighboring Kabewest prospect (Figure 4). The mineralisation shares many similar characteristics to a number of the Tier 1 gold deposits on the Senegal Mali Shear Zone ("SMSZ") including Gounkoto (5.5Moz) and Fekola (7.6Moz). Sedimentary SMSZ host rocks, extensive and intense alteration and structural complexity indicate that the area has high potential to host large scale gold deposits.

The Company is undertaking a complete review of Area A and Area D including a structural study, relogging historical drilling and remodelling with the aim of better targeting future drilling to identify additional high-grade mineralisation at depth and elsewhere.

Immediately there are opportunities to extend the 250m long high-grade shoot defined at Area A along strike of the intersecting structures (Figure 4) and there are numerous high-grade intercepts in the fresh at Area D that may well develop into high-grade shoots. High-grade oxide intercepts on the southwest and northwest edge of Area D (Figure 2), that were excluded from the optimisation also require additional drilling.

Elsewhere on the Diamba Sud tenement there are extensive areas of anomalous gold and very little drilling. The gold anomalism is part of a very extensive system covering an area of

approximately 15km x 15km over which numerous ore grade intercepts have been drilled both on our tenement and on the neighboring Barrick Bambadji JV (Figure 4) but until recently has not been systematically explored.

Ten high-priority targets have been defined on the Diamba Sud tenement outside the Resource area, some of which has been subject to sparse drilling which has returned multiple mineralised intercepts (Figure 4). Reverse Circulation ("RC") drilling has recently been completed over Area H, Area F and Western Splay and results are expected in December 2021.

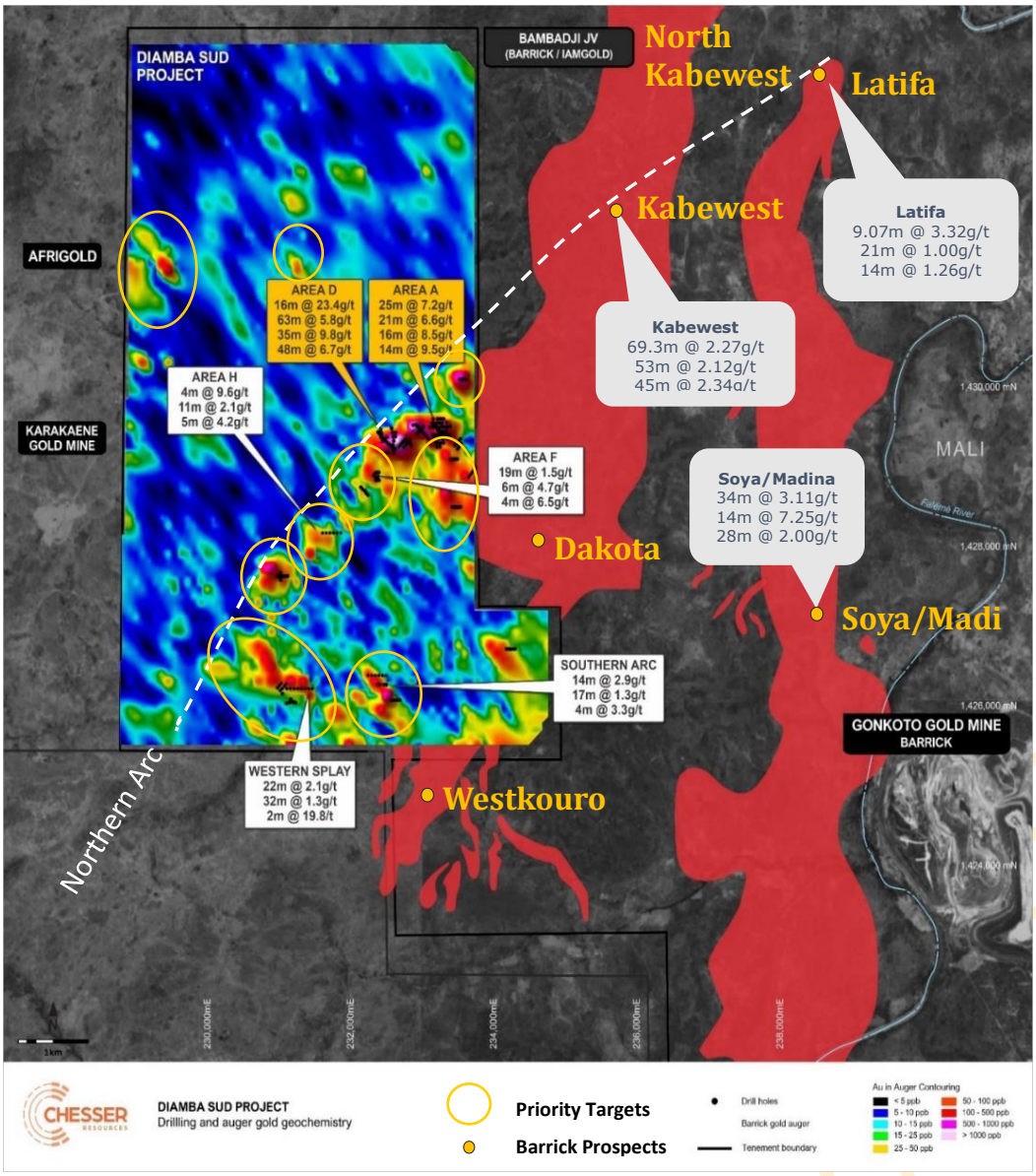


**Figure 4: Diamba Sud plan view showing historical drilling, selected significant results[5], gold auger geochemical anomalies and target for drilling.**

[5] Refer to ASX announcements on 3 April 2017, 25 March 2019, 10 April 2019, 6 May 2019, 14 May 2019, 28 August 2019, 3 September 2019, 21 January 2020, 2 March 2020, 17 June 2020, 21 July 2020, 28 July 2020, 13 August 2020, 24 November 2020, 16 December 2020, 19 January 2021, 3 February 2021, 2 March 2021, 6 April 2021,

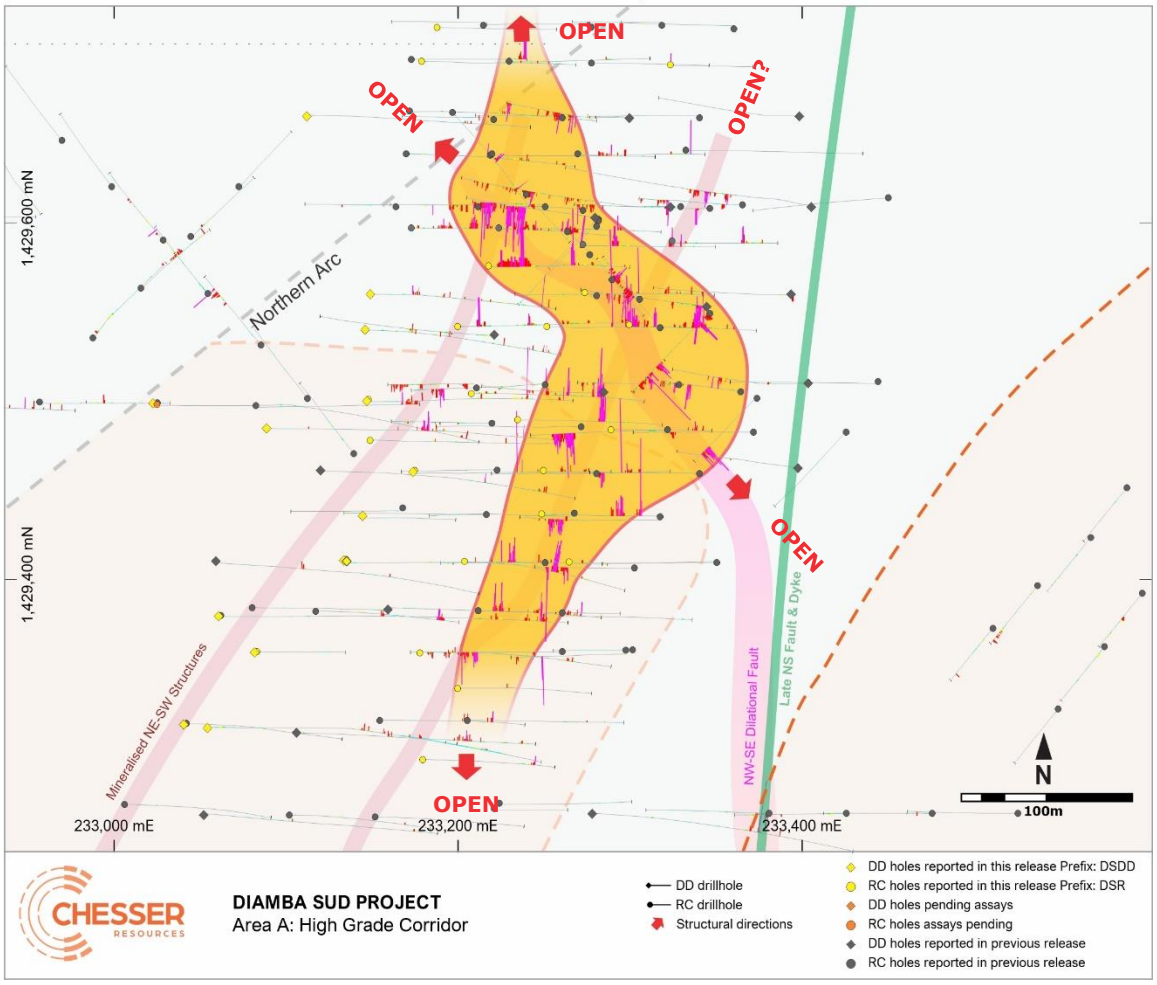


**Figure 5: Area A plan view showing drilling and grade histograms highlighting high-grade corridor.**

## NEXT STEPS

Drill results are expected in December 2021 from the recently completed drilling over the Area F, Area H and Western Splay prospects.

An extensive 15,000 to 20,000m drill program is expected to commence in January 2022 to aggressively target resource expansion, identification of mineralisation at depth at Areas A and D, systematically explore the numerous prospective targets on the tenement and following up the recently completed drilling.

Regional exploration over the Diamba Nord tenement will also commence in the next few weeks.

23 April 21, 31 May 2021, 1 July 2021 and 2 August 2021 for drilling results. Reference to Barrick's targets and results from Barrick's Quarterly Results Presentations. The Company is not aware of any new information or data that materially affects the information contained in those announcements.

The results from the maiden Mineral Resource are sufficiently positive to warrant undertaking a scoping study and to continue de-risking the project with further technical studies.

Baseline environmental and ESIA work has commenced over the Project area.

This release was authorised by the Board of Directors of Chesser Resources Limited.

**-END-**

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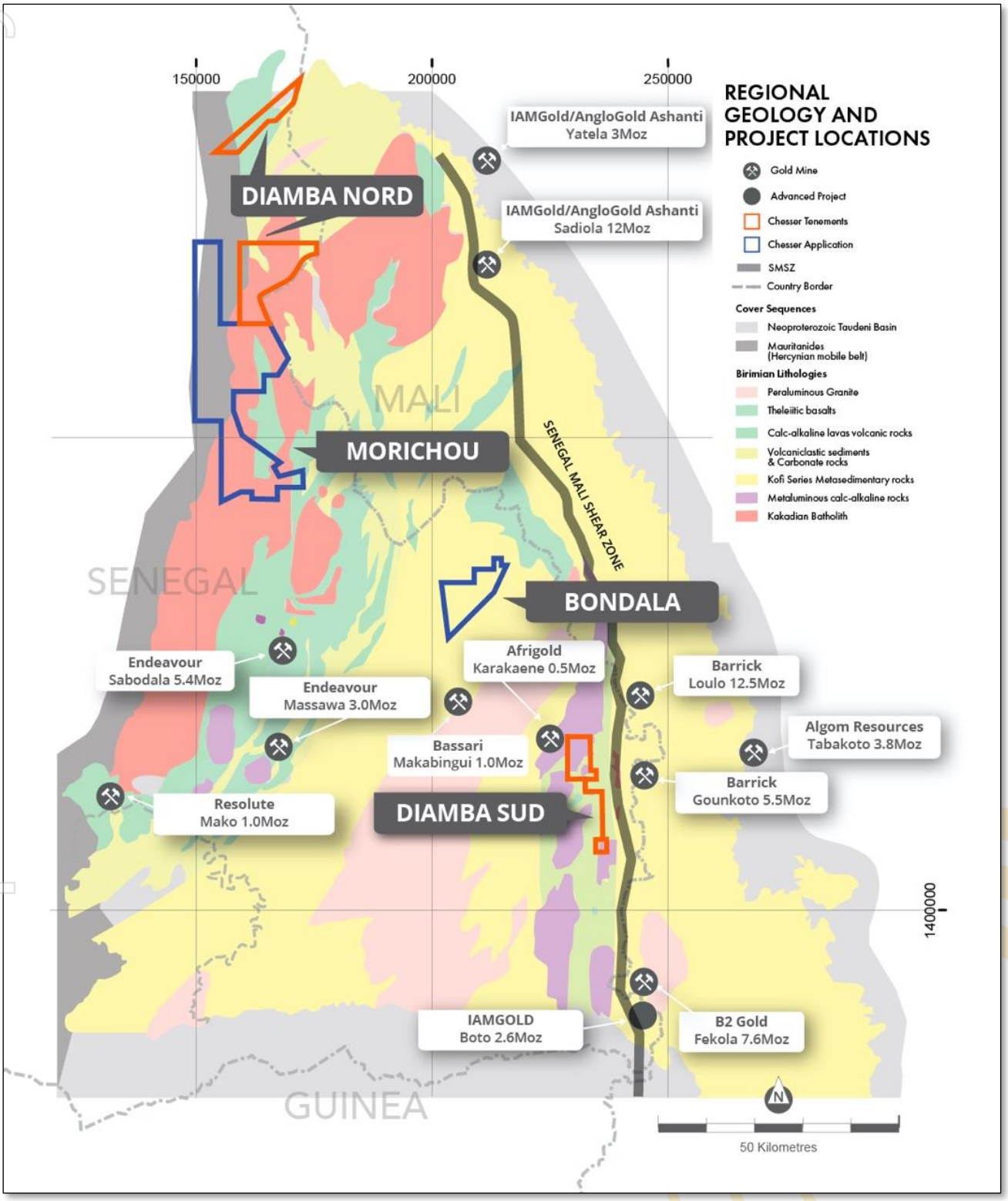
**Figure 6: Diamba Sud project aerial photo, looking east**




**Schematic regional geology of eastern Senegal, showing Chesser's Project locations including the Diamba Sud Project and its proximity to both the SMSZ and the major gold operations and projects.**

## ABOUT CHESSER RESOURCES

Chesser Resources is an ASX listed gold exploration company with projects located in Senegal, West Africa. Chesser has discovered two high-grade gold Projects (Area A and Area D) at its flagship Diamba Sud project. The Company currently holds or has under application ~1,000km$^2$ of highly prospective ground in this underexplored world-class gold region. The Company has corporate offices located in Brisbane and Perth, Australia and a corporate and technical team based in Dakar, Senegal.

Diamba Sud, covers an area of 53.2km$^2$ and is located ~2km to the west of the Senegal Mali Shear Zone ("SMSZ"), a major regional structure that host numerous multimillion-ounce world class gold deposits including: B2Gold's 7.6Moz Fekola mine, Barrick's 18Moz Loulo-Gounkoto complex and Allied Gold's Sadiola and Yatela mines. Diamba Sud lies just 7km to the west of Barrick's 5.5Moz Gounkoto mine and to the immediate east of the privately owned 0.5Moz Karakaene mine.

***Competent Person's Declaration***

*The information in this report that relates to the Diamba Sud **Exploration Results** and Exploration Targets is based on information compiled by Mr. Andrew Grove, BEng (Geology), MAIG, who is employed as Managing Director and Chief Executive Officer of Chesser Resources Ltd. Mr. Grove has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves', Mr. Grove consents to the inclusion in the announcement of the matters based on his information in the form and context that the information appears.*

*The Information in this report that relates to **Mineral Resources** is based on information compiled by Dr. John Arthur (CGeol, FGS), a Competent Person who is a Fellow of the Geological Society of London (membership No. 1005744). Dr Arthur is a full-time Independent Resource Geologist with 25 years experience that is relevant to the style of mineralisation and type of deposit 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 Resources and Ore Reserves". Dr Arthur consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

***Forward looking statements***

*Statements relating to the estimated or expected future production, operating results, cash flows and costs and financial condition of Chesser Resources Limited's planned work at the Company's projects and the expected results of such work are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by words such as the following: expects, plans, anticipates, forecasts, believes, intends, estimates, projects, assumes, potential and similar expressions. Forward-looking statements also include reference to events or conditions that will, would, may, could or should occur. Information concerning exploration results and mineral reserve and resource estimates may also be deemed to be forward-looking statements, as it constitutes a prediction of what might be found to be present when and if a project is developed.*

*These forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable at the time they are made, are inherently subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements, including, without limitation: uncertainties related to raising sufficient financing to fund the planned work in a timely manner and on acceptable terms; changes in planned work resulting from logistical, technical or other factors; the possibility that results of work will not fulfil projections/expectations and realize the perceived potential of the Company's projects; uncertainties involved in the interpretation of drilling results and other tests and the estimation of gold reserves and resources; risk of accidents, equipment breakdowns and labour disputes or other unanticipated difficulties or interruptions; the possibility of environmental issues at the Company's projects; the possibility of cost overruns or unanticipated expenses in work programs; the need to obtain permits and comply with environmental laws and regulations and other government requirements; fluctuations in the price of gold and other risks and uncertainties.*

## ATTACHMENT 1

## ADDITIONAL RESOURCE GRAPHICS

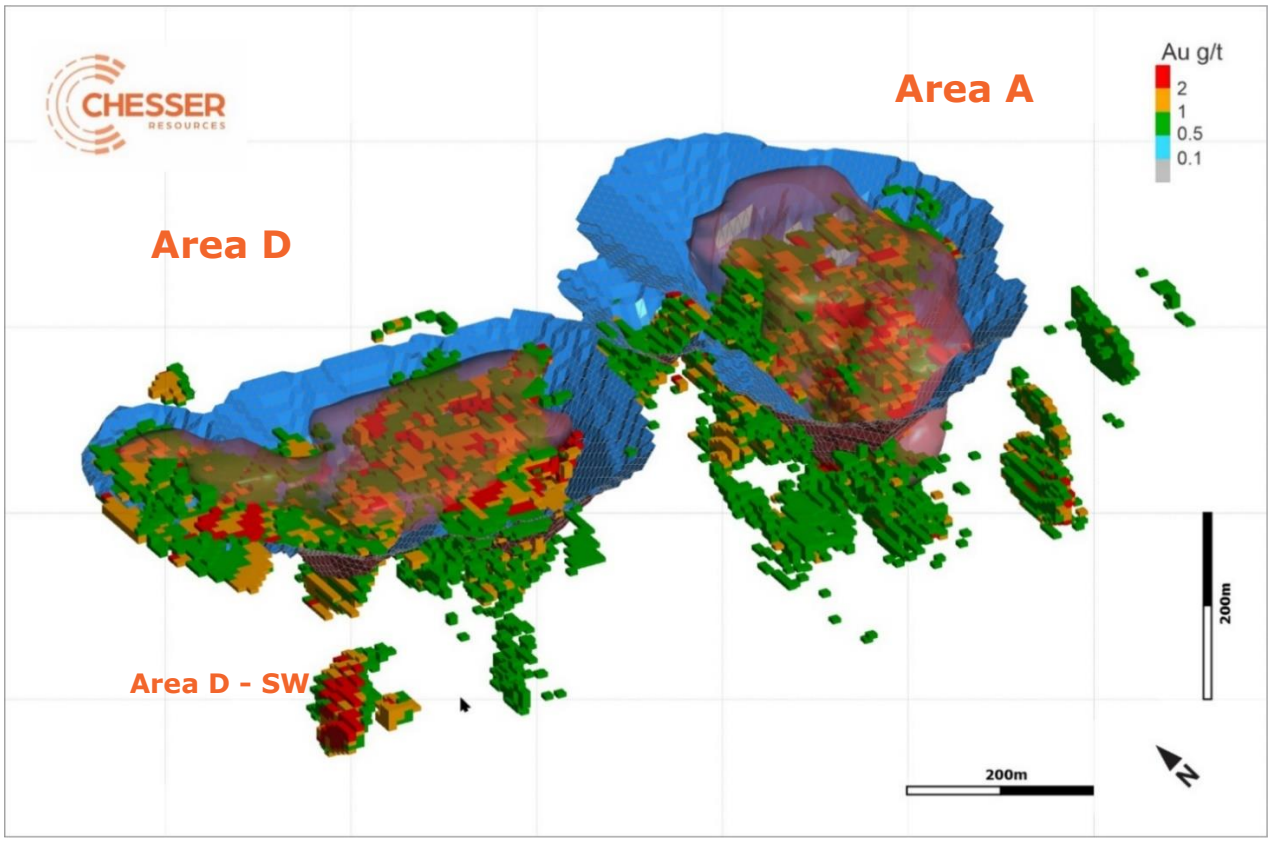



**Figure 7: Diamba Sud Mineral Resource 3D image of Resources within the US$1,800/oz gold pit shell and Indicated classification shell**

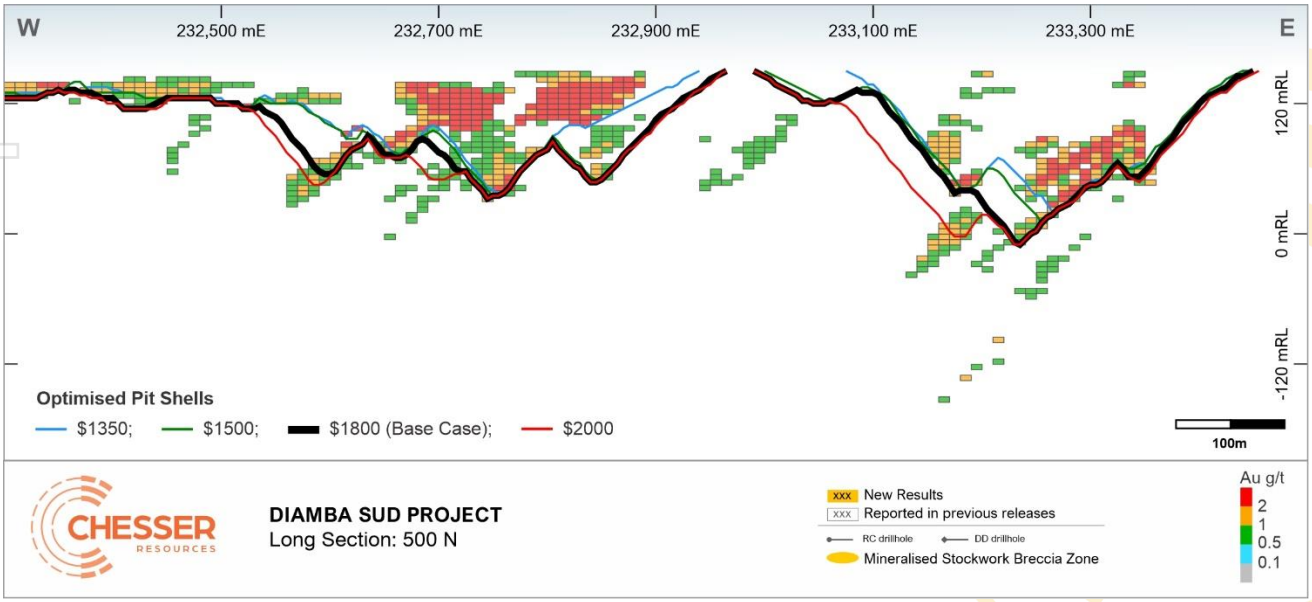



**Figure 8: Area D and Area D Section 1429500mN resource section various US$ gold pit shells**

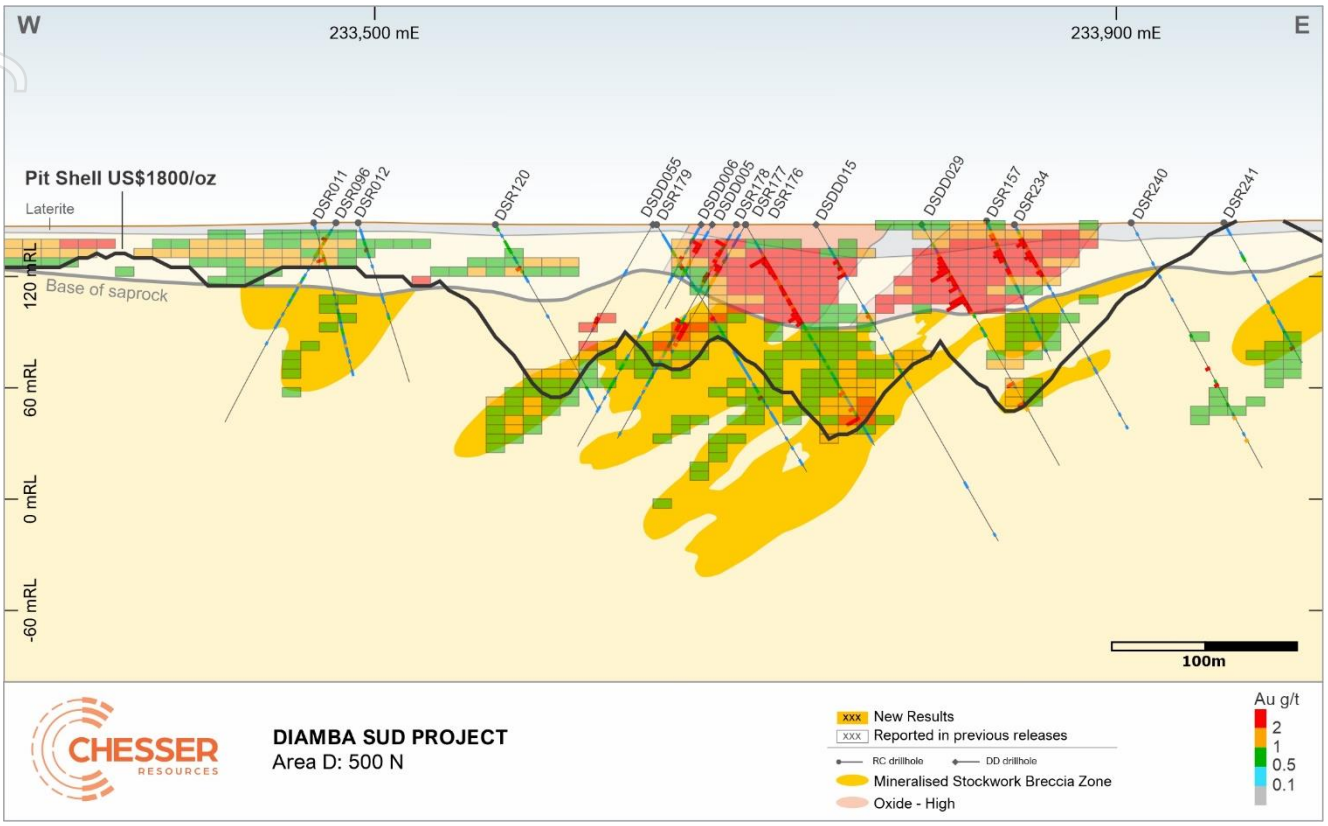



**Figure 9: Area D Section 1429500mN resource section within the US$1,800/oz gold pit shell**

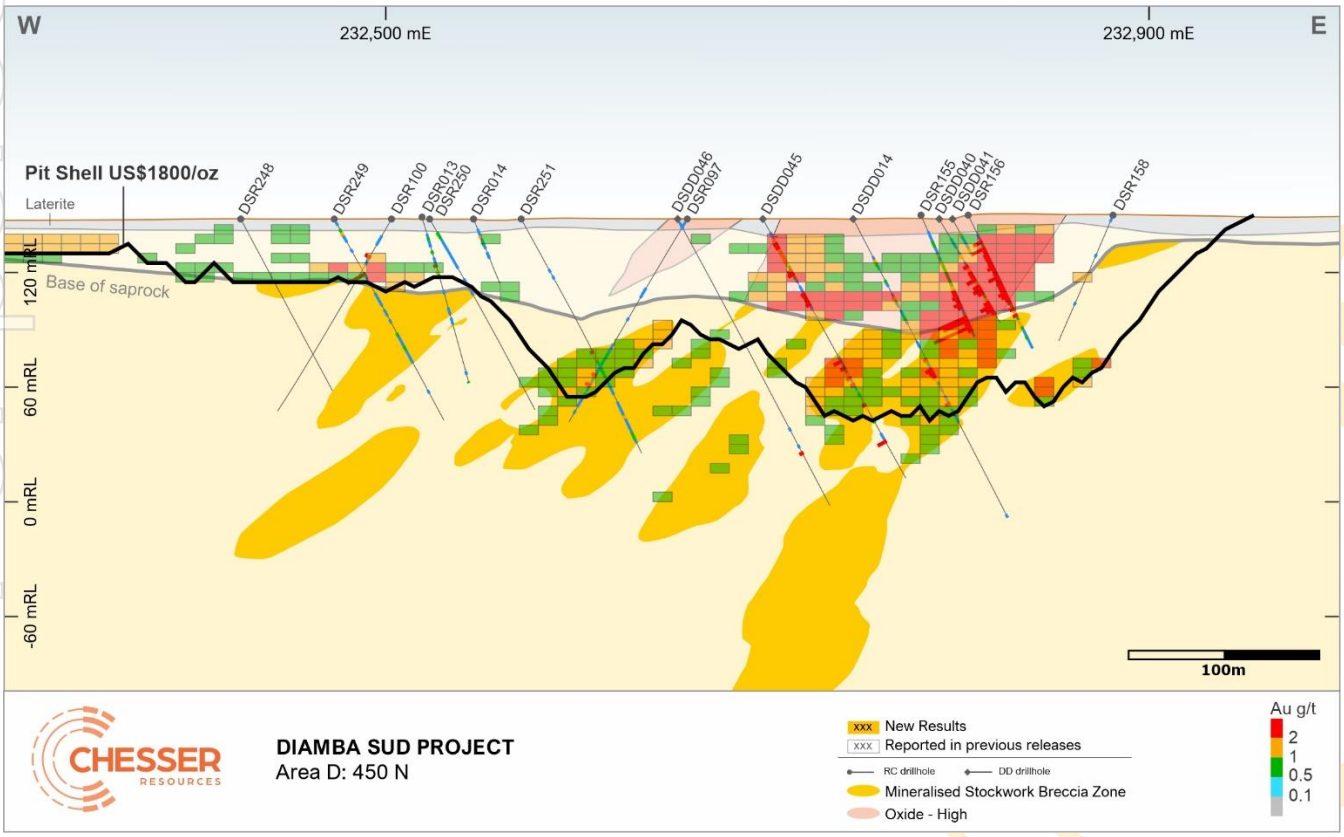



**Figure 10: Area D Section 1429450mN resource section within the US$1,800/oz gold pit shell**

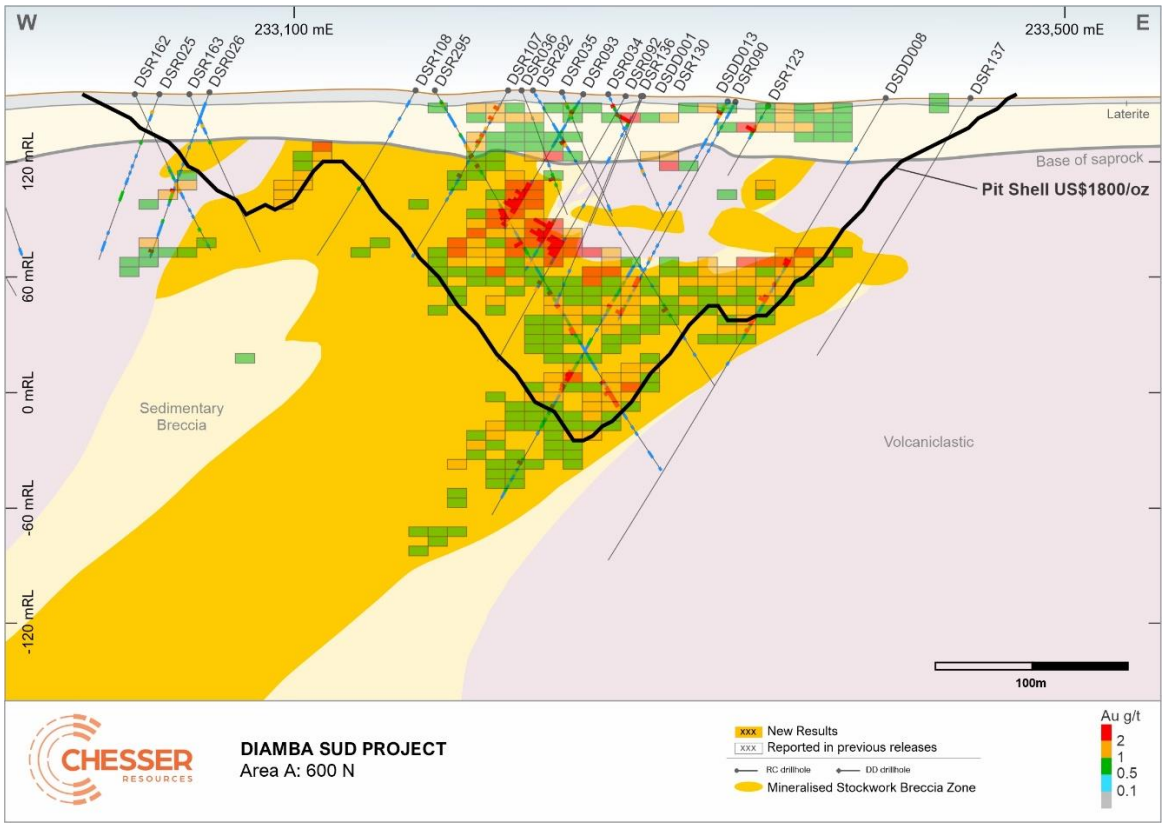



**Figure 11: Area A Section 1429600mN resource section within the US$1,800/oz gold pit shell**

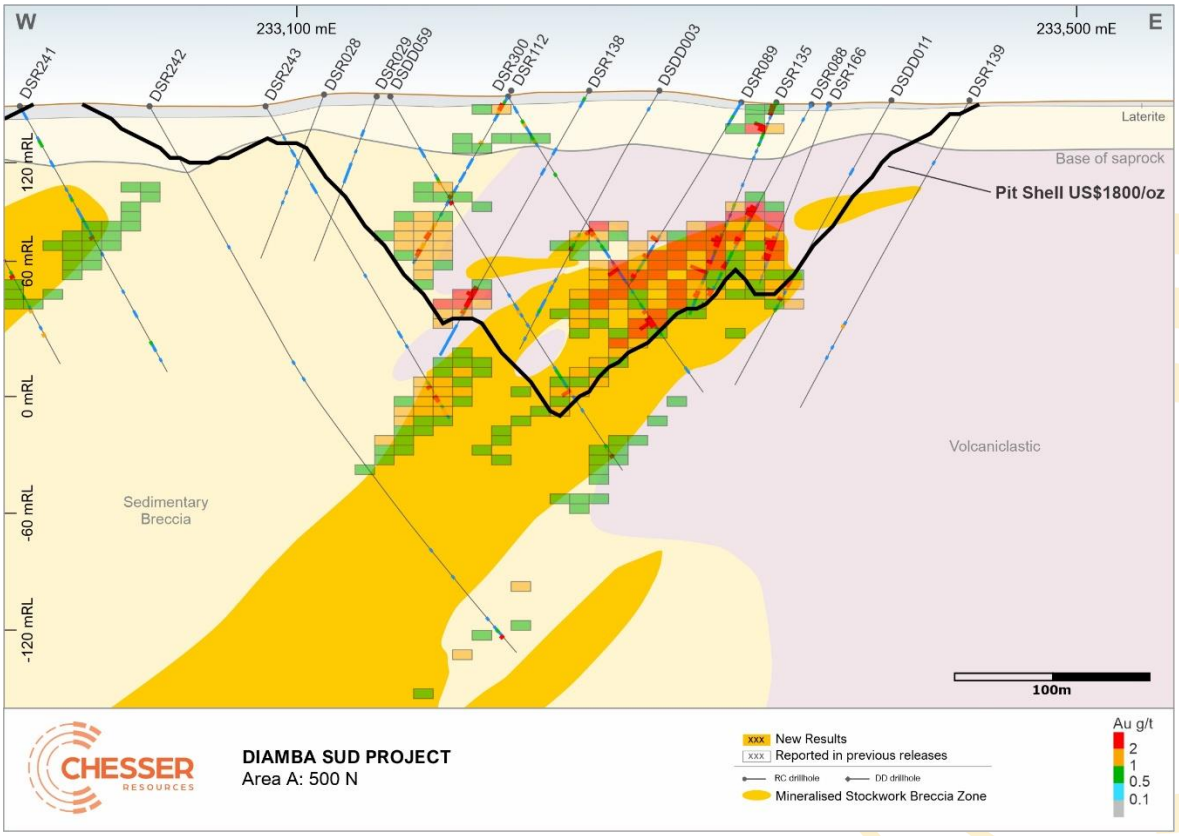



**Figure 12: Area A Section 1429500mN resource section within the US$1,800/oz gold pit shell**

## ATTACHMENT 2

## TECHNICAL OVERVIEW

The following is a material information summary relating to the Resource, consistent with ASX Listing Rule 5.8.1 requirements. Further details are provided in JORC Code Table 1, which is included as Attachment 3.

## GEOLOGY and GEOLOGICAL INTERPRETATION

Downhole lithological and structural logging, downhole assays, in conjunction with local scale geophysics have been used to develop the current geological interpretation. Local variations in orientation and thickness of mineralised zones may arise but are not likely to significantly affect the resource estimate.

The ore deposit type is defined as orogenic lode gold with supergene enriched saprolitic zones. The geology at Diamba Sud is composed of sedimentary packages that are intruded by mafic to felsic intrusions of varying proportions and trajectories. Mineralisation is structurally controlled by faults and shears and mineralisation can occur within all lithologies that mineralised structures crosscut. Mineralisation can be disseminated or veined and is dominantly associated with pervasive alteration. Supergene enrichment of orogenic mineralisation within the saprolite zone is responsible for increasing grades of mineralisation dominantly within Area D.

## DRILLING

10,677m of logged diamond core and 28,159 m of logged reverse circulation drilling, with assays obtained from all intervals, has been incorporated into this resource estimate. Reverse circulation drilling was carried out by FTE, IDC and Minerex Drilling Contractors with diamond drilling carried out by FTE.

Drill holes were irregularly spaced to target mineralisation with between 20 and 50 m distance between collars along and across drill hole lines to provide a near 25 by 25 coverage. Drill lines are predominantly oriented east to west with some north-east and north-west striking lines that were part of early-stage reverse circulation drilling.

Diamond drilling was carried out at three different core diameters depending on the stage of exploration and the material being drilled through. PQ, HQ and NQ core has been drilled to date and core was orientated using Reflex ACT II orientation tool and surveyed using an EZ-TRAC survey tool. Reverse circulation holes, if not unintentionally blocked prior to surveying commencing, were surveyed using a Reflex EZ-SHOT survey tool.

## SAMPLING and SUB-SAMPLING

Sampling was nominally conducted at 1 m intervals for both reverse circulation and diamond drilling. Over contact zones and geologically significant zones diamond core sampling was reduced to a minimum of 0.4 m.

Reverse circulation samples are collected at the drill site and were riffle split to approximately 1 to 3 kg per sample. 2 m composites were submitted from the saprolite zones from 0 to 40

metres depth. In the Diamond drilling, 2 metre sample widths were also submitted for assay from wide zones that were anticipated to be barren.

Most diamond core is sawn in half, with only the 2 m composites and the PQ core being quartered.

Where cut in half, one half of the core is retained on site as a reference and the other is submitted for analysis; with quartered core only the quarter is submitted for analysis.

## SAMPLING ANALYSIS METHODS and QUALITY ASSURANCE

Samples were submitted to two internationally accredited laboratories: SGS Bamako, Mali, and ALS Ouagadougou, Burkina Faso. Samples were analysed using 50g Fire assay gold analysis with an AAS finish, FAA505 and Au-AA26 from SGS and ALS respectively. Two very high-grade samples that returned grades above the upper detection limit for the method, were re-submitted for gravimetric finish which has a higher upper detection limit.

Geostats and OREAS standards, blanks and duplicates have been inserted at regular intervals, and within expected mineralised zones, for all sample batches. After assays were received, standard QA/QC analysis was conducted to ensure that all batches were acceptable.

## RESOURCE ESTIMATION METHODOLOGY

The Mineral Resource was estimated using Ordinary Kriging (OK) as the grade interpolation method. Estimation was performed into a number of domains and sub-domains defined by a combination of lithological and grade boundaries. The four principal domains are the respective oxide and fresh domains for Area A and Area D. Although it is currently believed the mineralizing episodes are contemporaneous between the two domains, there is a distinct difference in the underlying protolith between the east and west at Diamba Sud with a more calcareous sedimentary stratigraphy in Area D (west) compared with at Area A in the east where the lithologies are dominated by a sequence of volcanoclastics and areanacous sediments. In both Area A and D the stratigraphy in the fresh material shows a gentle to moderate dip of up to 45° to the west and north-west with the mineralisation appearing to preferentially follow particular stratigraphic units. In the overlying oxide domains, the stratigraphic control is less obvious with clear re-mobilisation and dispersion of gold into the saprolite and, in places into the overlying thin laterites creating a wider mineralised halo which does, however, still follow the general strike trend of the underlying primary ore towards the north-northeast.

Samples were composited to 2m intervals for each of the 4 primary domains and estimation for each domain was restricted to only using the composites within that domain. High grade cutting was not carried out as the 2m compositing had already had the effect of reducing the influence of the few high-grade outliers and significantly reducing the variance and coefficient of variance. There appears to be well established stationarity within the individual domains.

Semi-variogram analysis was performed for each of the domains with the overall trend for the oxide domains being one of horizontal primary and secondary trends wile for the fresh domains the variography orientation followed the general stratigraphic trend with primary direction to the north-northeast and secondary in the down dip. There is some evidence for a potential

plunge component in the Area A fresh domain but this could not be adequately modelled and a horizontal primary orientation was used.

A single block model covers both Area A and D with a block size of 10x10x5m chosen following kriging neighbourhood analysis and which seem appropriate given the spacing of drill sections down to 25m in the centre of both areas. No sub-blocking was carried out. The Mineral resource block model was created, and variables for grade and density interpolated, using the Seequent Leapfrog® software package. The final block model was imported to Surpac® for reporting and for optimisation (see below).

## BULK DENSITY

Bulk density data was available from 2,466 samples taken from 56 diamond core holes covering the total resource footprint. Data was available for the fresh rock domain in both Area A and Area D and from the oxide domain in Area D. However only limited sampling was carried out in the oxide domain at Area A and as a result this domain was given an average density value of 1.8t/m$^3$. The remaining domains contained sufficient sample data to allow an estimation of individual block density to be carried out. Sample populations were restricted to the appropriate domains and visual examination of sample results showed a clear boundary at the modeled oxide/fresh contact with very little evidence for the presence of any extensive transition zone. Analysis of correlation between geological domains and bulk density did not show a significant correlation and neither does there appear to be any clear correlation with grade.

## CLASSIFICATION CRITERIA

It is important to ensure that the classification does not simply reflect the geostatistical "numeric" confidence results and that the geological logging and domain modelling are taken into account.

Classification was, therefore, based on a combination of the assessed geological continuity, derived from the geological resource domain modelling, in conjunction with geostatistical confidence derived from the results of the kriging quality calculations (specifically the Slope of Regression, ("SoR")) estimated during the grade interpolation. The SoR results are influenced by the semi-variogram modelling and it was necessary to establish the appropriateness of the models through Kriging Neighbourhood Analysis ("KNA").

All blocks with assigned grade values were firstly given a classification category of Inferred on the basis of the quality of the underlying semi-variogram models. An Indicated wireframe model was then digitised on plans and sections based on the assumed geological continuity and enclosing areas with SoR results generally greater than 50% (Figure 7). Some areas where the SoR was >50% were excluded where it was obvious that the drill coverage was sparse, and the results were being derived from only 1 or 2 holes. Alternately, some blocks with SoR values of <50% were included in the Indicated category where the geological continuity suggested a high degree of confidence and where excluding them would lead to a disjointed and discontinuous zone of confidence.

Expansion of the search ellipse in the oxide domain in Area D led to an area of grade values in the west and north-west which contained relatively high block grade values. However, these

are derived from a small number of high-grade samples at the western limit of the Area D drilling and the extrapolation of these high grades was not constrained by lower/barren grades further west. It was decided to exclude these blocks from the classification until such time as additional drilling can be carried out in this area and the blocks in this domain have been given an unclassified category and excluded from the Mineral Resource statement.

## REASONABLE PROSPECTS for EVENTUAL ECONOMIC EXTRACTION

To meet the requirements that the reported Mineral Resource conforms to having reasonable prospects for eventual economic extraction, a high-level open pit optimisation exercise was performed. The inputs for the optimisation were based on appropriate benchmarking from similar sized and geographically located operations as well as from the combined experience of the technical team. Processing recoveries were based on results from preliminary metallurgical testwork and a pit shell was derived at a gold price of US$1,800/oz as a reasonable assumption of future gold price based on the three years average (2018-2021) as well as current prices and trends. Only blocks which fell within the US$1800/oz pit shell were reported in the attached Mineral Resource statement.

**Table 5: Optimisation input parameters for the US$1,800/oz base case**

| Parameter | Domain | Value | Comments |
|---|---|---|---|
| Block Size | All | 10x10x5m | XYZ |
| Mining Dilution | Oxide | 10% | Assumption |
| | Fresh | 10% | Assumption |
| Mining recovery | Oxide | 95% | Assumption |
| | Fresh | 95% | Assumption |
| Gold Price | All | US$1,800/oz | Base case |
| Selling cost | All | US$3.28/g | 5.5% government/community royalty plus US$3/oz refining cost |
| Mining Cost | All | US$2.65/t | Peer analysis |
| Processing cost (inc G&A) | Oxide | US$23.00/t | Peer analysis, G&A=US$12M/pa @ 1Mtpa |
| | Fresh | US$28.30/t | Peer analysis, G&A=US$12M/pa @ 1Mtpa |
| Process recovery | Oxide | 95% | Testwork average recovery less 2% |
| | Fresh | 93% | Testwork average recovery less 2% |
| Slope Angle | Oxide | 35° | Assumption - no geotechnical analysis |
| | Fresh | 50° | Assumption - no geotechnical analysis |

## CUT-OFF GRADES

The cut-off grade of 0.5g/t gold for reporting Resources was selected on the basis that it is approximately the calculated average economic cut-off grade for the mining, processing and G&A costs using the optimisation input parameters adjusted for strip ratio and a throughput rate of 1.5Mtpa (G&A reduced to US$8/t from US$12/t).

## MINING and METALLURGICAL

This Mineral Resource estimate is based on conventional drill, blast, load, and haul open pit mining methods. The pit optimisations prepared to support reasonable prospects for eventual economic extraction had appropriate mining dilution and ore loss factors applied (10% dilution and 5% ore loss).

The Mineral Resource estimate is reported without mining dilution or ore loss.

Oxide and fresh mineralisation at both Area A and Area D have been subject to direct cyanide leaching testwork programs which returned average recoveries of 96% (recoveries ranged from 86.0% to 99.7%) with no evidence of deleterious elements and exhibited rapid leach kinetics and low reagent consumption. Mineralisation should be amenable to a simple cyanide leach process flow sheet. Recoveries applied to the pit optimisation were based on the average recoveries returned by each material type discounted by 2% to reflect the early stage of the metallurgical testwork program.

## ATTACHMENT 3

# JORC Code, 2012 Edition – Table 1 (Diamba Sud)

## Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Sampling techniques* | • *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.* | • Sampling was nominally at 1 m intervals for diamond and reverse circulation drilling however over contact zones and geologically significant zones in diamond core it was reduced to 0.4 m.<br>• Samples were collected from the core trays after they had been transported to the camp at Saraya, marked up, recovery recorded, photographed and core split in half or quartered by a diamond saw.<br>• RC holes are sampled at 1 m intervals.<br>• 2 m composite samples were sent for analysis from known barren zones in diamond core and the oxide from 0 to 40 metres in reverse circulation holes. Exceptions to this are the later RC holes drilled in areas where ore grade mineralization in the oxide was anticipated, these holes were sampled and submitted at 1 m intervals.<br>• Reverse circulation samples were collected in situ at the drill site and were riffle split to a nominal 1 to 3 kg per sample.<br>• Certified reference material from OREAS and Geostats, blanks and sample duplicates were inserted at regular intervals. Oreas standards that have been submitted to date are OREAS 210, OREAS 222, OREAS 250, OREAS 250b and OREAS 278; G900-7 is the only Geostats standard submitted to date.<br>• All diamond holes are sampled at geological intervals with a nominal maximum interval of 2 metres. |
| *Drilling techniques* | • *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diametre, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).* | • Diamond drilling was carried out by Forage FTE Drilling, using an Atlas Copco CS14 drill rig.<br>• Reverse Circulation drilling was carried out by Forage FTE Drilling, using an Atlas Copco T3W drilling rig with an auxiliary booster, IDC using a RC6(Schramm)450 and RC17(Schramm)685 rig with an auxiliary booster, and Minerex Drilling Contractors using UDR-KL900 and PM10 drilling rigs.<br>• The diamond holes were drilled by 3 core diametres: PQ (85 mm) through the laterite sequence until the oxide-fresh transitional boundary in more recent Area D diamond holes, HQ (63.5 mm) in most other holes from surface down to the oxide-fresh transitional boundary through to completely fresh rock and NQ (47.6 mm) in deeper fresh rock.<br>• The diamond core was orientated using an Reflex ACT II orientation tool and surveyed using an EZ-TRAC survey tool.<br>• Reverse circulation holes were surveyed by Minerex, IDC and FTE using a Reflex EZ-SHOT survey tool. FTE also used a Reflex EZ-GYRO survey tool.<br>• Some reverse circulation holes could not be surveyed due to the borehole being blocked as a result of a collapse of the walls of the borehole or due to lost drilling equipment. These holes were given the planned azimuth and dip values so that downhole data could be plotted.<br>• Diamond tails to reverse circulation holes were utilized to drill |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | through the unmineralized rock from surface or to extend the depths of previous reverse circulation holes to where mineralization was anticipated. |
| *Drill sample recovery* | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | • Diamond core recovery was measured for each run and calculated as a percentage of the drilled interval, in weathered material, core recoveries were generally 80 to 90%, in fresh rock, the core recovery was excellent, normally close to 100%.<br>• There has been no assessment of core sample recovery and gold grade relationship.<br>• An initial visual estimate of sample recovery was undertaken at the drill rig for each RC sample metre collected.<br>• Collected samples were weighed to ensure consistency of sample size and monitor sample recoveries.<br>• Sample recovery and condition was recorded at the drill site.<br>• No systematic sampling issues, recovery issues or bias was picked up and it is therefore considered that both sample recovery and quality is adequate for the drilling technique employed. |
| *Logging* | • *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | • All drill samples were geologically logged by Chesser Resources geologists.<br>• All diamond holes were geological logged for lithology, weathering, structure, texture, alteration and alteration intensity, sulphide presence and abundance, colour and veins. Diamond holes were geotechnically and structurally logged.<br>• Reverse circulation holes are logged for the same geological features as diamond holes. A sample of RC chips from each metre is stored in plastic chip trays for future reference.<br>• 10,676.6 m of logged diamond core and 28,159 m of logged reverse circulation chips has been incorporated into this resource estimation.<br>• Before core is cut for sampling, photographs of both wet and dry core are taken. Photographs of wet chips are taken after they have been placed in chip trays with depth intervals labelled. |
| *Sub-sampling techniques and sample preparation* | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • Diamond core of NQ and HQ was typically cut in half, one half retained as a reference and the other sent for assay. If 2 m intervals were sampled, a quarter core was taken for analysis for NQ and HQ core with the remainder retained as a reference. PQ core was quartered.<br>• Sample size assessment has not been conducted but is consistent with what is typical for West African gold deposits.<br>• All RC samples were split at the drill rig utilizing a 3- tier riffle splitter with no sample compositing being undertaken of the 1 metre samples.<br>• Two-metre composite RC samples were collected from and submitted for analysis, between 0-40 metres downhole for some reverse circulation holes. From 40 metres to EOH 1 metre samples were submitted for analysis. More recently RC holes in Area D have been sampled at 1 m intervals from surface.<br>• Duplicates were taken to evaluate representativeness.<br>• Further sample preparation was undertaken at the SGS laboratories by SGS laboratory staff:<br>  • At the laboratory, samples were weighed, dried, and crushed to 75% < 75 µm. Gold is assayed by fire assay (50g charge) with an AAS Finish.<br>  • The crushed sample was split and 1.5kg sample was collected using a single stage riffle splitter.<br>  • The 1.5kg split samples were pulverised in an LM2 to 95% passing 200 mesh (75 µm).<br>  • Re-assays were performed on samples that reported at the upper detection limit (100 ppm Au), consisting of a 50g fire assay with gravimetric analysis.<br>  • Barren sand wash was required at the start of each batch |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | and between samples.<br>• Sample pulps are retained at the SGS laboratory under secure ''chain of custody'' and then returned to Chesser to be retained in secure storage facilities.<br>• Sample sizes and laboratory preparation techniques are considered to be appropriate for this stage exploration and the commodity being targeted.<br>• Sample preparation was also undertaken at the ALS laboratories by ALS laboratory staff:<br>• Any wet samples were dried at up to 120°C in drying ovens at the laboratory before weighing and crushing.<br>• Samples were weighed and crushed to better than 70% less than 2 mm.<br>• Crushed samples were rifle split and 250g sample was collected.<br>• The 250g sample was crushed to better than 85% <75 µm.<br>• Samples are retained by ALS and are returned to Chesser in due course. |
| *Quality of assay data and laboratory tests* | • *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*<br>• *For geophysical tools, spectrometres, handheld XRF instruments, etc, the parametres used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*<br>• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.* | • Samples were submitted to two internationally accredited Laboratories; SGS's Laboratory in Bamako, Mali, with most samples for 50g Fire Assay gold analysis with an AAS finish (FAA505), with 2 samples analyzed with a gravimetric finish (FAG505), and at ALS's Laboratory in Ouagadougou, Burkina Faso, for 50 g Fire Assay with an AAS finish (Au-AA26).<br>• The 50 g Fire Assay with an ASS analysis from both laboratories have a lower detection limit of 0.01 ppm and an upper detection limit of 100 ppm for gold.<br>• The 50 g Fire Assay with a gravimetric finish analytical technique has a lower detection limit of 0.5 ppm and an upper detection limit of 3000 ppm.<br>• Fire assay is considered a "total" assay technique.<br>• No field non assay analysis instruments were used in the analyses reported.<br>• A review of certified reference material, duplicates and sample blanks inserted by the Company indicated no significant analytical bias or preparation errors in the reported analyses.<br>• Results of analyses for field sample duplicates are consistent with the style of mineralisation evaluated and considered to be representative of the geological zones which were sampled.<br>• Internal laboratory QA/QC checks are reported by the laboratory and a review of the QA/QC reports suggests the laboratory is performing within acceptable limits. |
| *Verification of sampling and assaying* | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | • All drill hole data is paper logged at the drill site and then digitally entered by Company geologists at the site office.<br>• All digital data is verified and validated before loading into the drill hole database.<br>• Several reverse circulation holes were twinned with diamond holes to establish the validity of the reverse circulation drilling technique, the results of which are satisfactory.<br>• Reported drill results were compiled by the company's geologists and verified by the Company's exploration manager.<br>• Assays that returned at the lower detection limit of <0.01 ppm were changed to the numeric value of 0.0001 ppm to identify the barren zone for resource calculations. |
| *Location of data points* | • *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*<br>• *Specification of the grid system used.* | • Drill hole collars were located using GPS averaging.<br>• Accuracy of the averaging of the GPS is ±3 m and is considered appropriate for this level of early exploration.<br>• The grid system is UTM Zone 29N. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | • *Quality and adequacy of topographic control.* | |
| *Data spacing and distribution* | • *Data spacing for reporting of Exploration Results.*<br>• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*<br>• *Whether sample compositing has been applied.* | • All drill holes were drilled on 25 m line intervals at between 20 to 50 m along each line.<br>• Drill hole lines are predominantly oriented east to west. Some early-stage reverse circulation exploration drilling lines strike north-east and north-west. |
| *Orientation of data in relation to geological structure* | • *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*<br>• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.* | • The current drill hole orientation is considered appropriate for the program to reasonably assess the prospectivity of known structures interpreted from other data sources.<br>• The relationship between the drilling orientation and the orientation of key mineralized structures is not considered to have introduced a sampling bias. |
| *Sample security* | • *The measures taken to ensure sample security.* | • All drilling samples were collected and taken to the SGS laboratory in Mali or the ALS preparation lab in Kedougou, Senegal, and further to the ALS laboratory in Burkina Faso under secure ''chain of custody'' procedure by SGS and ALS staff.<br>• Pulps submitted for analysis to SGS and ALS are returned back to the company in due course.<br>• The RC samples remaining were removed from the site and stored at the company's field camp in Diamba Sud. |
| *Audits or reviews* | • *The results of any audits or reviews of sampling techniques and data.* | • There has been no external audit or review of the Company's sampling techniques or data at this stage of exploration. |

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Mineral tenement and land tenure status* | • *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*<br>• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.* | • The results reported in this report are all contained within The Diamba Sud permit which is held 100% by Boya S.A., a wholly owned subsidiary of Chesser Resources.<br>• The Diamba Sud permit is located in southeast Senegal within the Department of Saraya, in the Kédougou Region and within the Arrondissement of Bembou. The permit is situated 50 km north of the Senegal-Guinea border and less than 3 km west of the Falémé river which defines the international border between Senegal and Mali. The Permit is approximately 665 km away from the capital, Dakar, and is 83 km away from the nearest city, Kédougou.<br>• The Diamba Sud permit is in good standing, with an expiry date of 09/6/2024. |
| *Exploration done by other parties* | • *Acknowledgment and appraisal of exploration by other parties.* | • The area that is presently covered by the Diamba Sud was explored intermittently by several companies prior to 2015. No known or recorded systematic mineral exploration was carried out at the property prior to 1994.<br>• IAMGold undertook minor RAB and Auger drilling at the project (Bembala Prospect) during 2012. The results of which are not known by Chesser Resources Ltd. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Geology* | • *Deposit type, geological setting and style of mineralisation.* | • The deposit style targeted for exploration is orogenic lode gold with supergene enriched saprolitic zones specifically in Area D.<br>• This style of mineralisation can occur as veins or disseminations in altered (often silicified) host rock or as pervasive alteration over a broad zone.<br>• Deposits are often found in close proximity to linear geological structures (faults & shears) often associated with deep-seated structures.<br>• Lateritic weathering is common within the project area. The depth to fresh rock is variable, extending to 70 to 80 m below surface. |
| *Drill hole Information* | • *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*<br>○ *easting and northing of the drill hole collar*<br>○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>○ *dip and azimuth of the hole*<br>○ *down hole length and interception depth*<br>○ *hole length.*<br>• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.* | • Drill collar elevation is defined as height above sea level in metres (RL).<br>• All holes were drilled at an angle deemed appropriate to the local structure as understood at the time of drilling.<br>• Down hole length of the hole is the distance from the surface to the end of the hole, as measured along the drill trace. |
| *Data aggregation methods* | • *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*<br>• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | • No metal equivalent reporting is used or applied.<br>• No cutting of high grades was conducted.<br>• Where intercepts of different lengths have been aggregated, this was done using a length weighted average. |
| *Relationship between mineralisation widths and intercept lengths* | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').* | • Exploration results are not being reported. |
| *Diagrams* | • *Appropriate maps and sections (with scales) and tabulations of* | • Drillhole plans and selected sections have been provided in previous public releases. There is no additional drill information |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.* | contained within this release that has not been previously released.<br>• Selected sections have been included in this release. |
| *Balanced reporting* | • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | • Results from DSR103 have been omitted from estimation calculations due to uncertainty over the possibility of contamination.<br>• All other assays results have been included for the resource estimate. |
| *Other substantive exploration data* | • *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.* | • No other exploration data that is considered meaningful and material has been omitted from this report. |
| *Further work* | • *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | • Infill and extension drilling for the mineral resource is scheduled for 2022. |

## Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Database integrity* | • *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*<br>• *Data validation procedures used.* | • All field data was collected in hard copy format and subsequently uploaded to spread sheets which were stored on an in-house database.<br>• The database is managed by a database manager who ensures the integrity of the data being uploaded onto it.<br>• Data is validated before being input and stored in the database by a person who did not collect the primary data. Data validation software is further utilized to validate any incorrect data that may have been missed during first-pass validation.<br>• The data files were presented to the Competent Person responsible for the MRE by the Company after internal checks on data validity were carried out.<br>• Data was imported from individual excel spreadsheets for collar, survey, assay, lithology, structural measurements, bulk density and weathering, into the Leapfrog ® Geo software which allowed data integrity checks to be carried out for missing or overlapping intervals, non-numeric data and duplicate data intervals. These errors were flagged during import and corrective measures put in place.<br>• Manual visual validation of lithology and weathering codes were performed, and validation of the bulk density data was carried out in conjunction with the geological and weathering |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | log data in order to confirm the appropriateness of the data. |
| *Site visits* | • *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*<br>• *If no site visits have been undertaken indicate why this is the case.* | • A site visit was conducted by Mr Andrew Grove in April 2021.<br>• The Competent Person responsible for the Mineral Resource Estimate has not, at this stage, carried out a site inspection owing, in a large part, to the increased level of travel restrictions due to the Covid-19 Pandemic which were in place through much of the time period of the work for this report. It is planned that the competent Person will carry out a site visit at the earliest appropriate opportunity. |
| *Geological interpretation* | • *Confidence in (or conversely, the uncertainty of ) the geological interpretation of the mineral deposit.*<br>• *Nature of the data used and of any assumptions made.*<br>• *The effect, if any, of alternative interpretations on Mineral Resource estimation.*<br>• *The use of geology in guiding and controlling Mineral Resource estimation.*<br>• *The factors affecting continuity both of grade and geology.* | • There is a high degree of confidence in the current geological interpretation given the relatively close spaced drilling and the perceived continuity seen between sections and in plan view for both geological/stratigraphic units and zones of enhanced mineralization. The evolution of the geological model since the commencement of drilling has been enhanced by targeted infill holes and structural studies as well as re-logging of early core and RC chips in light of observations and interpretations made during later phases of the drilling.<br>• All downhole lithological and structural logging in addition to other geological data such as local scale geophysics has been used to formulate the current geological interpretation for the mineral resource estimate.<br>• The current interpretation of a largely stratabound mineralised zone is used to direct the modelling of the mineralized domains in both Area A and D in the fresh horizon. The interpretation is of a moderately dipping to the west (40-50°) series of units which have undergone hydrothermal alteration and fracturing to a greater or lesser extent in part dependent on their protolith composition. The Area A sequence largely consists of a mineralised sequence of arenaceous sediments within a package of volcaniclastic sediments and bounded by a sequence of felsic intrusives. In Area D the mineralised sequence is composed of a more calcareous and argillaceous sequence with less volcanic content. The oxide resource domains consist of the dispersion halo and associated with deep saprolite weathering overlying the structures and mineralised sequences and, as a result, largely follow the overall trend of the underlying fresh domains, albeit with a wider and more horizontal to gently dipping trend applied to the continuity of the mineralization.<br>• The continuity of laterally discontinuous structures that were theorized conduits for mineralising fluids and of preferentially mineralised host sedimentary packages, affects the grade distribution within fresh rock. The depth and lateral extent of a deep lateritic horizon overlying auriferous structures and host lithologies affects the grades within the oxide zone, with supergene enrichment locally occurring over Area D.<br>• The relationships observed between, and the controlling factors of, alteration, mineralisation, veining, grade and structures are not yet fully understood but work investigating the structural geology and characterising the different hydrothermal events at the deposit is improving the understanding and does not materially impact the current Mineral Resource Estimate reported herein. |
| *Dimensions* | • *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.* | • The primary (fresh) Mineral Resource extent in Area A is approximately 450m along strike with a bearing of approximately 010°. At Area D the primary Mineral Resource has a strike extent of 400m and a strike direction of 015°. The oxide Resource at Area A is relatively small and follows the general trend of the underlying primary deposit. At Area D the oxide resource is much more extensive covering an area of approximately 500m (in the across strike direction of 105°) x 250-400m in the strike direction of 015°. Plan width of the |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | primary structures varies between 10-40m in Area D and up to 100m in Area A.<br>• Depth of the Oxide resource domains varies from an average of 20m in Area A to between 20-40m in Area D with an average of around 35m in the latter.<br>• In Area A the depth of the fresh domain resources occurs from the base of the oxide to a depth of 250m with some narrow zones extending beyond this to a maximum of 300m. In Area D the depth of the fresh resource varies between 100m in the west to over 200m in the east. |
| *Estimation and modelling techniques* | • *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parametres and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parametres used.*<br>• *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.*<br>• *The assumptions made regarding recovery of by-products.*<br>• *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).*<br>• *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.*<br>• *Any assumptions behind modelling of selective mining units.*<br>• *Any assumptions about correlation between variables.*<br>• *Description of how the geological interpretation was used to control the resource estimates.*<br>• *Discussion of basis for using or not using grade cutting or capping.*<br>• *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.* | • The Mineral Resource was estimated using Ordinary Kriging (OK) as the grade interpolation method. Estimation was performed into a number of domains and sub-domains defined by a combination of lithological and grade boundaries. The four principal domains are the respective oxide and fresh domains for Area A and Area D. Interpolation search ellipse varies by domain and is between 80-100m along strike of the mineralization trend and between 50-85m in the dip orientation.<br>• Samples were composited to 2m intervals for each of the 4 primary domains and estimation for each domain was restricted to only using the composites within that domain. High grade cutting was not carried out as the 2m compositing had already had the effect of reducing the influence of the few high-grade outliers and significantly reducing the variance and coefficient of variance. There appears to be well established stationarity within the individual domains.<br>• Semi-variogram analysis was performed for each of the domains with the overall trend for the oxide domains being one of horizontal primary and secondary trends wile for the fresh domains the variography orientation followed the general stratigraphic trend with primary direction to the north-northeast and secondary in the down dip. There is some evidence for a potential plunge component in the Area A fresh domain, but this could not be adequately modelled, and a horizontal primary orientation was used.<br>• A single block model covers both Area A and D with a block size of 10x10x5m chosen following kriging neighbourhood analysis and which seem appropriate given the spacing of drill sections down to 25m in the centre of both areas. No sub-blocking was carried out. The Mineral resource block model was created, and variables for grade and density interpolated, using the Seequent Leapfrog® software package. The final block model was imported to Surpac® for reporting and for optimization.<br>• Given that the deposit is currently at an exploration stage there are no historic or current production records for reconciliation purposes available.<br>• Currently the Mineral Resource estimate only covers gold with no by-product assumed.<br>• Assay data for gold was used for the current Mineral Resource statement and no characterization of possible deleterious elements has been conducted at this stage. Multi-element data from initial hand-held XRF analysis is available but has not been utilised for the current Mineral Resource estimate. Metallurgical testwork is ongoing and forthcoming results will be incorporated into future iterations of the Mineral Resource estimate.<br>• Block model was based on a block size of 10x10m in the XY plane and 5m vertically. No sub-blocking was carried out although this does not preclude using a sub-blocking in future iterations.<br>• Drill spacing is broadly based on drill lines arranged east-west and spaced at 25m intervals north-south. Spacing along the lines varies but is generally between 20-30m east-west in |

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| | | Area A. At Area D the drill pattern is offset between lines giving a hole spacing of roughly 35m in the diagonal direction (NW and NE). Given the roughly 25x30m grid in Area A and the roughly 35m grid in Area D it was considered that the 10m blocks size would give an appropriate balance between sufficient block size for appropriate geostatistical quality and yet small enough to retain a suitable resolution for the grade domain outlines.<br>• No assumption has been made at this stage on selective mining units although the block size is similar to those the Competent Person has observed in operations working similar styles of mineralization.<br>• Only gold has been estimated and no assumptions are made, or considered necessary for correlation with other variables.<br>• As discussed above under "Geological Interpretation", the current interpretation of a largely stratabound mineralized zone is used to direct the modelling of the mineralized domains in both Area A and D in the fresh horizon. The interpretation is of a moderately dipping to the west (40-50°) series of units which have undergone hydrothermal alteration and fracturing to a greater or lesser extent in part dependent on their protolith composition. The Area A sequence largely consists of a mineralized sequence of arenaceous sediments within a package of volcaniclastic sediments and bounded by a sequence of felsic intrusives. In Area D the mineralized sequence is composed of a more calcareous and argillaceous sequence with less volcanic content. The oxide resource domains consist of the dispersion halo and associated with deep saprolite weathering overlying the structures and mineralized sequences and, as a result, largely follow the overall trend of the underlying fresh domains, albeit with a wider and more horizontal to gently dipping trend applied to the continuity of the mineralization.<br>• After compositing of the original samples (average 1m) to 2m intervals by estimation domain, it was not considered necessary to carry out further grade capping given the reduction in data variance and coefficient of variance produced by the compositing routine.<br>• Production reconciliation data is currently unavailable. Block estimates were checked using a combination of visual examination (Figure 9-12), swath plots and review of SoR distribution by the Competent Person and independently by the Company. |
| *Moisture* | • *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.* | • Tonnages were estimated on a dry basis |
| *Cut-off parametres* | • *The basis of the adopted cut-off grade(s) or quality parametres applied.* | • The cut-off grade of 0.5g/t gold for reporting Resources was selected on the basis that it is approximately the calculated average economic cut-off grade for the mining, processing and G&A costs using the optimisation input parameters adjusted for strip ratio and a throughput rate of 1.5Mtpa (G&A reduced to US$8/t from US$12/t). |
| *Mining factors or assumptions* | • *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining* | • In order to meet the requirements that the reported Mineral Resource conforms to having reasonable prospects for eventual economic extraction, a high-level open pit optimisation exercise was performed.<br>• The inputs for the optimisation were based on appropriate benchmarking from similar sized and geographically located operations as well as from the combined experience of the technical team. Processing recoveries were based on results from preliminary metallurgical testwork and a pit shell was derived at a gold price of USD$1,800/oz as a reasonable |

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| | *methods and parametres when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.* | assumption of future gold price as well as current prices and trends.<br>• The assumption was made that all mining would be by open pit methods with processing through a CIL plant.<br>• Mining ore loss of 5% and mining dilution of 10% was applied to the optimisation input.<br>• Optimization was carried out for all blocks classified as both Indicated and Inferred.<br>• Only blocks which fell within the US$1,800/oz pit shell were reported in the attached Mineral Resource Statement. |
| *Metallurgical factors or assumptions* | • *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parametres made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.* | • Early-stage metallurgical test work carried out on samples from diamond and reverse circulation rock samples has been completed.<br>• Area A metallurgical testwork reported on 10 November 2020 has shown gold recovery via direct cyanidation at a primary grind of $P_{80}$ 75 µm produced results ranging from 86.3–99.4% with an average of 96.2% from all submitted samples from Area A fresh mineralisation.<br>• Area D metallurgical testwork reported on 8 November 2021 has shown gold recovery via direct cyanidation at a primary grind of $P_{80}$ 75 µm produced results ranging from 86.0–99.7% with an average of 96.2% from all submitted samples from Area D oxide and fresh mineralisation.<br>• The associated ore and gangue mineral assemblages from Areas D and A do not appear to have a significant detrimental effect on the recovery of gold on a large scale. |
| *Environmen-tal factors or assumptions* | • *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.* | • A preliminary Environmental and Social Gap Analysis was undertaken by independent consultancy Environmental and Social Sustainability (ESS) to identify environmental, social, health, safety and security risks and impacts associated with the Diamba Sud Project. No "red flag" issues, defined as a problem that cannot be satisfactorily resolved within the context of a national legislation and the applicable standards, were identified as part of this analysis.<br>• No other environmental studies have been carried at this stage of the project, and a full environmental impact assessment has been commissioned and is ongoing. |
| *Bulk density* | • *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*<br>• *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.*<br>• *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.* | • Sample density determinations were carried out using the water displacement method.<br>• Incompetent oxide core samples from the weathering profile are wax coated prior to density determination<br>• Bulk density measurements were taken from each lithology that occurred down a borehole and accounted for differences in alteration/mineralization.<br>• Samples taken for bulk density measurements were roughly 15 cm in length.<br>• Bulk density (BD) estimation was carried out separately for the 4 principal estimation domains.<br>• Three of the domains (Area D Oxide and Fresh and Area A Fresh) contained sufficient BD sample results to allow the determination of BD into individual block estimates within the model.<br>• The Area A Oxide domain is very poorly covered by BD analyses and it was decided, on the basis of the results for Area D Oxide, to apply a blanket value of 1.8 t/m3 for |

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| | | material within this domain. |
| *Classification* | • *The basis for the classification of the Mineral Resources into varying confidence categories.*<br>• *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).*<br>• *Whether the result appropriately reflects the Competent Person's view of the deposit.* | • Classification was based on a combination of the assessed geological continuity, derived from the geological resource domain modelling, in conjunction with geostatistical confidence derived from the results of the kriging quality calculations (specifically the Slope of Regression, "SoR") estimated during the grade interpolation. The SoR results are influenced by the semi-variogram modelling and it was necessary to establish the appropriateness of the models through Kriging Neighbourhood Analysis ("KNA").<br>• As part of the above, the data integrity was taken into account, specifically the quality of the data validation during database import as well as the results from the QAQC studies and the confidence in the geological and mineralization model as described above under "Database Integrity" and "Geological Interpretation".<br>• All blocks with assigned grade values were firstly given a classification category of Inferred on the basis of the quality of the underlying semi-variogram models. An Indicated wireframe model was then digitised on plans and sections based on the assumed geological continuity and enclosing areas with SoR results generally greater than 50%. Some areas where the SoR was >50% were excluded where it was obvious that the drill coverage was sparse and the results were being derived from only 1 or 2 holes. Alternately, some blocks with SoR values of <50% were included in the Indicated category where the geological continuity suggested a high degree of confidence and where excluding them would lead to a disjointed and discontinuous zone of confidence.<br>• Expansion of the search ellipse in the oxide domain in Area D led to an area of grade values in the west and north-west which contained relatively high block grade values. However, these are derived from a small number of high-grade samples at the western limit of the Area D drilling and the extrapolation of these high grades was not constrained by lower/barren grades further west. It was decided to exclude these blocks from the classification until such time as additional drilling can be carried out in this area and the blocks in this domain have been given an unclassified category and excluded from the Mineral Resource statement.<br>• The resulting assigned classification codes are considered appropriate by the Competent Person given their understanding of the nature of the deposit and knowledge of the data verification procedures which have been enacted. |
| *Audits or reviews* | • *The results of any audits or reviews of Mineral Resource estimates.* | • This release relates to the maiden mineral resource estimate and as such no audits or reviews have been conducted at this stage other than internal review by the Company.<br>• Block estimates were checked using a combination of visual examination (Figure 9-12), swath plots and review of SoR distribution by the Competent Person and independently by the Company. |
| *Discussion of relative accuracy/ confidence* | • *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion* | • The deposit is at an advanced stage of exploration but, to date, no production has been carried out at Diamba Sud and no information is available which would enable reconciliation of the reported Mineral Resource with actual production data.<br>• Factors which could affect the relative accuracy of the current estimate would be a change in the geological interpretation or updated structural studies highlighting hitherto unmodelled structural controls. However, given the close spaced drilling in the core of the two domains at Area A and D, and the perceived continuity of both lithological controls and mineralized domains, it is considered unlikely that any changes would have a material impact on the global tonnes |

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| | *of the factors that could affect the relative accuracy and confidence of the estimate.*<br>• *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.*<br>• *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.* | and grade. Notwithstanding, at a local (block) scale future drilling and structural modelling may have an impact which would become relevant at the stage where economic and mine design work is commenced. |